



Impact Report 2024



Health for all, Hunger for none

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Driving Our Mission Forward: For the People, For the Planet



Dear Bayer stakeholders,

Health for all, Hunger for none – our mission is at the heart of everything we do at Bayer. We're dedicated to better health, improved patient care, and innovative agriculture to not only produce more food but also restore nature: by improving soil health, restoring biodiversity, and conserving water.

This past year has been a stark reminder of why our work matters. Record-breaking heat, devastating floods, and rising food insecurity have affected millions. Meanwhile, billions of people still struggle to access essential medicines and healthcare, and effective treatments for many critical diseases simply don't exist. And while these challenges may seem overwhelming, I firmly believe in the power of science and collaboration to create meaningful change. That's why we're pushing the boundaries of science to find solutions that truly make a difference – for you, for your family, and for our planet.

Let's highlight some of our key achievements from the past year:

// AI Innovations: In 2024, Bayer broke new ground with AI, in both farming and healthcare. Our partnership with Microsoft led to a generative AI tool, boosting agricultural productivity and sustainability. This tool upskills agronomists and empowers farmers with smarter, data-driven decisions. And in healthcare, our AI Innovation Platform, developed with Google Cloud and other partners, is streamlining the development of AI/machine learning healthcare applications, from imaging-based diagnostics to treatment options.

// Nutrition Access: Our Nutrient Gap Initiative reached 26 million people in underserved communities, providing vital nutrients for healthier lives, from food to supplementation.

// Medical Breakthroughs: Our pioneering work in cell and gene therapies is forging new frontiers in disease treatment. In January 2025, we announced that our investigational cell therapy in Parkinson's disease is advancing to Phase III – a first of its kind. Additionally, in June 2024, we presented our plans to build a translational center for cell and gene therapies in Berlin, in collaboration with Charité Berlin and other partners.

// Climate-Resilient Farming: The devastating drought in sub-Saharan Africa in 2024 highlighted the need for resilient food systems. 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 greenhouse gas emissions.

// Reducing our Footprint: In June 2024, we introduced our Climate Transition Plan, outlining our journey to Net Zero. Our ambition is clear: to achieve climate neutrality at our sites by 2030 and to reduce our greenhouse gas emissions by at least 90% across our value chain by 2050. In the future, our collaboration with Cat Creek Energy will ensure 40% of Bayer's global electricity and 60% of our U.S. electricity comes from renewable sources. In Germany, our agreement with the Wuppertal public utility company and investments in geothermal energy and zero-emission steam generation underscore our commitment to sustainability.

These initiatives are just a glimpse of Bayer's efforts towards a sustainable future. They significantly contribute to the Sustainable Development Goals (SDGs) and align with the UN Global Compact principles.

The journey ahead is filled with both opportunities and challenges. This report outlines our ambitions and progress. Moreover, insights from the recent "Breakthrough Study," one of the largest surveys on attitudes towards emerging technologies, reveal a crucial truth: The more people know about a technology, the more positively they view it. That's why we must not only innovate boldly but also communicate clearly. Advancing science for the planet and its people requires building trust and ensuring transparency.

The challenges ahead are daunting, but they are not insurmountable. By working together – scientists, farmers, healthcare professionals, and communities – we can create a healthier, more resilient future. I invite you to join us in this mission. Your insights and your voices are vital in shaping the sustainable future we all strive for.

Sincerely,

Bill Anderson

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

About this Report

With this Impact Report, Bayer aims to provide transparent and in-depth insights into both its sustainability strategy and its sustainability performance. This report supplements the Sustainability Statement which serves as nonfinancial statement for the Bayer Group (Section 315b et seq. of the German Commercial Code, HGB). The reporting standards applied for the Sustainability Statement pursuant to Section 289d of the German Commercial Code (HGB) are the European Sustainability Reporting Standards (ESRS). The Sustainability Statement is published in the Combined Management Report of the [2024 Annual Report](#). Throughout this Impact Report, we refer to data points in the Sustainability Statement, which has been subject to an external audit with limited assurance for the fiscal year 2024.

The reporting period for this Impact Report is the 2024 fiscal year. The closing date for all data and facts was December 31, 2024.

The Bayer Group's sustainability reporting has been aligned to the guidelines of the [Global Reporting Initiative](#) (GRI) and the 10 principles of the UN Global Compact (UNGC) since 2000. Together with the [Sustainability Statement in the Annual Report 2024](#), this Impact Report also serves as a reference for the questionnaire on the Communication on Progress in line with the UN Global Compact. We also take into account the relevant requirements of the Sustainability Accounting Standards Board (SASB). A [summarized index](#) according to the three SASB Industry Standards relevant to us – “Biotechnology & Pharmaceuticals,” “Chemicals” and “Agricultural Products” – can be found on our website. In our climate reporting, we follow the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and publish a [separate report](#) in PDF format also on our website. We also publish an overview of the Principal

Adverse Indicators according to the Sustainable Finance Disclosure Regulation (SFDR) on our [website](#).

We also use, for example, the international recommendations and guidelines of the Organisation for Economic Cooperation and Development (OECD) and ISO 26000 as a guide when defining and selecting nonfinancial indicators and in our reporting. In measuring the key data we are publishing, we apply the European Sustainability Reporting Standards (ESRS) and also take into account the recommendations of the Greenhouse Gas Protocol with respect to greenhouse gas emissions and those of the European Federation of Financial Analysts Societies, the World Business Council for Sustainable Development, the European Chemical Industry Council (CEFIC) and the International Council of Chemical Associations (ICCA) with respect to other nonfinancial indicators.

Data collection and reporting thresholds

Reporting of the Group's health, safety and environmental protection (HSE) data includes all fully consolidated companies in which we hold at least a 50% interest. Data on occupational injuries is collected at all sites worldwide. Environmental indicators are measured at all environmentally relevant production, research and administration sites. We consider all sites whose annual energy consumption exceeds 1.5 terajoules or annual water withdrawal is greater than or equal to 50 thousand cubic meters (Tm³) to be environmentally relevant.

Some indicators (particularly related to employees and procurement) are reported only for our [significant locations of operation](#) following the requirements of the corresponding GRI disclosures. In 2024, this covered 15 countries that accounted for more than 80% of total Bayer Group sales.

Where information is only relevant for parts of the Bayer Group, we refer to this. In addition, deviations are indicated in the footnotes of the relevant tables and graphs.

Additional information

- // As the indicators in this report are stated in accordance with commercial rounding principles, totals and percentages may not always be exact.
- // References to websites are indicated by an underlined word.
- // This report is issued in English only.

The Impact Report is published in PDF format together with the [2024 Annual Report](#), the SASB Index, the TCFD Report, the SFDR Index and the Sustainability Highlight Report on Bayer AG's [website](#). The Impact Report is prepared annually.

Sustainability Drives Value and Growth

A growing world population and the increasing burden on natural ecosystems are among the biggest challenges humanity is facing. This situation is further complicated by various geopolitical conflicts that are escalating. Furthermore, these crises clearly show how important it is to protect health and ensure food security worldwide – and how these goals are in jeopardy.

Our overall goal: from margin to impact

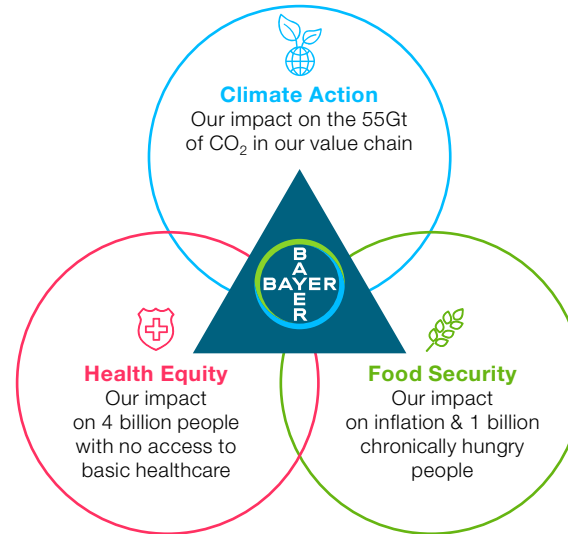
As a global leader in healthcare and nutrition, Bayer can contribute more than any other enterprise to solving global challenges through its business. With this goal in mind, Bayer is committed to ambitious targets that it aims to achieve through its own business activity and the endeavors of its employees.

To support Bayer's mission of "Health for all, Hunger for none," we defined three areas where we have a significant impact and aim to both boost our ambitions and drive our business solutions forward:

- // Climate action
- // Health equity
- // Food security

Bayer is uniquely positioned to provide solutions to these challenges – alongside our partners.

Our Areas of Impact



We look at these areas of action from a holistic perspective, knowing there are strong interdependencies and that it is at the intersections where Bayer can make a scalable difference in ways that drive our business:

- // Climate change negatively impacts both the availability and nutritional value of staple food crops and vegetables. This creates a challenging cycle of growing more nutritious food without undermining our planet.
- // Health needs and access are challenged by climate change, with rising temperatures compounding health issues and new or more diseases. This creates a heavy burden for both people and health systems – and especially for people living in the low- and middle-income countries.

// Food security fundamentally depends on the continuous development and advancement of sustainable agricultural innovations and on the health of farmers and communities who produce food – and, in turn, health is dependent on the availability of nutritious diets.

By addressing these areas with a clear focus on interdependence and our impact, we will contribute to closing the nutrient gap, strengthening regenerative agriculture and delivering solutions for people's health, in the face of rapidly increasing temperatures worldwide.

Sustainability is part of our corporate strategy

Building on our mission of "Health for all, Hunger for none," we consider sustainability to be at the core of our corporate responsibility – and it also safeguards our future growth. Sustainability is therefore an essential component of our corporate strategy, our business activities, our corporate values and the way in which we conduct our business. The following strategic sustainability targets apply as a guideline for the actions of all divisions:

- // Creating inclusive growth and added value for society and our investors
- // Reducing our ecological footprint
- // Embracing responsible business practices along our value chain

Our contribution to the Sustainable Development Goals

We align our own strategic sustainability targets with the global Sustainable Development Goals (SDGs) of the United Nations, which apply through to 2030. The global community is lagging behind in many areas, which makes the contribution we can make as a company to achieving these goals all the more important.

At Bayer, we are convinced that we can have a particular impact here, owing to our portfolio, our global reach and our innovative power. In this context, we consciously support those Sustainable Development Goals where there is a pressing need to act and where we can make the greatest impact through our businesses and their sustainability-focused transformation.



SDG 1 – No poverty

As farming is often the only source of income in low- and middle-income countries (LMICs), we help to fight poverty there through our engagement with smallholder farmers and by supporting women.



SDG 2 – Zero hunger

Our products and services help the global agricultural industry to increase production, and thus reduce food inflation, to feed a growing world population, while consuming fewer natural resources. This also benefits smallholder farmers in LMICs.



SDG 3 – Good health and well-being

Our products directly impact people's health. Some prevent diseases and others treat illnesses.

This applies worldwide – but particularly in LMICs, where we endeavor to make existing products and services accessible and affordable.



SDG 5 – Gender equality

We work to achieve gender equality in our business and through our supply chain. By providing modern contraception, we support women around the world in self-determined family planning. We also promote equal opportunity within our company.



SDG 6 – Clean water and sanitation

Our products and services help reduce future water consumption in agriculture. We strive to protect water resources, use them as sparingly as possible and further reduce water pollution.



SDG 13 – Climate action

We pursue a climate protection and decarbonization strategy that is aligned with the goals of the Paris Agreement. In our value chain, we promote resilient, low-emission farming that helps to capture carbon dioxide (CO₂) through new methods.



SDG 15 – Life on land

By reducing the environmental impact of crop protection products (Crop Protection Environmental Impact Reduction [CP EIR]), we support sustainable farming that aims to protect the environment within our value chain and to conserve biodiversity.

Our strategic approach

Bayer aims to promote sustainable development worldwide in accordance with the SDGs, while at the same time focusing on the future and aligning its businesses to grow in line with the sustainability targets. To achieve this, we link the concept of inclusive growth with a reduction in our ecological footprint based on responsible business practices along our entire value chain.

The Group-wide goals for inclusive growth and climate protection are accounted for in the long-term variable compensation (LTI) of our Board of Management and our LTI-entitled managerial employees. Our strategic focuses also address the demands increasingly expressed by the capital market that we transform our business from a sustainability perspective and report transparently on this using key data. In doing so, we want to be trustworthy and binding in our actions in relation to our stakeholders.

Focus areas: added value for people and the environment

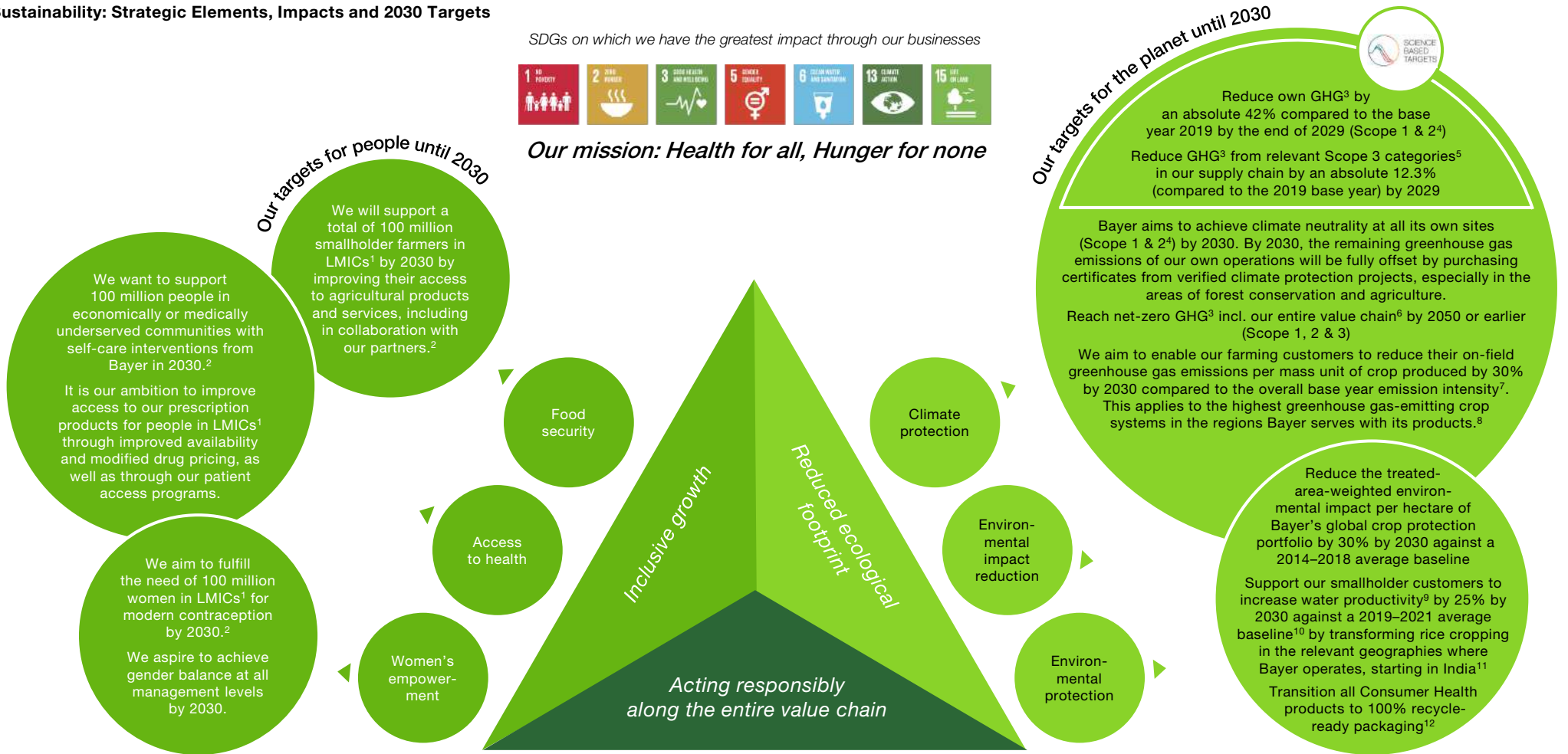
Bayer initiated an ambitious program that combines inclusive growth with the reduction of ecological footprint and aims to establish responsible business practices throughout our entire value chain. Bayer is thus living up to its responsibility toward the environment and society and has integrated this into its corporate governance.

Sustainability: Strategic Elements, Impacts and 2030 Targets

SDGs on which we have the greatest impact through our businesses



Our mission: Health for all, Hunger for none



¹ LMICs: low- and middle-income countries

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

³ GHG: greenhouse gas emissions

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

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

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

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

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

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

¹⁰ Baseline validation still ongoing

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

¹² Where safety permits and regulations allow

Access to healthcare

Millions of people still do not have access to basic medical care. Our portfolio includes a range of key products that are among the world's leading pharmaceuticals for their indications by sales, for example in the areas of cardiology, women's healthcare, ophthalmology and radiology. We believe we have a responsibility to improve access to healthcare for a growing world population. We reach people all over the world with the products and solutions of our Pharmaceuticals and Consumer Health divisions. As part of this, we also assess the needs of people in LMICs, for whom we want to make existing products and services accessible and affordable. At the same time, we are driving forward innovations to increase access to healthcare worldwide and thus improve people's health and well-being. In this way, we are making a significant contribution to the attainment of SDG 3 "Good health and well-being."

Food security: nutrition and agriculture

Hunger has increased worldwide in recent years, as the impact of climate change and the effects of armed conflicts are contributing to food shortages. In the area of agriculture and nutrition, our innovative products and services help to better feed the growing world population and fight hunger. In this way, we are contributing to SDG 2 "Zero hunger" by targeting inclusive growth in LMICs. The 550 million or so smallholder farmers worldwide play a central role in improving the food supply in these countries. As farming is often the only source of income for many people there, our engagement with smallholder farmers helps achieve SDG 1 "No poverty."

Reducing the ecological footprint

We want to reduce our ecological footprint along our entire value chain. With our solutions for more sustainable farming, we aim to protect the environment and biodiversity in accordance with SDG 2 "Zero hunger" and SDG 15 "Life on land." We aim to reduce the environmental impact of our crop protection products in farming and support the use of innovative

cultivation methods. We aim to improve water use of rice crops for our smallholder customers by transforming rice cropping and are thus supporting SDG 6 "Clean water and sanitation."

Climate change mitigation

In view of advancing climate change and its devastating consequences for human nutrition and health, one area of focus for reducing the ecological footprint is an ambitious decarbonization strategy. Our targets are in line with the Paris Agreement. To this end, we pursue extensive measures to support SDG 13 "Climate action." For example, we are reducing our own greenhouse gas emissions (Scope 1 & 2) and greenhouse gas emissions along our value chain (Scope 3). Our reduction targets were confirmed by the Science Based Targets initiative (SBTi), which has been updated and revalidated during the reporting year 2024. We want to achieve Net Zero emissions in our entire value chain by 2050, this represents a reduction of minus 90 % compared to the baseline of the year 2019. Furthermore, we aim to enable our farming customers to reduce their on-field greenhouse gas emissions.

Climate change adaptation

We are also helping to increase the resilience of our customers against the effects of climate change. Among the approaches we are developing in this connection are transformative solutions that aim to enable agriculture to emit fewer greenhouse gases and instead contribute to efforts to capture CO₂. This makes agriculture an important enabler in the fight against climate change.

Water stewardship

As a leader in health and agriculture, our ambition is to contribute to sustainable water use through a holistic water strategy. We aim to have a transformational impact that goes beyond our own operations and reflects our willingness to contribute to climate resilience and protect water resources.

Our efforts will encompass all water dimensions along the entire value chain, from our own operations to the farmers we work with.

Responsible business practices

Responsible business practices along the value chain define our company values and shape the way we conduct our business – from our commitment to environmental protection to our endeavors in relation to gender equality and respecting human rights.

Gender equality

We promote inclusion and diversity throughout Bayer, and this includes gender equality – SDG 5. We achieve the greatest impact through our business, particularly through our products to promote women's health and family planning and through our targeted support for female smallholder farmers as entrepreneurs in LMICs. We also promote equality in our own company and aim to achieve gender balance at all management levels by 2030.

Respect for human rights

We fully respect human rights and updated our human rights strategy in 2023 to address risks and effects in that area. The strategy supports the attainment of our corporate mission and the implementation of the SDGs. Bayer is a founding member of the UN Global Compact and respects the Universal Declaration of Human Rights of the United Nations.

Access to Healthcare as an Element of Sustainability

People in many parts of the world still do not have access to basic medical care, even though the need is high. Furthermore, regional and global crises continue to drive inequality in global society.

As part of our mission of “Health for all, Hunger for none” and the corresponding business strategy, we are addressing important medical needs and expanding access to our products and services, in both the prescription and the over-the-counter sector. We are thus helping to improve access to healthcare for a growing world population (→ SDG 3).

Many of our programs specifically focus on the health of women and children, thus also supporting gender equality (→ SDG 5).

Access to prescription medicines

With our prescription medicines, we make a valuable contribution to individual health and well-being, as well as sustainable development in general.

In 2024, Bayer established the Global Health Unit (GHU) with the mission of fostering inclusive growth by expanding reach and creating impact at scale for underserved populations. The GHU focuses primarily, but not exclusively, on more than 50 low- and middle-income countries (LMICs) where Bayer has a limited presence. By developing partnerships with supranational, regional, and governmental organizations, Bayer aims to improve access to medicine and advance in health and gender equality.

This particularly applies to our globally leading products in women’s healthcare, including with respect to family planning, and in areas such as cardiovascular disease, eye diseases, cancer and neglected tropical diseases (→ SDG 3).

Modern contraception – a key factor

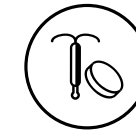
In many parts of the world, self-determination for girls and women depends largely on whether and when they start a family. Young women’s desire to participate in education can only be fulfilled if the advantages and opportunities of family planning are recognized and suitable healthcare services and contraceptives are available.

It is therefore not just a question of self-determined health, but also a human right to give women and girls the opportunity to choose the number, timing and intervals of their pregnancies.

As a component of family planning, modern contraception plays a key role in improving the health, rights and economic situation of women around the world. It thus provides the foundation for more equality and affluence and plays a crucial role in enabling participation in better education and improving health (→ SDG 3) and reducing poverty (→ SDG 1) and hunger (→ SDG 2). Family planning also strengthens gender equality (→ SDG 5), which in turn promotes economic and social development. According to the United States Agency for International Development (USAID), investment in family planning is therefore a “best buy” for development.

Access to modern contraception

As a leading global pharmaceutical producer of contraceptives, we have been active in this field for many years. We aim to fulfill the need of 100 million women in LMICs for modern contraception by 2030. In 2024, we already reached 51 million women in LMICs.



Target 2030:

Fulfill the need of 100 million women in LMICs for modern contraception

- // Base year 2019: 38 million
- // Status 2020: 40 million
- // Status 2021: 41 million
- // Status 2022: 44 million
- // Status 2023: 46 million
- // Status 2024: 51 million

To attain our target, we focus on the availability, accessibility and affordability of our products with resilient supply chains and uniform quality standards globally. Moreover, in partnership programs we are sharing resources and capabilities with other stakeholders to support women and girls, helping them to make contraceptive choices that suit them best, regardless of the product or its manufacturer.

Product accessibility

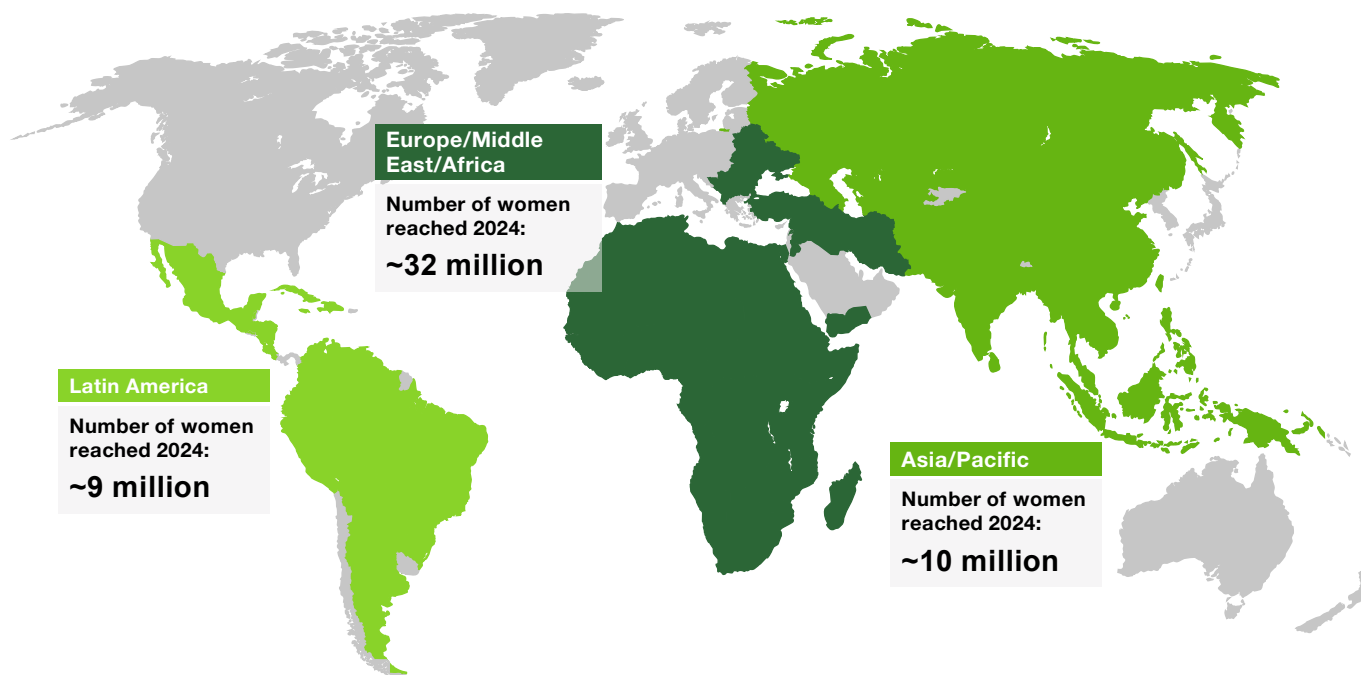
In 2024, Bayer's contraceptive products were used by women in 121 countries of the world. These contraceptives are provided to 92 countries through procurement platforms (e.g. via the United Nations Population Fund [UNFPA]) or through international tenders opened by the Ministry of Health of recipient countries. Bayer applies a set of preferable pricing schemes to allow as many women as possible to have access to family planning products. Paid by donor or domestic funds, these contraceptives are mostly free for the final recipient. In 2024, 26 million women used Bayer products through this mechanism.

In addition, Bayer country affiliates in LMICs are providing family planning products to the local pharmaceutical market through the pharmacy channel. In these cases, where women must pay for contraceptives themselves, we aim to apply a fair pricing approach to enable more women to access these products. In an increasing number of countries, Bayer sells to the public market under national health programs that include free access to contraceptives. Bayer's presence in local markets in LMICs is strong, with 82 countries following this model and providing contraceptive products to 20 million women in 2024.

Notably, in 51 countries, Bayer is active in both the private and the public sector, ensuring broad access to family planning to women across all income levels.

For more information, please see chapter 9. Social Engagement.

Access to Modern Contraception 2024



Supply security for contraceptives

We approved capital expenditures of more than €400 million to expand the contraceptive production facility at our site in Finland and build a new plant in Costa Rica. The site in Finland is preparing for market supply, and the Costa Rica site has got Good Manufacturing Practice (GMP) approval, now preparing for the supply of long-acting reversible contraceptives (Implants and hormonal intrauterine devices) to LMICs.

Partnerships

Beyond its role as a manufacturer for contraceptives, Bayer is entering into partnerships with a variety of stakeholders to pursue a common agenda for access to rights-based family planning and gender equality. Guiding principles for such partnerships and resulting programs are:

- // Demand driven with a strong local governance
- // Contributing to the 100 million women goal
- // Capacity building, strengthening the local healthcare system
- // Sustainable approach with a long-term impact

Examples are a partnership with the United Nations Population Fund (UNFPA) on local collaboration, innovation and global advocacy, and the co-sponsorship with the Bill & Melinda Gates Foundation for The Challenge Initiative (TCI), an award-winning public-private partnership program in Asia and Africa (P3 Impact Award given by the US Department of State, the University of Virginia and Concordia at the [Concordia Annual Summit](#)).

Differentiated pricing strategy

Our established approach to pricing and access to our prescription medicines not only ensures that our products are sold in reimbursement markets but is also geared specifically toward enabling these products to be offered in [LMICs](#) while taking the local purchasing power into account. In this, we work together with patients, charitable organizations, governmental authorities and other players to enable easier, sustainable access to our products based on adjusted pricing.

For most of our key products (Adempas™, Eylea™, Kerendia™, Kyleena™, Mirena™, Nexavar™, Stivarga™, Verquvo™ and Xarelto™), including specific new launches, we have established the framework conditions for adjusted, equitable pricing that also accounts for per capita gross national income.

Further engagement

For more information on our additional activities in connection with neglected tropical diseases (NTDs), malaria and non-communicable diseases, please see the chapter Focus on: Access to Healthcare.

Access to self-care

More than half the world's population has no access to basic and essential health services due to insufficient income, health deserts and a lack of access to clinics, pharmacies or other treatment options. Consequently, billions of people must rely on self-care to prevent disease, maintain their health or treat illness.

We want to support 100 million people in economically or medically underserved communities with self-care by interventions from Bayer by 2030. As a leader in science-based self-care solutions, we are already present and investing in many countries and regions where self-care is a health lifeline. In 2024, we continued to make progress and expand partnerships to drive access to self-care.



Target 2030:

Support 100 million people in economically or medically underserved communities with self-care

- // Base year 2019: 41 million
- // Status 2020: 43 million
- // Status 2021: 46 million (total 59 million¹)
- // Status 2022: 49 million (total 70 million¹)
- // Status 2023: 51 million (total 75 million¹)
- // Status 2024: 53 million (total 73 million¹)

¹ Including our strategic investments in India

To achieve our target, we are adapting our brands, products and solutions to meet the medical, pricing, packaging and distribution needs of people in underserved communities. We have expanded our affordable portfolio across regions and increased its availability in channels through which lower-income consumers purchase products.

To maximize our impact, we focus on key regions, namely [LMICs](#) in Latin America, Africa and Asia/Pacific, as well as underserved regions of the United States.

Nutrient Gap Initiative

One in three people in the world are surviving on diets that are lacking in the essential vitamins and minerals that are needed to enable them to grow properly, live healthy lives and raise a healthy family. The effects of this “hidden hunger” often worsen over time, can lead to long-term health problems and further accelerate the poverty cycle.

As a global leader in both agriculture and nutritional supplements, Bayer is uniquely positioned to help enable all people to have access to essential vitamins and minerals and improve their livelihoods. Launched in 2021, the Nutrient Gap Initiative (NGI) is Bayer's signature program to enable access to essential vitamins and minerals for 50 million people annually by 2030. The initiative addresses the main barriers to accessing micronutrients through interventions with accessible and affordable nutrition solutions, education and advocacy. Initially focusing on essential supplementation, the initiative was expanded to include our food portfolio, which includes vegetables, fruits and grains.

To achieve these aims, we are forming strategic partnerships, for example with Vitamin Angels to reach four million women and their babies with essential pre-natals each year and with the last-mile health social enterprise reach52 to provide nutrition education to underserved communities. Moreover, we are leveraging the Better Life Farming Centers (please see the chapter Transformation toward Sustainable

Agriculture) to advance access to vegetable seeds and nutrition education for smallholder farmers.

In 2024, Bayer reached 26 million people in underserved communities with NGI. It was also recognized as one of the leading practices for making nutritious food and solutions available by the Reuters Global Sustainability Awards, in the Social Impact category.

Capacity-building partnerships

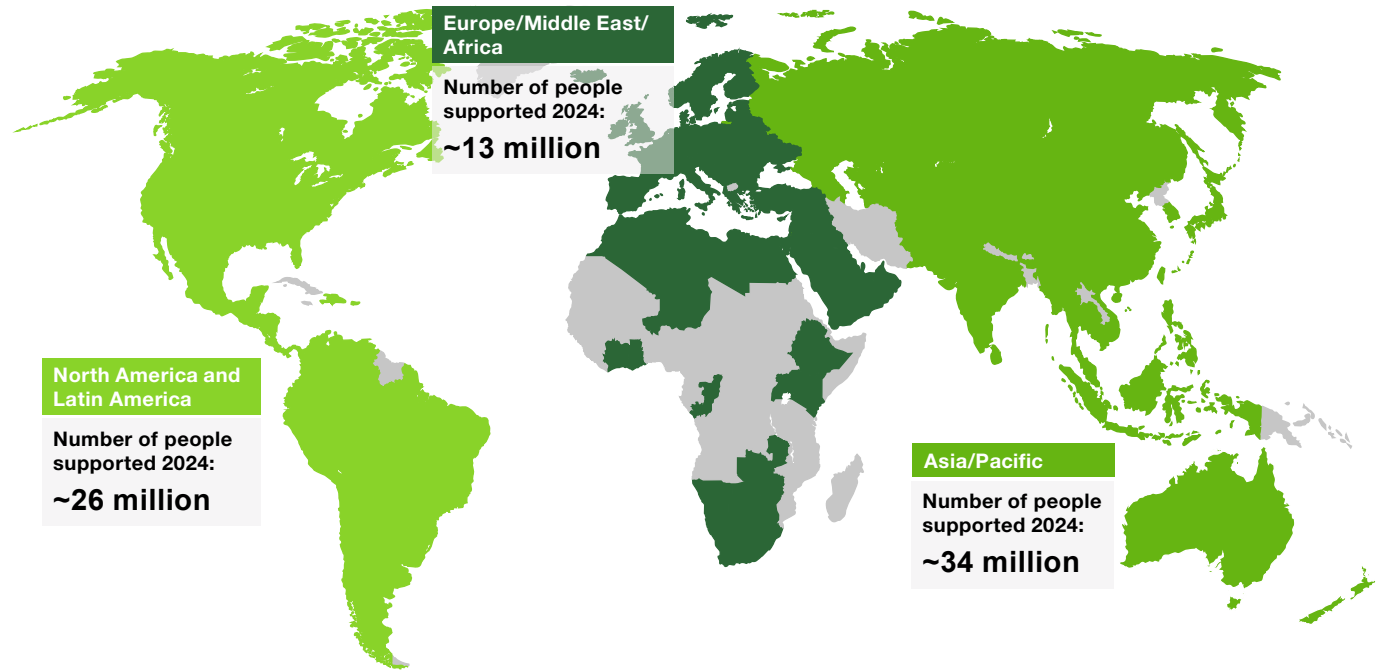
Partnerships help us provide people with access to essential self-care solutions and health education in contexts where self-care is often the only option available.

Vitamin Angels

Since 2020, we have been partnering with Vitamin Angels to reach underserved pregnant women, infants and children with multiple micronutrient supplements (MMS) and health education. In 2024, our partnership reached more than 7 million underserved pregnant women and their babies across 17 priority countries, including Indonesia, the Democratic Republic of Congo, Nigeria and the United States, bringing the total to 20 million women and babies since the start of our collaboration. In 2024, we continued to help support Vitamin Angels and academic partners to develop a continuing medical education curriculum to train healthcare providers on the importance of micronutrients. This curriculum was launched in Indonesia, Mexico and the United States.

Nongovernmental organizations (NGOs) have also become important implementation partners for Vitamin Angels, helping to expand the reach of its activity into Central American communities. Through our partnership with Un Kilo de Ayuda, we also continued to drive education and promote a culture of self-care through better nutrition among families in remote communities in Mexico.

Access to Self-Care 2024



reach52

We have also expanded our partnership with reach52, a social enterprise that delivers targeted, scalable health campaigns in emerging markets. Our partnership started in 2021 in Kenya, followed by South Africa and the Philippines, and then by Indonesia and India in 2023. We support reach52 in training community health workers to deliver health and self-care campaigns on pain management, nutrition, micronutrient deficiencies, family planning and maternal health. Together with reach52, we trained more than 300 community health workers between 2021 and 2024 and engaged with more than 460,000 residents. In addition, we have reached more than 870 communities to date via posters and community educational programs across the five countries.

In 2024, we intentionally focused on smallholder farmers whom we are already supporting through our comprehensive agricultural and livelihood solutions (please see section on smallholder farmers), as smallholder farmers' ability to feed their communities depends on their health. We are leveraging our portfolio and partnerships, including with reach52, Vitamin Angels and Better Life Farming Centers, to bring health equity to those who ensure food security, with pilot programs in India, Indonesia and Mexico.

Mujer360

In Latin America, we expanded the Mujer360 program in Central America beyond Guatemala and Honduras, adding Jamaica and Nicaragua. The program has partnered with

local NGOs since 2019 to provide health screening to women. The focus is on vaginal health and on training midwives, who act as healthcare contacts in remote communities. Since 2023, the focus has also included cardiovascular health.

Policy engagement

In 2024, Bayer continued to engage with the Global Self-Care Federation (GSCF), supporting efforts to raise the global agenda of self-care, promoting policies to support everyday health and contributing to multi-stakeholder action, which is a top priority and a key strategic endeavor for GSCF. A multi-faceted approach through the Self Care Coalition encompassed engagement with governments, the World Health Organization (WHO) and other influential multi-lateral organizations, academia, NGOs, patient representatives and healthcare professionals, fostering a dynamic new coalition of allies.

One of the strategic priorities of GSCF and the Coalition for Self-Care is to drive support for a WHO resolution on self-care. Through global health forums such as the World Health Assembly, the United Nations General Assembly and the World Health Summit, GSCF engaged policymakers in discussions on the role of self-care in strengthening health system sustainability. As a result of these engagements, several countries encouraged the WHO to consider a resolution on self-care. In response, the WHO has included self-care on the agenda for its Executive Board meeting in Q1 2025, to explore how self-care could be formally included in the Universal Health Coverage programmatic area. This marked a significant milestone for the self-care community, as increased recognition at the global level could help embed self-care more firmly within health policies, ultimately contributing to more resilient and sustainable healthcare systems.

In addition, we led the development of the “[Untapped Potential: Unlocking Self-Care for Global Health Progress](#)” and co-authored “[Impact of socioeconomic determinants on outcomes of eight select conditions for which self-care is a modality for prevention and treatment: a scoping review](#)”, which received peer-review validation this year.

Sustainability at the core of our brands

Sustainability is firmly anchored in our brand and product strategies. We integrate our sustainability commitments into the earliest stages of product development through our Sustainability by Design program to design innovation with availability, the environment and health in mind.

Bayer is an active partner in the GSCF's working group focused on implementing more sustainable blister packaging. We also joined the Blister Pack Collective to replace plastic packaging with a new dry-molded fiber blister pack made from renewable plant fibers. Replacing plastic packaging will reduce our carbon footprint in the future and support our goal to transition all Consumer Health products to 100% recycle-ready packaging (where safety permits and regulations allow). Initially, we are exploring how dry-molded fiber blister packs can be added to blister packaging and rolled out to other products as we develop and launch more sustainable solutions. In 2024, Bayer launched the polyethylene terephthalate (PET) blister packaging for Aleve. In partnership with pharma packaging specialist Liveo Research, this reduces the carbon footprint of this packaging by 38% and supports efforts in our environmental stewardship by eliminating the use of polyvinyl chloride.

Additionally, Bayer has introduced a refillable bottle in the development of Bepanthen™ dermatology products. The refill packs use 80% less packaging by weight and can be transported more sustainably due to their smaller size and weight.

We are evolving our brands to deliver sustainable impact on environmental and social goals. These actions include:

- // Canesten™'s educational program – Vagina Academy – continues to challenge social taboos rooted in harmful myths and misconceptions, empowering individuals with vaginas to take ownership of their intimate health. The educational program has already been introduced in 13 countries, with more to follow.
- // Elevit™, our prenatal supplement, continues to leverage its Every Beginning platform. The program focuses on giving every baby the best start in life by extending access to essential prenatal vitamins for women and their babies in underserved communities through our partnership with Vitamin Angels.
- // As cardiovascular disease is the number one cause of mortality globally, Bayer has partnered with HUMA to develop the Bayer Aspirin Heart Risk Assessment, an online tool that quickly assesses an individual's risk factors for developing cardiovascular disease over the next 10 years. This intervention supports greater awareness of hypertension and heart disease. Bayer is also partnering with the Government of Egypt to support underserved individuals living with or at risk of cardiovascular disease.

Transformation toward Sustainable Agriculture

Global agriculture and food systems are facing major challenges, such as climate change, water scarcity, degraded land and biodiversity loss. At the same time, the world population continues to grow, and millions of people are suffering from hunger and poverty. The growing global demand for food, feed, fiber and fuels will have to be met across a decreasing production area.

We work toward achieving sustainable agriculture that addresses the biggest challenges by means of innovation – agriculture that meets the needs of a growing world population while conserving natural resources (→ SDG 2); agriculture that emits fewer greenhouse gases and instead contributes to capturing carbon dioxide (CO₂); and agriculture that protects biodiversity and helps farmers worldwide to deal with the effects of climate change and become more resilient. The focus here is on increasing yields through innovative seeds, products and services, as well as on disseminating agricultural practices and forms of cultivation with ever-reduced environmental impact.

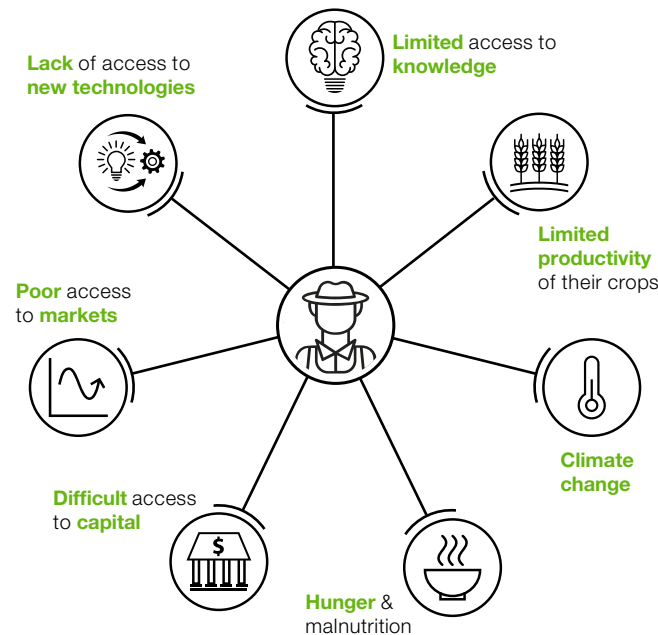
Smallholder farmers

The 550 million or so smallholder farmers worldwide play a central role in improving the quality of life in low- and middle-income countries (LMICs) and thus implementing our mission “Health for all, Hunger for none.” They form the backbone of food security in many rural regions of the world.

Many of these smallholder farmers are facing significant challenges. Their yields are often low because they do not have access to high-quality crops and practical knowledge about more productive and environmentally friendly cultivation methods. Often, they do not have affordable financing opportunities and access to markets on which they can sell

their products at appropriate prices. At the same time, smallholder farmers are also highly exposed to the impacts of climate change and increasingly to harvest losses. For all these reasons, they are often not able to achieve a stable income through farming.

Typical Challenges Smallholder Farmers Are Facing



We aim to support a total of 100 million smallholder farmers in LMICs by 2030 by improving their access to agricultural products and services, including in collaboration with our partners. To achieve this, we are increasing our range of commercial efforts and strategic initiatives tailored to the needs of smallholder farmers. Our strategy for strengthening smallholder farmers is embedded in our regional commercial strategies.



Target 2030:
Support 100 million smallholder farmers in LMICs

// Base year 2019: 42 million
// Status 2020: 45 million
// Status 2021: 49 million
// Status 2022: 52 million
// Status 2023: 53 million
// Status 2024: 52 million

In 2024, together with our partners, we supported 52 million smallholder farmers in LMICs with our products and services. In a challenging market environment, the slight decline compared to 2023 is characterized by increased competitive pressure in the crop protection business. Due to the divestment of the Environmental Science Professional business in October 2022, the number of smallholder farmers no longer contains the respective vector control reach from 2023 onwards.

We are successively expanding our product and service portfolio for smallholder farmers, including innovative business models and digital solutions across the entire crop system. This includes solutions from the areas of digital farming and market access, a differentiated product portfolio, biotechnological solutions and the formation of partnerships along the value chain.

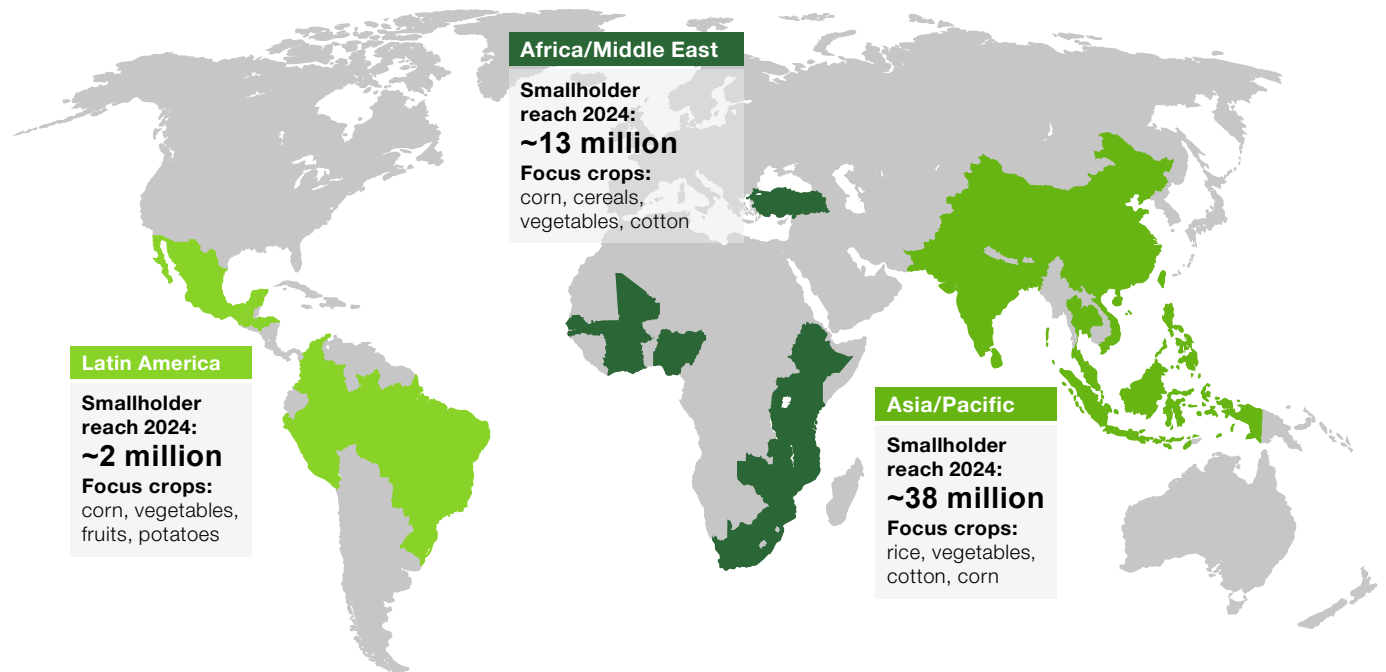
We aim to create market models that generate benefit and reduce business risks for all partners in the value chain, including smallholder farmers. This is implemented by helping smallholder farmers gain access to the agricultural value chain and increase their productivity and income, as well as by creating resilience to ensure the long-term food security of smallholder farmers, their families and rural regions in LMICs.

Bayer does not plan to assert its intellectual property rights against smallholder farmers who save seeds on their farms for private and noncommercial use in order to avoid extreme poverty. Instead, we want to work together with these smallholder farmers to introduce them to the world of commercial farming and enable them to improve their livelihoods.

Value chain partnerships

As no one can overcome every challenge alone, we establish crop value chain partnerships to provide smallholder farmers with high-quality inputs, agronomic knowledge, cost-effective financing and risk mitigation solutions, as well as market access to sell their products. These partnerships include collaborations with government research institutes, nongovernmental organizations (NGOs) and international financial institutions. We have already forged a number of key partnerships:

Smallholder Reach 2024



Better Life Farming

Better Life Farming is a long-term partnership between Bayer, the International Finance Corporation (IFC, part of the World Bank), Netafim, Yara and more than 30 local public and private partners as well as NGOs. This partnership helps smallholder farmers make their farms commercially profitable and sustainable.

Within the partners' network, the Better Life Farming centers improve access to agricultural products in remote rural regions through what is known as the last-mile delivery model.

They also offer access to agricultural education and consulting, adapted farming solutions, financing, market access and fair prices. We are also introducing special approaches for the advancement of women, such as the targeted development of women as agricultural entrepreneurs.

In 2024, we increased the number of Better Life Farming centers in India, Indonesia, Bangladesh, Mexico, Honduras, Tanzania and Ivory Coast to more than 3,500 and opened the first centers in China and Vietnam. We are planning further growth in the three smallholder regions shown above.

Non-commercial partnerships

Together with the Bill & Melinda Gates Foundation and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the Bayer Foundation funds the Digital Farmer II program of our partner Mercy Corps AgriFin. This leverages the spread of digital technologies to develop more efficient digital information and financial products and services for smallholder farmers. The program achieved its goal of serving up to five million registered users in Nigeria, Kenya and Ethiopia set for 2025 ahead of schedule. In 2024, we reached 4.1 million smallholder farmers via non-commercial partnerships.

In November, the Bayer Foundation, with the funding of Bayer Crop Science, signed a grant agreement with The Pula Foundation to support the 10 million Resilient Farmer Initiative from 2025 through 2030. The initiative has the target of insuring 10 million smallholder farmers against climate risks in seven countries in Africa and Asia by 2030. For more information, please see chapter 9. Social Engagement.

Social impact measurement

Independent research by social impact measurement company 60 Decibels confirmed the value of three smallholder projects in India, Kenya and Mexico/Honduras in 2024. In each of the longitudinal surveys, a clear majority of participants ranging from around 60% to around 95% stated that the programs have increased their yields and farming income and improved their way of farming as well as their quality of life since they joined the projects. We expect impact measurement to complement our assessment of smallholder reach. For more information and additional studies, please see our [website](#).

Agriculture and climate change

Climate change is presenting major challenges for farmers worldwide. Crop losses not only threaten the farmers' future and that of their families but also pose a risk to the global food supply. At the same time, food cultivation generates

greenhouse gas emissions. Farming therefore plays a key role on the road to a climate-neutral global economy (→ SDG 13).

Through innovations in the areas of seeds, crop protection and agricultural practices and through digital solutions, we are helping to make farming both climate-neutral and climate-resilient. In this, we are working with farmers and partners throughout the entire value chain.

Decarbonization

We aim to enable our farming customers to reduce their on-field greenhouse gas emissions per mass unit of crop produced by 30% by 2030 compared to the overall base year emission intensity. The overall base-year greenhouse gas intensity includes the weighted emission intensities of 17 crop-country combinations. In 2024, the crop-country combination Australia-Cotton was removed from the scope due to the unavailability of data. Base years are defined individually for each crop-country combination, using data from either harvest year 2021 or 2022, depending on the availability of data. Base years were adjusted in 2024 due to additional data requirements based on an updated [GHG](#) calculator methodology and lack of data availability from prior years. This reduction target applies to the highest greenhouse gas-emitting crop systems in the regions Bayer serves with its products (with the exception of the crop-country combinations Italy-Corn and Spain-Corn that were not selected based on these factors but were additionally included because data were already available). Key levers in this endeavor include climate-friendly cultivation practices such as the adoption of reduced or no-tillage or the sowing of cover crops. These enable CO₂ to be captured in the soil, making the agricultural industry a key player in the fight against climate change.

In addition, Bayer is driving forward the implementation of regenerative agriculture programs in every region we serve. Our Global [Ecosystem Services](#) support farmers and companies across the value chain to accelerate the adoption of more regenerative agriculture practices and digital

technology. For more information, please see the Focus on: Agriculture chapter.

New technologies

We help farmers to increase their resilience against the effects of climate change, for example through our innovative seeds for plants that can better withstand extreme weather conditions, and through improved agricultural practices. For more information, please see the chapter Focus on: Agriculture.

We also invest in new technologies and conduct research into questions such as how plants could use nitrogen from the air for their growth with the help of soil microorganisms. This would enable the use of nitrogen fertilizer to be greatly reduced in the future. Currently, this substance is essential for plant growth, yet its production and use result in significant greenhouse gas emissions.

Through our [Leaps by Bayer](#) participation in Fork & Good, we are investing in research into animal protein produced from cell cultures to cover the growing demand for protein without stockbreeding.

Further reducing the ecological footprint

We aim to reduce the treated-area-weighted environmental impact per hectare of Bayer's global crop protection portfolio by 30% by 2030 against a 2014–2018 average baseline. The foundation for delivering the commitment is more sustainable crop protection, which our CropKey approach will bring to market. Additionally, changes in agricultural practices, application methods for crop protection products and the use of digital solutions help ensure that these products are applied precisely and sparingly to the areas needing treatment. For more information, please see the chapter Focus on: Agriculture.

Regenerative agriculture

We aim to transform agriculture by driving a more sustainable food system guided by our vision of regenerative agriculture.

Bayer promotes a concept of regenerative agriculture (mainly downstream in our value chain). This is defined as an outcome-based production system that aims to increase food production, farm incomes and resilience in a changing climate, while at the same time restoring nature.

Key outcomes we strive for are yield increase, improved social and economic well-being of farmers and communities, and positive impact on nature, which can be achieved, for instance, by improving soil health, reducing on-field greenhouse gas emissions and increasing carbon capture to mitigate climate change. We are also looking to restore biodiversity and conserve water. For more information, please see the chapter Focus on: Agriculture.

// Bayer presented its new water strategy at the UN Water Conference 2023 in New York. This strategy makes water an integral part of our business, investment decisions and supplier selection. The strategy considers our position as a key player in the areas of health and agriculture and is intended to have an impact beyond our own business. In order to achieve the greatest possible impact, the measures cover the entire agricultural value chain right through to the farmers. We therefore aim to support our smallholder customers in increasing water productivity by 25% by 2030 against a 2019–2021 average baseline by transforming rice cropping in the relevant geographies where Bayer operates. Water productivity is defined as kg of crop yield per volume of water applied (kg/m³). The baseline validation is still ongoing. Our water target is currently focusing on the DirectAcres Initiative, which aims at supporting farmers shift successfully from transplanted puddled rice to mechanized direct seeded rice.

For more information, please see the chapter Focus on: Agriculture.

Group targets at a glance

We use these indicators to measure the implementation of our Group targets through 2030. They also serve as a basis

for determining the variable compensation component of the Board of Management and entitled managerial employees.



Target: Support 100 million smallholder farmers in LMICs

Key figure:

- // Number of smallholder farmers in LMICs¹ supported by products, services and partnerships
- // Partnership: Mercy Corps AgriFin

| Base year | Status | Status | Status | Status | Status |
|------------|------------|------------|------------|------------|------------|
| 2019: | 2020: | 2021: | 2022: | 2023: | 2024: |
| 42 million | 45 million | 49 million | 52 million | 53 million | 52 million |



Target: Fulfill the need of 100 million women in LMICs for modern contraception

Key figure:

- // Number of women reached in LMICs¹ who have their need for modern contraception fulfilled due to interventions supported by Bayer
- // Partnerships: The Challenge Initiative (TCI), World Contraception Day

| Base year | Status | Status | Status | Status | Status |
|------------|------------|------------|------------|------------|------------|
| 2019: | 2020: | 2021: | 2022: | 2023: | 2024: |
| 38 million | 40 million | 41 million | 44 million | 46 million | 51 million |



Target: Support 100 million people in economically or medically underserved communities with self-care

Key figure:

- // Number of people in economically or medically underserved communities whose self-care is supported by interventions from Bayer
- // Partnership: Vitamin Angels

| Base year | Status | Status | Status | Status | Status |
|------------|---------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 2019: | 2020: | 2021: | 2022: | 2023: | 2024: |
| 41 million | 43 million | 46 million | 49 million | 51 million | 53 million |
| | Total²: | 59 million ² | 70 million ² | 75 million ² | 73 million ² |



Target: Climate neutrality at own sites³ and achievement of Science Based Targets

Key figure:

- // Reduction of Scope 1 and 2⁴ greenhouse gas emissions by 42%
- // Reduction of Scope 3 emissions⁵ by 12.3%
- // Offsetting of remaining Scope 1 and 2 greenhouse gas emissions

Supporting figures:

- // 100% electricity procurement from renewable sources

| Base year 2019: | Status 2024: |
|---|---|
| Scope 1 and 2 ⁴ : 3.76 million metric tons CO ₂ e | Scope 1 and 2 ⁴ : 2.96 million metric tons CO ₂ e |
| Scope 3 ⁵ : 8.82 million metric tons CO ₂ e | Scope 3 ⁵ : 7.70 million metric tons CO ₂ e |

A more detailed description of the calculation methodologies (including adjustments) is available on our website www.bayer.com/en/sustainability/targets.

¹ LMICs: low-and-middle-income-countries

² Including our strategic investments in India

³ In accordance with the Paris Agreement and the objective of limiting global warming to 1.5°C relative to the pre-industrial level

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

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

Sustainability Firmly Anchored in Governance

As the core element of our corporate strategy, sustainability is integrated into all our major processes. This is ensured not just through binding targets and a broad set of directives but also through fundamental Group management decisions.

Responsibility in the Group

As Bayer's Chief Sustainability Officer, Bill Anderson, the Chairman of the Board of Management (CEO), is responsible for implementing the strategic objectives. The Public Affairs, Sustainability & Safety (PASS) Enabling Function is tasked with the operational design of sustainability.

ESG Committee of the Supervisory Board

In 2022, an ESG Committee was established within Bayer's Supervisory Board to deal with ecological and social responsibility matters and sustainable corporate governance. This mainly pertains to the incorporation of sustainability into the business strategy; the establishment of sustainability targets; nonmandatory environmental, social and governance reporting and, where applicable, the auditing thereof; the opportunities and risks; and the organizational structures and processes, insofar as the Audit Committee is not already responsible for these matters. Within its scope of responsibility, the ESG Committee advises and oversees management and prepares possible resolutions by the Supervisory Board.

The ESG Committee is composed of the Chairman of the Supervisory Board and seven other Supervisory Board members. It includes an equal number of stockholder and employee representatives. Ertharin Cousin is Chair of the ESG Committee.

The Supervisory Board is also closely involved in the implementation of the sustainability targets, independent of the

ESG Committee. It addresses this issue several times a year along with the nonfinancial statement of the company as part of the [Annual Report](#).

Integration of ESG into compensation

Qualitative sustainability targets have been factored into the compensation systems for the Board of Management and entitled managerial employees since 2020. Since 2021, the quantitative targets have accounted for 20% of the long-term variable compensation (LTI) of Bayer's Board of Management and LTI-entitled managerial employees. For more information, please see the Compensation Report in the [2024 Annual Report](#).

Implementation of human rights

According to our mission and regarding compliance with human rights due diligence obligations – especially the German law (Lieferkettensorgfaltspflichtengesetz [LkSG]) – Bayer named Matthias Berninger as Human Rights Officer. He reports directly to the CEO.

Measuring progress

To measure progress in the attainment of our Group targets, we have defined key sustainability data that makes our performance transparent. Our “sustainability cockpit” brings together key data in one place and facilitates decision-making by the management. The data is compiled in the countries and centrally validated. We have thus established a reliable due diligence process for our sustainability targets.

Sustainability Council

We need a large network to realize our objectives. We have therefore intensified our cooperation with social organizations in order to understand different perspectives and jointly achieve a greater impact. In 2020, we convened a

Sustainability Council composed of independent international experts. This body brings together expertise and experience in the areas of biodiversity, digitalization, health systems, the food and agriculture industries, fair trade strategies, women's rights, sustainable technologies, sustainable finance and transformation strategies. The nine-member body advises the Board of Management, oversees the implementation of the sustainability strategy and reports transparently each year on its work and recommendations, as well as our progress.

Bioethics Council

Given the pace at which science is evolving and the challenging ethical questions associated with the possibilities created by these innovations, we established the Bayer Bioethics Council in summer 2022. This external advisory body consists of independent experts who bring in a societal perspective that helps Bayer to identify the relevant bioethical questions and to develop answers.

Stakeholder dialogue

Bayer also seeks and maintains dialogue with stakeholders at various levels beyond the Sustainability Council. Of particular importance is contact with those who publicly evaluate Bayer with respect to sustainability aspects, especially including nongovernmental organizations and sustainability-oriented rating agencies. We take all criticism seriously and regard it as an incentive to improve.

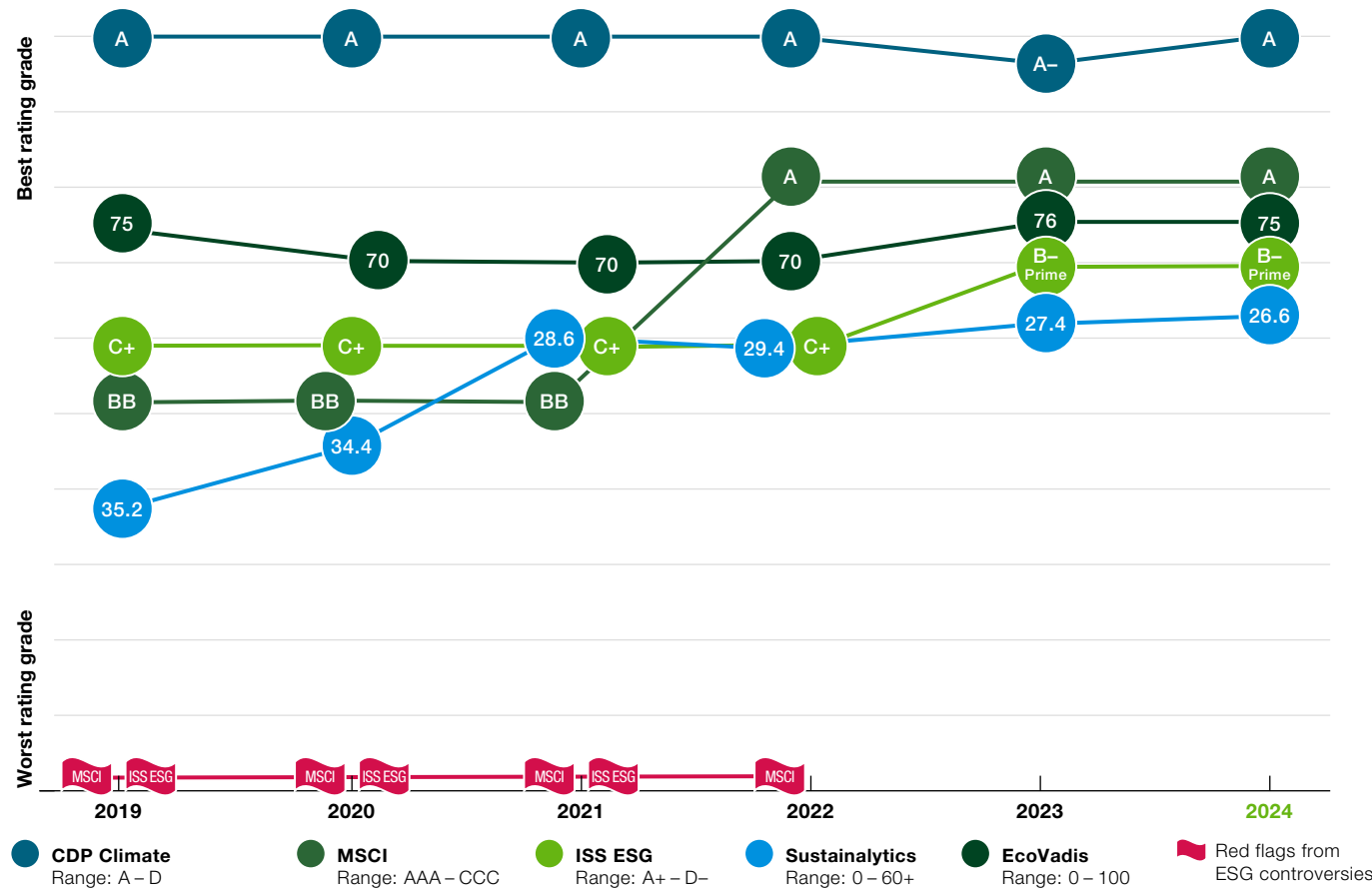
ESG Rating Results in Recent Years

For many stakeholders, it is difficult to decide whether a company can be seen or classified as “sustainable”. For decades, the environmental, social and governance (ESG) rating agencies have therefore been focusing on exactly this

question: using comprehensive and proprietary methodologies, they assess multiple indicators, especially in relation to sustainability topics, and measure a company’s respective risk exposure as well as its performance in terms of how

these sustainability risks are being managed. The methodologies used by ESG rating agencies differ, especially regarding which sustainability topics are considered to be material for the assessment.

ESG Rating Results



The results published by these ESG rating agencies are commonly referred to as “ESG ratings.” Listed companies such as Bayer are assessed by multiple ESG rating agencies, which often publish heterogeneous results. In addition, we also undergo an assessment by EcoVadis, which is a service provider analyzing our sustainability performance as a supplier.

Bayer has been rated by ESG rating agencies for years, and we have maintained a close interaction with leading ESG rating agencies we consider to be the most important to achieve a fair and transparent assessment of our company. We carefully listen to their requirements and adjust our sustainability management practices and our sustainability reporting accordingly. We have achieved significant progress in recent years and continue working to further improve our scorings.

For us, the progress made up until today is also a very strong signal of the relevance and the acknowledgement of Bayer’s sustainability strategy. Our focus for the years to come will lie in collaborative engagement with the ESG rating agencies to improve wherever possible and to avoid “red flags”.

For further details, please refer to our [website](#).

Interview

Transparency is key to building trust

Bayer maintains a close dialogue with stakeholders and investors. Why is this important?

Berninger: The exchange with a company's stakeholders and the understanding of their expectations is key to driving transparency efforts in a meaningful way. Our ESG investor engagement activities are guided by their assessment and by our well-founded assumption that transparency is the basis for trust, reputation, and ultimately for investment.

Kalidas: Not to forget the constant exchange with our external Sustainability Council, which advises us on all sustainability matters. This group of experts helps us to further develop the sustainability elements of our [business strategy](#) and provides guidance on the contribution that we can make toward our mission "Health for all, Hunger for none."

Which topics are currently of particular interest to your stakeholders and investors?

Kalidas: Investors, ESG rating agencies as well as NGOs are asking for information on classic sustainability topics. They want to understand how Bayer is approaching and shaping the transformation. And they want to see progress in our targets, measures and actions like our climate transition plan, our 100 million targets, our approach to regenerative agriculture, our compliance with relevant regulations, our governance framework and litigation remains as an area of concern.

Berninger: Actually, we are experiencing a water crisis that is closely linked to the climate crisis, and investors too are realizing that these are among the world's most pressing challenges. At the heart of their expectations of Bayer, however, are improvements in caring for people's nutritional and health needs worldwide. That is why Bayer's Nutrient Gap Initiative (NGI) was recognized at the 2024 Reuters Global Sustainability Awards in the Social Impact category for improving access to essential vitamins and minerals, particularly in underserved communities.

How do ESG ratings contribute to measuring progress and supporting investment decisions?

Berninger: Bayer's track record in ESG ratings in recent years acknowledges the company's strong commitment to sustainability. This also confirms our work on health, nutrition, climate change and many other sustainability topics and encourages us as a global leader in this area. Annually, in our ESG Update Call, we share the significant strides we have made in sustainability with our investors.

Kalidas: Our CEO and CSO (Chief Sustainability Officer) Bill Anderson has been a strong proponent of integrating sustainability into the heart of our operations. It is a precondition for living our mission because investors today are increasingly looking at the sustainability risks associated with their investments and the impact they can have. By presenting our climate transition and transformation plan, we further intensified our discussion with investors. For example, our commitment to net-zero emissions by 2050 is more than just a promise, it's a data-driven journey we're tracking and disclosing. But there are a lot of other topics like access to healthcare and human rights that are relevant for our investors.

The European Corporate Sustainability Reporting Directive (CSRD) obliges companies to report about material matter. What do you think about its impact?

Kalidas: For us, transparent reporting has always been key to building trust and preparing our organization to tackle the challenges we face. In recent years, we have received positive responses from investors, sustainability analysts, ESG rating agencies, politicians and many other stakeholders for our comprehensive voluntary sustainability reporting. Our voluntary reporting accompanied the mandatory section of the management report in accordance with the Non-Financial Reporting Directive. Through CSRD and the interconnected European Sustainability Reporting Standards (ESRS) our mandatory reporting will certainly reach a



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



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

new level of transparency. But CSRD/ESRS's definition of materiality does not include every detail which is part of ESG assessments. That's why ESG rating agencies demand more or slightly different information than the CSRD/ESRS requires. For this reason, we are still publishing a complementary Impact Report for fiscal year 2024. This report covers additional topics. We look forward to this complementary reporting providing a comprehensive basis for investors and ESG rating agencies to understand our operations and thereby enable us to further improve our ESG scorings and achieve the best possible results.

Berninger: For Bayer, the year 2024 has been a time of transition. As a key player in global health and food security, we had to deal with new challenges in sustainability reporting. The CSRD/ESRS focus on material impact as well as on a financial perspective. Solely relying on this materiality could lead investors to abandon or ignore companies pursuing initiatives that, as of now, are not considered to be material but would help us all to achieve net-zero or other Sustainable Development Goals, especially those connected to global health and the fight against hunger. Such a reduced focus could thereby undermine investments in sustainable technologies and transformation.

Kalidas: We need to explain Bayer's mission and demonstrate how we benefit people and the environment in our daily work — beyond compliance with the CSRD. This will inspire our employees to collaborate on common goals and engage in innovations for a sustainable business. I believe that transparency regarding targets, actions and measures, along with clear communication, is crucial for a successful transformation.



*Performance
Report*

2024

1. The Company

The Bayer Group comprises 291 consolidated companies in approximately 80 countries throughout the world and employs 94,081 people. Its headquarter is in Leverkusen, Germany. Sales at the Bayer Group in 2024 amounted to €48.8 billion.

1.1 Corporate Profile

We are 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 continuously 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.

In our [Sustainability Statement in the Annual Report 2024](#) we report on our strategy, business model and value chain [SBM-1].

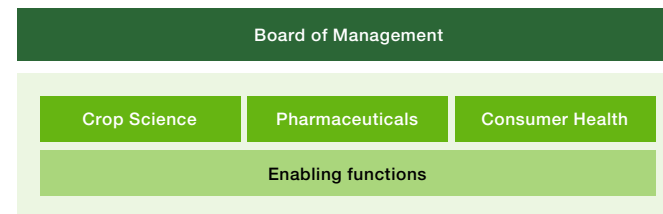
1.2 Corporate Structure

Corporate structure as of December 31, 2024

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.

Structure of the Bayer Group 2024



The following change has occurred within our organization:

The Supervisory Board of Bayer AG appointed Julio Triana to the Board of Management effective April 1, 2024. He became President of the Consumer Health Division effective May 1, 2024, and succeeded Heiko Schipper, who had asked the Supervisory Board to bring forward the end date of his contract. Schipper left the company effective April 30, 2024.

Our divisions are active in the following areas:

Crop Science

Crop Science is the world's leading agriculture enterprise by sales, with businesses in crop protection, seeds and traits. We offer a broad portfolio of high-value seeds, improved plant traits, innovative chemical and biological crop protection products, digital solutions and extensive customer service for sustainable agriculture. We market these products primarily via wholesalers and retailers or directly to farmers. Most of our crop protection products are manufactured at our own production sites. Numerous decentralized formulation and filling sites enable the division to respond quickly to the needs of local markets. The breeding, propagation, production and/or processing of seeds, including seed dressing, take place at locations close to our customers, either at our own facilities or under contract.

Pharmaceuticals

Pharmaceuticals concentrates on prescription products, especially for cardiology and women's healthcare, and on specialty therapeutics focused on the areas of oncology, hematology, ophthalmology and, in the medium term, cell and gene therapy. In the area of cell and gene therapy, we operate a strategic unit spanning the entire value chain from research and development to marketing and patients. The division also comprises the radiology business, which markets diagnostic imaging equipment and digital solutions together with the necessary contrast agents. Our portfolio includes a range of key products that are among the world's leading pharmaceuticals for their indications by sales, for example in the areas of cardiology, women's healthcare, ophthalmology and radiology. The division's prescription products are primarily distributed through wholesalers, pharmacies and hospitals.

Consumer Health

Consumer Health is a world-leading supplier of nonprescription (OTC = over-the-counter) medicines for self-medication and self-care in terms of sales. Our portfolio comprises the categories nutritional supplements, allergy, cough & cold, dermatology, pain and cardiovascular risk prevention, and digestive health. The products are generally sold by pharmacies and pharmacy chains, supermarkets, online retailers and other large and small retailers.

Enabling Functions

The Enabling Functions, such as Public Affairs, Sustainability & Safety (PASS); Group Finance; Human Resources and Information Technology, serve as Group-wide competence centers and bundle business support processes and services for the divisions. Our [Leaps by Bayer](#) unit, which invests in disruptive innovations, also forms part of the Enabling Functions.

For more information on the divisions' products and activities and the distribution of sales across the divisions and our global sites, please see our [2024 Annual Report](#).

1.3 Value Added

By delivering innovative products and solutions, Bayer creates value for its stakeholders at all stages of the value chain. We operate production sites worldwide, invest in research and development, work with international and local suppliers, and contribute to the economic development of our target markets. As an employer, we provide jobs in industrialized, emerging and developing economies and therefore create purchasing power through the salaries we pay. We contribute to public finances and thus support public infrastructure through the payment of taxes and other levies.

The value added calculation shows the direct financial value we generate for our stakeholders with our commercial operations. We define value added as the company's total operating performance in the previous fiscal year (net sales + other operating income + financial income + net income/loss from investments accounted for using the equity method) less the costs of procured and consumed goods and services, depreciation, amortization, impairment losses and impairment loss reversals.

Our total operating performance amounted to €48.8 billion in 2024. The cost of materials and other expenses totaled €27.7 billion. We recorded depreciation, amortization, impairment losses and impairment loss reversals of €8.8 billion. We posted a value added of €12.3 billion in 2024.

In 2024, the value added we generated enabled us to make the following financial contributions to our stakeholders: employees €12.5 billion, taxes €1.1 billion, providers of equity and debt €1.9 billion and stockholders €0.1 billion (Bayer AG dividend proposal for 2024).

2. Corporate Governance

Bayer is committed to responsible corporate governance. By adhering to laws, safeguarding values and strengthening our reputation, we aim to secure our company's long-term success and to foster a high level of trust among all stakeholders. Our endeavors in this regard are further supported by our increased integration of sustainability aspects into all processes and at all levels of the company.

In our [Sustainability Statement in the Annual Report 2024](#) we report on G1 Governance.

2.1 Corporate Governance Practices and Principles

Bayer AG is subject to German stock corporation law and therefore has a dual governance system consisting of the Board of Management and the Supervisory Board. The Board of Management manages the company based on a strategy that is geared toward its long-term success. The Supervisory Board oversees and monitors the Board of Management. The Supervisory Board has its own ESG Committee, comprising the Chairman of the Supervisory Board and seven further members of the Supervisory Board. This focuses on Bayer's sustainable governance and business activities in the areas of environment, social and governance (ESG) within the scope of responsibility of the Supervisory Board.

Corporate governance practices that go beyond the legal requirements are derived from our mission and our common values, which form the basis for the respectful working relationship among our employees and with our external partners. Compliance with responsible practices at every stage of the value chain is crucial in corporate governance. The main guidelines are summarized in our Code of Conduct and

Supplier Code of Conduct, addressing topics such as human rights, compliance and fairness and respect at work. In addition, Bayer has established compliance management and risk management systems.

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

Planning and steering

The Board of Management uses defined, primarily nonfinancial targets and key performance indicators to steer the company's alignment toward increased sustainability. These are integrated into the Bayer Group's planning and steering process as management and key performance indicators.

Our Group-wide sustainability targets are integrated into the compensation system for the Board of Management. In so doing, we aim to continuously increase value for stockholders and other stakeholders and ensure the continuity of our company for the long term. Quantitative targets derived from the sustainability strategy are integrated into the long-term variable compensation (LTI) of the Board of Management and LTI-entitled managerial employees with a weighting of 20%. For more information, please see the [2024 Annual Report/ Compensation Report](#) (Chapter C). For details of the financial indicators we employ to plan, steer and monitor the development of our business, please see chapter 1.2.2 Management Systems of the [2024 Annual Report](#).

What we are committed to: Our Code of Conduct

The Code of Conduct describes the principles of which conduct to follow in Bayer's business activities. It defines how Bayer employees work together with colleagues and external partners. The Code of Conduct serves as a compass for maintaining integrity. It helps employees to make well-founded decisions, to focus on the essentials and to strengthen the identity of the company. It is available to all employees worldwide in 20 languages, and a web-based training, which was assigned to Bayer employees in the reporting year, supports compliance with the new set of rules.

Next to the Code of Conduct, additional binding policies and procedures (also referred to as "Group Regulations"), which apply to Bayer employees depending on their individual job responsibilities, foster behavior in accordance with laws and internal regulations.

Both the Code of Conduct and the following policies are subject to a formal enactment process by the respective legal representative (i.e. managing director or board) in the individual Group companies. This enactment is centrally documented and monitored:

- // Legal, Compliance and Insurance Policy
- // Human Rights Policy
- // Digital Policy
- // Group Finance Policy
- // HSE Management and HSE Key Requirements Policy

Risk management

Risk management is an integral part of corporate management at Bayer. We regard risks as negative deviations from projected or target values for potential future developments. We augment our risk definition process by also taking into

account any potential adverse effects that our business operations could have on people and/or the environment.

We have implemented an integrated risk management system designed to ensure the continued existence and future target attainment of the Group through the early identification, assessment and treatment of risks. Our risk management system is oriented towards internationally recognized standards and principles such as the ISO 31000 standard of the International Organization for Standardization and is defined and implemented with the help of Group Regulations.

The Board of Management of Bayer AG holds overall responsibility for an effective risk management system. It examines the appropriateness and effectiveness of the risk management system at least once a year, as does the Supervisory Board's Audit Committee.

Examples of such risk control measures can also be found in this Impact Report in the descriptions of how various sustainability issues are managed.

For detailed information on the basic elements of the risk management system, including the risk management process, and details on our risk status, please see chapter 3.2 Opportunity and Risk Report of the [2024 Annual Report](#).

Material legal risks are described in the [2024 Annual Report](#) under Note [30] to B Consolidated Financial Statements (Legal Risks). The legal proceedings outlined there are those currently considered to involve material risks and do not represent an exhaustive list.

2.2 Compliance

In our [Sustainability Statement in the Annual Report 2024](#) we report on G1 Governance.

Trust serves as the foundation for our business activities and is crucial to our success. It requires a daily commitment to building awareness and complying with laws, regulations and ethical principles. Integrity is central to our company culture and guides our actions. We do not tolerate illegal or unethical actions. Any violations will be investigated and resolved fairly and consistently.

Our Code of Conduct serves as a guideline to keep us on the right track and in full compliance with all applicable legal requirements. It is complemented by the Legal, Compliance and Insurance policy which provides a concise overview of relevant legal and compliance topics guiding our business operations. This approach provides clarity, transparency and a comprehensive understanding of our integrity and operational standards.

Bayer compliance management

The Board of Management is unreservedly committed to compliance. Bayer will forgo any business transaction that would violate the Code of Conduct approved by the Board of Management and observed throughout the Bayer Group. The Code of Conduct sets the standard for:

- // How we interact with customers, patients and consumers
- // How we work together
- // How we engage with stakeholders

It contains, in particular but not exclusively, binding specifications on the following topics: Competition Law, Anticorruption, Fraud/Theft, Anti-Money Laundering, Export Control/Economic Sanctions/International Trade and Customs Compliance, Insider Trading, Intellectual Property, Data Privacy, Fairness and Respect at Work, Conflicts of Interest, Environmental Protection, and Human Rights.

All employees are required to observe the Code of Conduct and immediately report any activity or behavior that could constitute a material compliance violation.

Depending on the severity of the compliance violation, an infringement can have disciplinary, civil or criminal consequences for the employees in question. Proven misconduct can also have an impact on compensation. Failure to report, properly investigate or remedy a suspected material compliance violation can result in serious consequences, including employment consequences, criminal sanctions for the company and liability for individual employees, as well as fines and reputational damage.

The global compliance management system is steered by a central compliance organization within the Bayer Group. This organization is headed by our General Counsel in their role as Group Compliance Officer, who, in this function, reports directly to the Chief Financial Officer (CFO) and to the Supervisory Board's Audit Committee. The CFO is responsible for the compliance organization, while the Audit Committee oversees the effectiveness and further development of compliance within the Group. Within the compliance organization, specialized compliance managers are responsible for establishing specific standards.

Potential compliance risks (such as corruption, competition law or data privacy infringements) are identified together with the operational units to ensure the systematic and preventive detection and assessment of risks. Potential risks are then entered into global databases that we use to develop suitable measures for specific processes, business activities or countries, for example. In addition, we assess our business partners according to risk criteria as we look to identify potential compliance risks.

Adherence to the Code of Conduct is among the subjects covered in audits conducted by Bayer's Internal Audit and in the analyses and reviews by the legal and compliance organization. The heads of these organizations provide regular reports on the results to the Audit Committee.

The planning of these audits by Internal Audit follows a function- and risk-based approach that, among other things, also takes the [Corruption Perceptions Index](#) of Transparency International into account. Function-specific audits are conducted worldwide across all important corporate units, such as for marketing and distribution. The respective relevant stakeholders (e.g. management, employees, distributors or service providers) participate in audits depending on the type of audit. The larger business areas and units are audited at shorter intervals, and the smaller units at longer intervals. A total of 73 audit reports were compiled in 2024, of which two concerned preventive compliance program audits and eight concerned incident-related compliance investigations.

Handling of suspected and actual compliance violations

All Bayer Group employees are obligated to report material compliance violations. The principles for dealing with compliance incidents are described in the Group Regulations on Legal, Compliance and Insurance, and Management of Compliance Incidents, which establish the respective roles and responsibilities and explain the handling of suspected and actual compliance violations.

Suspected compliance violations can be reported – anonymously if desired and if permitted by respective national law – to a global [Speak Up Channel](#) operated by an independent service provider. Every effort will be made to protect confidential information relating to a reported incident, and communication will be limited to a need-to-know basis only. Reports can be made by anyone either via webpage, Speak Up App or through a phone call made in the caller's preferred language. The channel is also accessible to the general public. In 2024, the compliance organization received a total of 570 reports in this way (including 411 anonymous reports), with 35 reports coming from Germany and 535 from other countries. Overall, 41% of suspected violations reported to

the Speak Up Channel were not compliance-relevant, while 59% were processed by way of a compliance investigation.

In addition, suspected compliance violations can be submitted to an internal mailbox – the [Speak-Up Inbox](#). Alternatively, suspected violations may be reported to a manager; Human Resources; Law, Patents & Compliance; employee representatives; Internal Audit; or Corporate Security. Furthermore, suspected compliance violations are recorded and processed as part of the monitoring activities conducted by the Compliance function.

Upon internal evaluation, a total of 982 suspected compliance violations were recorded in 2024. An actual compliance violation was confirmed in 47% (as of December 31, 2024, subject to changes due to ongoing investigations) of the compliance-relevant investigations. Compliance violations include infringements of internal and external requirements and are systematically sanctioned. The action taken depends on factors including the severity of the violation and applicable law. All cases are recorded according to uniform criteria throughout the Bayer Group and dealt with under the rules set forth in the Group Regulations on Legal, Compliance and Insurance, and Management of Compliance Incidents. Where an investigation confirms that a compliance violation has occurred, the company has a graduated set of measures at its disposal. These include a verbal warning or written reprimand, transfer to a different unit, cancellation of a planned promotion, a **reduction** in the short-term incentive payment, downgrading to a **lower** collectively agreed pay rate or managerial contract level, and ordinary or extraordinary termination. Bayer also reserves the right to assert further claims against the employee for cost reimbursement or damages and/or to initiate criminal proceedings.

In the last three years, the following selected categories of compliance violations were confirmed:

Selected Categories of Confirmed Compliance Violations

| | Number of incidents 2022 ¹ | Number of incidents 2023 ¹ | Number of incidents 2024 ¹ |
|---|--|--|--|
| Data Privacy/IT Security | 333 | 275 | 121 |
| Code Compliance | 109 | 120 | 35 |
| Fairness/Respect at Work | 84 | 88 | 32 |
| Fraud, Theft, Other Property Violations | 97 | 67 | 16 |
| Conflicts of Interest | 37 | 58 | 20 |

¹ As of December 31, 2024, subject to changes due to ongoing investigations

The company ensures that no employees are disadvantaged or exposed to retaliatory measures because they reported a suspected compliance violation in good faith. If it is determined that an employee is responsible for disadvantaging or retaliating against another employee due to the reporting in good faith of a suspected compliance violation, appropriate steps are taken against the employee responsible according to the aforementioned catalogue of measures.

Compliance training and communications activities

We support all employees in acting with integrity and proactively avoiding potential violations by implementing Bayer-wide training measures and communication campaigns that are tailored to target groups and based on identified needs. The Code of Conduct forms the foundation for our compliance communication and training activities. Both supervisors and compliance managers are available to answer employees' questions about lawful behavior.

Training measures on anti-corruption, the importance of openly expressing concerns (Speak-Up), antitrust law, conflicts of interest, fairness and respect at work, foreign trade law compliance, product-related communication and data privacy are fundamental elements of our compliance management system.

Each year, the company publishes a new, obligatory training course for all Bayer employees. In 2024, approximately 84% (34,157) of Bayer's managerial employees worldwide completed at least one compliance training program. We launched a new web-based training course on the Code of Conduct in 92 countries in November 2024. The training course is available in 15 languages.

Our annual, company-wide Speak-Up campaign aims to foster an open reporting culture and communicates the various options for reporting compliance violations. This is designed to create an environment in which compliance violations can be addressed without reservations.

Data privacy

Data is very important in today's world. It is often accessible worldwide, and its financial value is growing. As a result, people have an increasing interest in their data remaining secure. Bayer is committed to protecting the personal data of all its stakeholders, be they employees, business partners, stockholders, suppliers or customers. Fulfilling this commitment is an important business principle and a central condition for the company's success.

Since there is no globally binding data privacy law, legislation varies widely from country to country. To establish a standard for all countries in which Bayer operates, a Group-wide approach is required. This is the only way to protect personal data sufficiently while at the same time facilitating efficient business processes.

The Code of Conduct and the Legal, Compliance and Insurance Policy approved by the Board of Management set out minimum requirements for the way personal data is processed throughout the Bayer Group. Bayer strives to protect people's privacy and prevent their data from being misused. We are aware of the potential harm caused by unlawful data processing and have established a standard to minimize this risk.

The data privacy management system addresses risk situations that are relevant to the company's business. The system covers the entire data life cycle from collection through transfer, analysis and storage to deletion. The core elements of the data privacy management system – the maintenance of a processing registry, the management of data privacy incidents, requests from data subjects and risk mitigation – are mandatory. Training and guidance, along with system-based monitoring, ensure the regulations are adhered to. The training covers the fundamentals of data privacy, the principles and life cycle of personal data processing, the rights of data subjects and the appropriate conduct in the event of a data privacy incident. Harmonized documentation of the data privacy activities (management of the register of processing activities, data privacy impact assessments, incidents, data subject requests and interactions with authorities) enables an understanding of the degree of data privacy maturity and the monitoring of quality by management and the (local) legal departments.

With our Data Privacy Day in January 2024, we underscored our commitment to data privacy by offering interactive sessions on data privacy basics for the Bayer employees, along with an interactive webcast featuring our Data Privacy Officer and our Chief Information Security Officer.

Marketing compliance and the validity of recognized standards

We do not tolerate any improper exertion of influence on our business partners. As part of our compliance management system, we record and investigate any suspected violation of our responsible marketing principles, irrespective of whether the complaints come from internal or external sources.

The most important Group Regulations in this context are the Code of Conduct and the Legal, Compliance and Insurance Policy (e.g. on anti-corruption, competition law, data privacy). These regulations are supplemented by the Group

Regulation on Integrity & Responsibility in Communications and Marketing, which guides all employees to ensure compliance across all communication and marketing activities, including the development and usage of promotional articles in accordance with current internal and relevant external legal and ethical standards. Where several regulations are applicable, we comply with the strictest standards. Third parties acting on Bayer's behalf in countries with a high corruption risk undergo a separate due diligence process that involves criteria related to anti-corruption.

Industry codes for pharmaceutical products and medical devices that have been adopted by major national and international associations and organizations also apply to marketing and distribution at Bayer. In many countries, these standards are further underpinned by local codes – all of which apply to prescription pharmaceuticals and some of which also apply to nonprescription medicines, dietary supplements, medical devices and medicated skincare products.

The codes of the International Federation of Pharmaceutical Manufacturers & Associations (IFPMA) serve as a binding minimum global standard for all of Bayer's human pharmaceutical products in their area of application. In addition, Bayer observes the codes of the European Federation of Pharmaceutical Industries and Associations (EFPIA) in its interaction with healthcare professionals and patient organizations. Regarding the advertising of human pharmaceutical products, Bayer complies with the regulations set out in the IFPMA Code of Practice as the minimum global standard, along with those set forth in regional and national codes.

The aforementioned codes contain provisions governing, among other matters, advertising materials, the distribution of samples, cooperation with members of specialist groups in connection with speaker and consultancy contracts, and scientific studies. Bayer observes the applicable transparency rules (e.g. the Physician Payments Sunshine Act in the United States) and participates in voluntary programs such

as the [EFPIA Disclosure Code](#). In accordance with the EFPIA Disclosure Code, Bayer discloses benefits in kind to medical specialists and health organizations in connection with the development and marketing of prescription (and, where legally required, nonprescription) medicines. Bayer is convinced that better results can be achieved for patients through cooperation with, and the continuous training of, medical specialists. Total spending in Europe subject to disclosure according to the EFPIA Disclosure Code and numerous local codes and/or legislation amounted to €202 million in 2023. These expenditures are published on a country-by-country basis on a global disclosure site of Bayer (<https://www.bayer.com/en/sustainability/facts-on-disclosure>) and/or reported to the respective local authorities.

Internal Audit at Bayer AG regularly conducts audits to verify conformity with internal compliance rules and external regulations in the area of marketing. The respective audit program of Internal Audit is focused on compliance with local pharmaceutical codes and with antitrust and anti-corruption rules by the marketing departments of the divisions and country organizations. Coverage of this issue is achieved by way of an audit cycle that regularly assesses the country organizations, as well as audits of management systems (compliance program audits). The audit plan is discussed with the Board of Management and the Supervisory Board and approved by both bodies.

In line with the principles of sustainable development and the responsible use of crop protection products and seeds, Crop Science follows the guideline on [Product Stewardship - Commitment, Principles and Key Requirements](#). This guideline, which also comprises our rules of conduct for responsible marketing, is based on the International Code of Conduct on Pesticide Management issued by the Food and Agriculture Organization (FAO) of the United Nations and the International Code of Conduct on Plant Biotechnology issued by CropLife International.

Relevant training measures on product-related communication, antitrust law, data privacy and anti-corruption are fundamental elements of our compliance management system. Principles communicated in these training courses provide an overview of globally applicable minimum requirements for cooperation with key stakeholders, including in particular but not limited to those in the healthcare industry, such as physicians, hospitals or patient organizations. In addition to explaining general compliance principles, the anti-corruption courses provide specific advice on approaches to nonreciprocal benefits and the exchange of services with healthcare professionals. The country organizations or, in some cases, the legal department are primarily responsible for implementing these training measures. Employees with customer contact and/or business responsibility undergo special training focusing on anti-corruption, e.g. covering local pharmaceutical codes and their rules for cooperation with healthcare professionals.

Lobbying

Bayer is committed to transparent lobbying. In line with this, our [Code of Conduct for Responsible Lobbying](#) sets out binding rules for our involvement in political matters, covers compliance-relevant risks and creates transparency in our interactions with representatives of political institutions. In addition, and based on feedback from various stakeholder groups, we have produced a detailed report on our political advocacy work.

As set out in our Code of Conduct for Responsible Lobbying, Bayer as a company expressly prohibits donations to political parties, politicians or candidates for political office.

However, as political contributions are protected under US law, local company employees can support individual candidates for parliamentary office at the federal level by making private donations through political action committees (PACs). These voluntary donations are made only by employees, not the company. PACs are separate, segregated

funds governed by employees and further regulated by the [US Federal Election Commission](#) (FEC) and some state governments.

Decisions on how these contributions are allocated are made by an independent committee composed of employees. At BAYERPAC, the name of the corresponding committee at Bayer, allocation criteria are applied to reflect societal challenges, among other factors. For example, candidates' positions on issues such as climate change and the protection of biodiversity play an important role here. BAYERPAC also supports candidates from both parties but does not support presidential candidates. These donations are subject to stringent conditions and mandatory transparency measures. The BAYERPAC contributions are regularly reported to the [FEC](#). Full details can be viewed on the FEC website. Bayer employees donated a total of US\$289,125 to political candidates at all levels through BAYERPAC in 2024.

In other countries, industry associations of which we are a member (such as the German Chemical Industry Association) sometimes make donations on their own responsibility in compliance with the respective statutory regulations, and particularly laws concerning political parties.

For Bayer, national liaison offices are key touchpoints between the company and political stakeholders. Where required we publish details of material costs, project expenses, employee numbers and any of the other statistics required in each country according to the respective provisions of the domestic transparency register, such as those of the [German Parliament \(Bundestag\)](#), [European institutions](#) and the [US Congress](#). We even go beyond statutory requirements by also publishing data for countries and organizational units where – as yet – there is no legal disclosure requirement in our political advocacy transparency report. In 2024, the costs incurred at the liaison offices totaled approximately €2.1 million in Germany; €6.4 million in the European Union; €21.1 million in the United States; €1.2 million in Brazil; and €2.5 million in China.

The cost of political lobbying work at global and international level amounted to €15.1 million across the company and divisions.

2.3 Sustainability Management

Sustainability is one of our strategic focuses, manifesting itself in the consistent alignment of our business activities to make positive contributions for people and the environment. Clearly defined roles and responsibilities ensure effective sustainability management throughout the organization. The initial phase of becoming an impact generator has been successfully completed over the past five years. Additionally, it is noted that the overall perception and support of environmental, social and governance topics, along with significant geopolitical shifts, are influencing sustainability agendas on a global scale. Bayer has also entered a new chapter with the introduction of dynamic shared ownership (DSO). In light of these developments, it is deemed necessary to update the sustainability strategy to maintain a focus on value creation for our customers, investors, and employees, while also preserving trust and upholding the company's reputation. The top level of responsibility for the sustainability strategy is held by the Chairman of the Board of Management (CEO) in his role as Chief Sustainability Officer (CSO), together with the entire Board of Management. An external [Sustainability Council](#) provides the Board of Management with constructive criticism in all sustainability matters. In addition, a Human Rights Officer oversees risk management in the area of human rights and informs the Board of Management about his or her work.

In our [Sustainability Statement in the Annual Report 2024](#) we report on our governance in [GOV-1], [GOV-2], [GOV-3], [GOV-4] and [GOV-5].

A separate Supervisory Board committee oversees the areas of environmental protection, social affairs and corporate governance ([ESG Committee](#)) regarding both the integration of

sustainability into the business strategy and corporate governance, and sustainability-related opportunities and risks, including possible consequences for the company's reputation.

The Public Affairs, Sustainability & Safety (PASS) Enabling Function helps the CSO and the Board of Management identifying risks and opportunities, develop strategies and define targets and guidelines for sustainability management, and also ensures the governance of all sustainability topics. Sustainability management is embedded in the existing management and governance structures as well as in 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.

Our [Group Regulation on Sustainability](#) defines sustainability's importance at Bayer, the standards to which sustainability is managed and the roles and responsibilities involved. The Group Regulation was approved by the Head of Public Affairs, Safety & Sustainability and is valid throughout the Group.

Wherever required, the CSO and Board of Management are integrated into the decision-making process. Measures under the responsibility of the Supervisory Board also need to be approved by this body.

The attainment of sustainability targets is also integrated as an additional parameter into the long-term variable compensation (LTI) of the LTI-entitled managerial employees, similar to the compensation of the Board of Management.

Our commitment to the [UN Global Compact](#) and the [Responsible Care™](#) initiative of the chemical industry and our

involvement in the [World Business Council for Sustainable Development](#) (WBCSD) underline our mission as a company that acts sustainably. This is reinforced in our report on compliance with the principles of the [UN Global Compact](#).

Sustainability Council

A major element of our sustainability efforts is the independent [Sustainability Council](#) established in 2020. This council currently comprises eight internationally recognized experts in human rights, healthcare, nutrition, finance, agriculture and the environment, representing a broad range of views, differing geographical origins and diverse genders. The Sustainability Council advises the Board of Management on the further development of its business strategy regarding sustainability as well as other sustainability-related topics. It also evaluates performance and planned activities, and counsels Bayer on how research and development can contribute to sustainability. The contributions of the Sustainability Council inform our strategic planning. The Sustainability Council convenes twice a year for deliberations and [reports annually](#) on the progress of its work. The CEO and other members of the Board of Management also attend these meetings. The Sustainability Council also handles specific topics together with Bayer's experts at additional meetings.

Double materiality analysis

In 2024, we conducted a double materiality analysis in accordance with the requirements of the European Sustainability Reporting Standards (ESRS). In the [Sustainability Statement in the Annual Report 2024](#) we report on our double materiality analysis [SBM-3].

2.4 Stakeholders

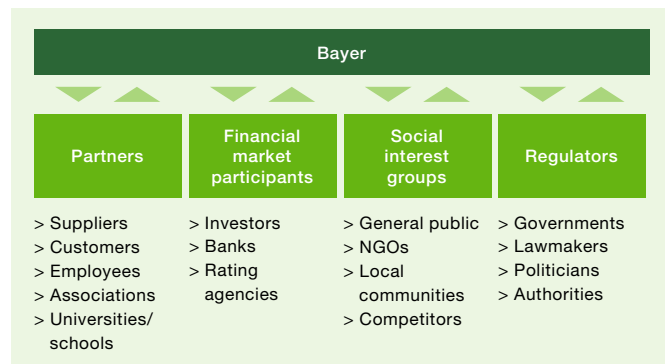
As a company, Bayer is a part of society and public life. Ongoing dialogue with our stakeholders is therefore particularly important to us. After all, their expectations and viewpoints affect our public acceptance and thus our commercial success.

In the [Sustainability Statement in the Annual Report 2024](#) we report on the interests and views of stakeholders [SBM-2].

Stakeholder dialogue helps us to recognize important trends and developments in society and our markets at an early stage and take this information into account when shaping our business.

We distinguish between four stakeholder groups with which we engage in discussions on different topics.

Stakeholder Groups



Interactions with a variety of stakeholders

We want to live up to our social responsibility as a transparent company that acts sustainably and is respected for its contribution to progress in healthcare and agriculture. We want to listen, understand, take concerns seriously and engage in respectful dialogue – especially where this is difficult or uncomfortable.

Our regular stakeholder activities range from dialogues at the local, national and international level, and active involvement in committees and specialist workshops, all the way through to comprehensive information programs, issue-related multi-stakeholder events and participation in international initiatives and collaborations. In our [Stakeholder](#)

[Engagement table](#) at the end of this chapter, we provide insight into selected topics relating to our most important stakeholder groups.

In 2024, we engaged in intensive discussions with stakeholder groups (see graphic) that focused on topics such as sustainable agriculture, healthcare, nutrition, climate change, biodiversity and water, taxes, political lobbying, poverty alleviation and family planning.

Examples include our contributions to the World Economic Forum (WEF) Annual Meeting in Davos, Switzerland (Zero Hunger Pledge); our participation in the Economist Sustainability Week and the Climate Week in New York, United States; our event series Fields of Opportunities: the Breakthrough Innovation Forum; the Field Technology Showcase for investors at our Agronomy Center in Jerseyville, Illinois, United States; and our sustainability event at a Bayer ForwardFarm in Germany.

COP29

Bayer took part in the UN Climate Conference COP29 in Baku in Azerbaijan to drive partnerships and advance the sustainable development goals. The respective agendas included important topics such as agriculture, water, nutrition and biodiversity. Bayer is contributing to the following areas, for example:

- // We support a concept of regenerative agriculture. Bayer signed a Memorandum of Understanding (MoU) on innovative farming technologies with the Canadian province of Saskatchewan, with the goal of helping farmers produce more while reducing their environmental footprint against the backdrop of climate change.
- // We are a founding member of the Vision for Adapted Crops and Soils (VACS), an initiative of the US government, the African Union and the Food and Agriculture Organization of the United Nations, whose goal is to boost agricultural productivity and nutrition by developing

diverse, climate-resilient crop varieties and building healthy soils.

- // We promote existing partnerships such as the LEAF Coalition – the signing of memorandums of understanding for future LEAF credits from 2022 to 2026 should lay the basis for further investment in the reduction in deforestation of tropical rain forests.
- // We enter new partnerships to better understand how health is affected by climate change. Bayer Foundation and the Asian Venture Philanthropy Network (AVPN), for example, are partnering to establish an ecosystem for social funders in Asia and drive investments in projects at the climate/health intersection.
- // We promote research to recuperate degraded soils. Bayer announced a cooperation agreement with the Brazilian nongovernmental organization (NGO) [IPAM](#) and the [Woodwell Climate Research Center](#) to better understand how deforestation in the Amazon and Cerrado impacts climate conditions and therefore 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.
- // We engage in joint projects with other partners to improve global food security. Bayer signed an MoU with SILAL, a global leader in life sciences, to strengthen the agricultural landscape in the United Arab Emirates, focusing on better agricultural practices, capacity-building programs and comprehensive vegetable seed trials.

COP16

The COP16 for the UN Convention on Biological Diversity took place in Cali Colombia with a strong focus on resource mobilization and implementation of a workable set of Global Biodiversity Framework targets.

At COP16 Bayer urged policymakers to better understand how business can contribute to

- // a new mechanism and fund for benefit sharing from digital sequence information,
- // reducing pollution risk,
- // agreeing that innovation is critical for sustainable productivity in agriculture.

Furthermore, Bayer participated in partnering dialogues emphasizing the importance of regenerative agriculture in providing farmers access to sustainable solutions and in driving change alongside similar stakeholders. Bayer supported the [Action agenda publication by CropLife International on Nature positive](#).

Through multi-stakeholder dialogue and the coalition Bayer formed with organizations such as the World Bank and the Global Economic Forum, we further raised awareness about the challenges faced by smallholder farmers. For example, we conveyed to governmental organizations that smallholder farmers need access to technology and innovations to improve their living conditions.

We have led various live discussions on socially relevant topics on LinkedIn – including in areas where Bayer is viewed critically. These discussions focused on topics such as climate change, biodiversity, water and sustainable economic activity.

Bayer is committed to being a reliable partner that is aware of its societal responsibility toward the communities adjacent to our sites. Hence, we maintain an open dialogue between local management and community members, particularly at our production sites, which is supported by each site's respective country organization. This dialogue involves personal discussions with residents, citizens' initiatives, local councils and the regional press. It also includes the Product Supply Community Outreach program, which focuses on making a

direct positive impact in the communities where our employees live and work. Based on impact analyses, the material needs at our sites are identified and suitable measures defined that range, for example, from internship offers for girls to the planting of vegetable gardens, projects directed at health promotion and healthy eating, and teaching units in the Science, technology, engineering and mathematics (STEM) disciplines at schools. The target achievement of the implemented measures is monitored. Our activities here are ongoing. At more than 130 sites worldwide, we want to create significant impact and added value with the program.

Stakeholder engagement in the divisions

We engage in everyday dialogue with our customers. Our divisions navigate different regulatory frameworks. For example, direct contact between Pharmaceuticals or Consumer Health and the respective customer environment, and especially patients, is regulated in different ways for each division. With regard to the collection of customer satisfaction data, different legal requirements apply to prescription medicines from Pharmaceuticals than apply to nonprescription medicines, for example. Any primary market research and data searches that must be conducted, including systematic internet analysis, strictly adhere to the legal requirements, which can vary significantly depending on the market.

To facilitate global access to medicines, we cooperate with various partner organizations and other stakeholders. In addition to our focus on neglected tropical diseases (please see chapter Focus on: Access to Healthcare), we collaborated with other pharmaceutical companies – e.g. within the Access Accelerated initiative – on solutions for access to medicines for treating noncommunicable diseases in less affluent countries.

Patient engagement

Central to the way we operate within the Pharmaceuticals division is the meaningful engagement of patients, care partners and patient advocacy groups. Nurturing such collaborations is vital for in-depth understanding of the priorities of the people living with health conditions and of how we can best serve them and contribute toward better patient outcomes, building trust and disseminating knowledge about the benefit-risk profiles of our medicines and healthcare solutions to support shared decision-making across the diverse populations in the countries where we operate. According to the 2023 PatientView survey, 409 patient organizations worldwide reported collaborating with Bayer. Additionally, we actively participate in multi-stakeholder forums focused on advancing patient-centric medicine development.

By involving those with lived experiences alongside healthcare professionals, we can tailor care strategies to better meet patient needs, leading to informed decisions, improved education, and research centred around the patient experience. In 2024, Bayer's R&D team integrated input from patients, care partners, and families into a Phase 1 clinical trial for a liver cancer therapy. While we have historically collaborated with patient councils on educational materials and Phase II and III trials, incorporating patient perspectives at this early stage represents a new approach, yielding insights that informed trial design to better reflect patient needs.

Patient engagement: prostate cancer

We understand that patient engagement requires a tailored approach, as the needs of different patient groups can vary significantly. In 2024, we have

specifically exemplified this in the area of prostate cancer across three key areas: Shared Decision Making (SDM), effective education and communication, and patient involvement.

A key evolution in our approach is our commitment to enhancing accessibility to scientific information. In 2024, this included translating the Plain Language Summary Publications (PLSP) from the ARASENS trial—a randomized, double-blind, placebo-controlled Phase III study involving patients with metastatic, hormone-sensitive prostate cancer—into multiple languages, ensuring access for non-English-speaking communities. Additionally, we have incorporated plain language sections in all related congress posters. Our ongoing efforts to co-author plain language summaries with patients further exemplify our dedication to making scientific information approachable and relevant for affected communities.

We engage with farmers' organizations, including the World Farmers' Organization and the Global Farmer Network. We launched our own global advisory group for growers to formalize this dialogue worldwide and across different types of farming enterprises – from conventional to organic.

One way in which Crop Science achieves customer centricity is through our Food Chain Partnership, which includes several hundred initiatives throughout the entire value chain. These strategic alliances and cooperation models are aimed at driving improvements in food security, sustainability and economic opportunities for farmers. The programs center on innovative crop solutions and services for sustainable agriculture.

In our Bayer Forward Farming programs, we work together directly with a network of independent farmers who test more sustainable agricultural practices. Our goal is to create ecosystems that reduce business risks for our customers and all participating partners. With this goal in mind, we form partnerships with nongovernmental organizations (NGOs), participants in our value chain and the public sector, and jointly develop new solutions such as the Global Alliance Against TR4 to contain pathogens such as Tropical Race 4 (TR4) in banana plants; the MidWest Row Crop Collaborative Platform; the Living Soils of the Americas Initiative to improve soil health and food security; and Better Life Farming (BLF). Also included are the International Finance Corporation (IFC, part of the World Bank), Netafim and other local partners that aim to empower smallholder farmers. We further describe our stakeholder engagement in agriculture in the Stakeholder Dialogue section of our [Crop Science Sustainability Progress Report](#).

For more information on dialogue with stakeholders, please see chapters 3. Product Stewardship, 4. Procurement, 5. Human Rights, 6. Employees and chapter Focus on: Agriculture as well as our [website](#).

Dialogue with investors and ESG rating agencies

In 2024, we once again engaged in intensive dialogue with the capital market regarding various sustainability topics. The focus here was on the topics of climate protection, biodiversity, safe product use particularly with regard to crop protection, corporate governance and access to medicines for people in low-and middle-income countries ([LMICs](#)).

Through targeted discourse with ESG rating agencies, we aim to achieve an objective assessment of our company while also raising potential identified in this way. We were thus able to improve Bayer's ESG rating results in 2024.

On a scale from A+ (best grade) to D–, Bayer was rated B– by the ESG rating agency ISS ESG in 2024, making it one of the top 10% of all companies examined in the chemical industry.

CDP (formerly the Carbon Disclosure Project) has awarded Bayer the rating of A for its climate strategy. We also achieved another good result in the areas of water (A) and forests (B).

We have also produced a detailed report on our [political advocacy work](#), which has been published on our website. In this process, we have taken account of the expectations of different stakeholder groups, particularly those of investors.

The table below highlights how we engage with our key stakeholder groups and what topics we typically discuss.

| Stakeholders | What do we discuss? | How do we engage? |
|--|--|---|
| Suppliers and contractors | <ul style="list-style-type: none"> // Climate protection // Human rights, supply chain // Corporate governance | <ul style="list-style-type: none"> // Participation in international initiatives and collaborations // Engagement in major climate conferences |
| Customers | <ul style="list-style-type: none"> // Products and services, quality, supply chain due diligence // Pricing // Customer needs // Reduced ecological footprint, climate protection // Environmental protection and impact reduction // Social topics and human rights | <ul style="list-style-type: none"> // Comprehensive information programs // Provision of support for easy availability of farming solutions and capacity building for sustainable agriculture practices // Training // Patient engagement programs |
| Employees | <ul style="list-style-type: none"> // Health & safety incl. mental health and nutrition // Sustainability strategy // Work-life balance // Inclusion & Diversity // Compensation // Conditions and future of work // Freedom of association and collective bargaining // Artificial intelligence | <ul style="list-style-type: none"> // Corporate benefits // Employee survey // Regular town hall meetings // Training // Flexible working hours/locations // Health and wellbeing programs // Employee giving, donation programs // Works Council, Executives' Committee (KSpA) // Internal platform available |
| Associations and other advocacy groups | <ul style="list-style-type: none"> // Innovation in healthcare and agriculture // Transparency, sustainability and ethical business practices // Compliance, regulatory, product defense // General market conditions, tax // Policy positions | <ul style="list-style-type: none"> // Organizational memberships // Active involvement in committees and specialist workshops, conferences // Research collaborations // Information sharing on science-based solutions // Materiality/economic trade and policy analysis // Identification of trade barriers |
| ESG rating agencies/investors/banks | <ul style="list-style-type: none"> // Regenerative agriculture // Healthcare // Climate change, energy transition & environmental Impact of our products // Biodiversity and water // Human rights // Executive compensation | <ul style="list-style-type: none"> // Regular investor calls & newsletter // Roadshows // Conferences // Webinars // Annual Stockholders' Meeting & regular communication |
| Government/policymakers/NGOs/ multi-stakeholder platforms | <ul style="list-style-type: none"> // Innovation in healthcare and agriculture // Transparency, sustainability and ethical business practices // Compliance, regulatory, product defense // General market conditions, tax // Food security, access to health, environmental protection | <ul style="list-style-type: none"> // Engagement with all levels of government/direct engagement // Organizational memberships and collaborative partnerships // Conferences & workshops // Information sharing on science-based solutions // Global platforms (WBSCD, WEF, SMI) // Global summits (COP) |
| General public & local communities | <ul style="list-style-type: none"> // Environmental stewardship, safety & emergency planning // Innovation // Social investment // Education and information on local business conduct // Local business environment, sites, employment, land use | <ul style="list-style-type: none"> // <u>Collaboration and partnerships</u> // Philanthropy // Employee volunteering // Sponsorships // Website, media and social media |

2.5 Transparency

As our activities concern the sensitive areas of health and nutrition, they lead to inquiries and the desire to understand what we do even better. Against this background, we endeavor to strengthen trust further – for which transparent conduct is essential. For example, we disclose information from various areas of our work and openly communicate how the safety of our products is rated.

We supply information about our transparency efforts in the following areas, for example:

- // We make detailed disclosures on, for example, material and project expenses and headcount of the essential political liaison offices in the transparency registers of the German Parliament, the European institutions and the US Congress, for instance. We also report data for countries in which there is no legal disclosure obligation. For more information, please see chapter 2.2 Compliance and our [website](#).
- // As regards tax transparency, we maintain a discourse with interested stakeholders.
- // Through our [website](#), we provide public access to [safety-relevant studies](#) that regulatory authorities use to approve crop protection product registrations. We also publish the safety results for our genetically modified crops on our [website](#).
- // Our [OpenLabs](#) provide insight into the scientific work in our laboratories and field trial facilities.
- // We publish information on planned and ongoing clinical trials on the publicly funded [clinicaltrials.gov/](#) website. Trials sponsored by Bayer are published on our [Clinical Trials Explorer](#) website.
- // We publish summaries of clinical trial results on our [Clinical Trials Explorer](#).
- // For many years, we have shared patient-based clinical trial data with qualified researchers. Since 2022, this has been possible via [Vivli, the website of the Center](#)

[for Global Clinical Research Data](#). For more information, please see chapter 3.8 Pharmaceuticals and Consumer Health.

- // In relations between the pharmaceutical industry and physicians, other healing professions and healthcare organizations, Bayer ensures compliance with the European Federation of Pharmaceutical Industries and Associations (EFPIA) Disclosure Code, and, for example, the US Physician Payments Sunshine Act.
- // To generate more transparency around our scientific collaborations, we launched the [Bayer Science Collaboration Explorer](#) in Germany in 2021 and expanded it to the United States in 2022, Switzerland in 2023 and Brazil in 2024. In this publicly accessible database, we disclose information on new contract-based scientific collaborations with universities, public research institutions and individuals to increase public confidence in our innovations, scientific processes and research. The database contains more than 1,300 contracts with partners in 37 countries.

Publications

We strive for maximum transparency in our publications. All Bayer employees are obliged to properly reflect and disclose our participation in any scientific work and publications of third parties and the participation of third parties in the development of our publications. Our Group Regulation on Scientific Publications prohibits ghostwriting and guest authorship and thus meets the strict specifications of important high-ranking medical journals. For example, all authors must compile or review essential postings with respect to concept, design and data assessment, and fully disclose all financial relationships, including material support for research, and other potential conflicts of interest related to the publication.

In addition to our sustainability reporting, we have published further reports that describe topics in detail and are available to interested stakeholders on our website. These include:

- // [Industry Association Climate Report](#)
- // [Neonicotinoids](#)
- // [Genetically Modified Crops](#) (GMOs)
- // [UN Global Compact Adherence](#)
- // [Leaps by Bayer](#)
- // [Crop Science Sustainability Progress Report](#)

For more information on our transparency initiative, please see our [website](#).

2.6 Bioethics

New life science technologies are advancing rapidly and offer the opportunity for a significant positive impact on society, people and the environment. As a leading company in healthcare and nutrition, Bayer takes the opportunity to contribute more to this development than almost any other enterprise. However, the speed at which science is advancing and the possibilities these innovations create, also raise complex ethical questions for us as a research-based company.

With Bayer's Group Regulation on [Bioethical principles](#), we have a company-wide, binding and valid ethical framework for decisions that are relevant in research and development in the life sciences. The focus is on principles for dealing with medical topics, bioengineering and artificial intelligence, which apply to the following bioethical focus areas:

- // Use of genetic engineering
- // Use of human stem cells
- // Use of human biological samples
- // Conducting studies in humans
- // Use of artificial intelligence in the context of human healthcare
- // Animal welfare

Responsible use of human stem cells

We are aware of the particular sensitivity that the topic of the use of human embryonic stem cells requires.

We pay attention to compliance with legal requirements and our ethical standards.

Our Group Regulation on Bioethical Principles defines the ethical boundaries within which we use human stem cells in our research. For example, we only use human embryonic stem cells in a few selected research projects. These existing cells were obtained in compliance with applicable laws and approved by the relevant national authorities.

Bayer is not involved in any research activities that lead to the production of new embryonic stem cell lines or to the development of a complete human embryo.

The established principles of [the International Society for Stem Cell Research \(ISSCR\)](#) must be complied with as the minimum requirement for both research and clinical implementation; stricter internal guidelines for specific areas of application are also taken into account.

For more information on the subject of [stem cells](#) and [cell therapy](#), please see our [website](#).

Bioethics Council

As a core element of our approach to bioethics, Bayer has established the Bayer Bioethics Council, an external advisory body consisting of 11 independent experts. By bringing in an ethical and societal perspective, it helps Bayer identify relevant bioethical questions and consults on how to answer

them. The council's purpose is to support Bayer in further developing bioethical guidelines for its decision-making. The Bioethics Council:

- // Advises Bayer on how to ensure bioethics is an integral part of our research and development (R&D) work
- // Examines our directives from a bioethics perspective and advises us on shifts in strategy
- // Evaluates our progress in implementing bioethics strategies and guidelines
- // Advises on the main drivers behind current bioethics topics (i.e. technological advances and social change) relevant to our work

Its members, who convene twice a year, come from five different continents. Together, they offer expertise in ethics relating to a variety of academic disciplines in the fields of agriculture and medicine, ranging from expertise in genetic engineering and artificial intelligence to philosophy and sociology. For more information, please see our [website](#).

2.7 Cyber Security and Information Protection

Bayer is committed to maintaining monitored standards of data protection and cyber security. Bayer has invested in security technologies and set up defined practices. Bayer is focusing on the safe management of sensitive information and defense against cyber threats.

We are committed to protecting our stakeholders' interests by implementing cyber security measures and safeguarding sensitive data. Bayer invests in modern security technologies and has put in place cyber security defenses including ongoing risk assessment, security controls, regular monitoring and IT security awareness campaigns.

Cyber security and information protection framework

Bayer maintains a dedicated cyber security governance framework. Our Board of Management and associated committees oversee our IT cyber security strategy, which is aligned with industry best practices and evolving threats. This strategy is regularly reviewed and updated to adapt to the changing threat landscape. Bayer has a comprehensive set of Group regulations on information security and cyber security, to protect our digital assets and ensure the privacy, integrity and accessibility of our data. In addition, we have a Chief Information Security Officer (CISO), who leads our information and cyber security efforts. Our Cyber Security Risk Management organization serves as a second line of defense, carrying out duties related to cyber security, risk management and oversight. The third line of defense consists of audits. Bayer regularly takes part in cyber security audits conducted by both external and internal auditors. This helps us to ensure that our security initiatives and practices stay reliable and adhere to industry norms. Our commitment is underlined by ISO 27001 certification, which has been attained for some of Bayer's business operations. Bayer additionally follows the well-accepted standards of the US National Institute of Standards and Technology (NIST).

Cyber security training

Our employees and contractors receive regular training on cyber security best practices to enhance their awareness and reduce the likelihood of human error contributing to security incidents. We regularly conduct mandatory training courses for relevant stakeholders in several languages. The completion rate for our fundamental cyber security training in 2024 was ~97%. To effectively educate and raise awareness among relevant stakeholder groups, a range of media and approaches are employed.

We have established channels for employees and stakeholders to report violations of laws or regulations and/or internal Group regulations or processes anonymously and without fear of retaliation. Bayer maintains an incident response plan

that outlines procedures for identifying, managing and mitigating cyber security incidents, as well as regular risk assessments to identify, prioritize and mitigate potential threats and vulnerabilities.

Bayer has a contingency plan in place, enabling us to respond swiftly and effectively to unforeseen disruptions, such as natural disasters or cyber incidents. This plan outlines clear procedures, roles and resources to ensure minimal downtime and uninterrupted business continuity during challenging circumstances.

2.8 Emergency and Crisis Management

We are committed to protecting our employees, facilities, products, intellectual property and reputation from security threats, crime, emergencies and crises. In times of emergency or crisis, the safety and security of our employees, sites and surrounding communities is our highest priority.

Our Emergency and Crisis Management is deeply connected to our sustainability objectives. Through Group regulations on emergency planning, emergency response and health, safety, security and crisis management, as well as pandemic planning, Bayer has taken action at both global and local level to prepare the organization for extraordinary events (e.g. major damage events or crimes) and assess and process them based on standardized criteria.

Our Emergency Management System includes preparedness and response frameworks, supported by governance and operational capabilities at both corporate and local levels, which also includes a Global Security Operation Center (GSOC) that operates 24/7.

Our Crisis Management System is built in accordance with the international standard ISO 22361, enabling us to prepare

for, respond to and recover from crises while maintaining critical operations under challenging conditions. It enhances Bayer's resilience through structured management strategies, minimizing the impact of crises on our stakeholders and operations.

While promoting decentralization and allowing local organizations to respond to crises autonomously, our Crisis Management System ensures that crises affecting Bayer as a Group are addressed by the Crisis Management Team, led by a Board member and coordinated by the Chief of Staff.

Our crisis management capabilities are further strengthened through training and exercises, which help Corporate Crisis Teams to identify areas for improvement, build confidence and develop the ability to work as a team under adverse and stressful conditions.

Our established Business Continuity Management System, based on international standard ISO 22301, supports our emergency and crisis management efforts. Business continuity plans outline predefined responses for scenarios such as personnel shortages, building unavailability, equipment failures, IT disruptions or supply chain issues. These plans address various emergencies, including pandemics, prolonged blackouts and climate-related impacts on production sites. Our management system incorporates IT measures to safeguard service provision and ensure rapid recovery post-disruption. Plans are regularly updated, and training is provided to ensure effective implementation.

In conclusion, our comprehensive approach to emergency and crisis management, supported by robust business continuity and risk management systems, ensures that Bayer remains resilient and capable of sustaining its operations and supporting its communities through any challenges that may arise.

2.9 Tax

Bayer's Approach to Tax sets out our management approach and tax strategy. Our so-called "5-C" principle reinforces our internal tax regulation and is mandatory for all employees to follow:

- // **Compliance** – We strongly oppose any non-compliance.
- // **Competitiveness** – Tax follows business. We pay taxes in line with value creation.
- // **Cooperation** – We appropriately cooperate with the tax authorities.
- // **Clarity and Certainty** – We support self-explanatory transparency in the right hands and need clear legal standards to act on.
- // **Control and Governance** – We set up an appropriate tax control framework to ensure we meet our tax obligations in a timely fashion.

Bayer observes the principle that we pay the taxes we owe in every jurisdiction based on the applicable statutory requirements. The contribution of appropriate taxes is a core element of our corporate social responsibility. In the respective countries in which we do business, the taxes paid by Bayer represent an important source of revenue for funding social and economic activities. We comply with the relevant tax regulations of the countries in which we operate as well as the requirements relating to the payment, documentation, disclosure and auditing of our taxes. In addition, we have implemented appropriate internal controls to mitigate tax risks. We do not engage in artificial transactions without substance, we are committed to being transparent and have a cooperative relationship with all relevant tax authorities.

Bayer's approach to tax is publicly available on our [website](#) and transparently describes our respective values. The objectives and principles of tax management at Bayer are established in the Group Regulation on Finance. This applies to the entire Group, and updates are reviewed and approved

by the head of Group Finance and the Group Chief Financial Officer (CFO).

Responsibility for all taxes and tax effects worldwide in connection with Bayer's activities lies with the global leadership team of Taxes, who report to the head of Group Finance. Together, they regularly inform the Bayer CFO about all important tax matters. The head of Group Finance and/or the global leadership team of Taxes also regularly report to the Board of Management and the Audit Committee of the Supervisory Board.

Observing the applicable regulations and the associated disclosure obligations may include the involvement of external experts or consultation with the respective tax authorities, for example. The principles mentioned above also apply whenever external service providers are commissioned. As the continuous further development of tax legislation is also in our interests, we participate in the political discourse while observing the stipulations of the Code of Conduct for Responsible Lobbying.

Tax risks are accounted for in the Bayer Group's global risk management system, responsibility for which lies with the Board of Management of Bayer AG. As an element of financial reporting, it is also subject to regular review by the external auditor. In this connection, and observing the legal requirements, Bayer separates corporate auditing from tax consulting so as to rule out conflicts of interest in advance.

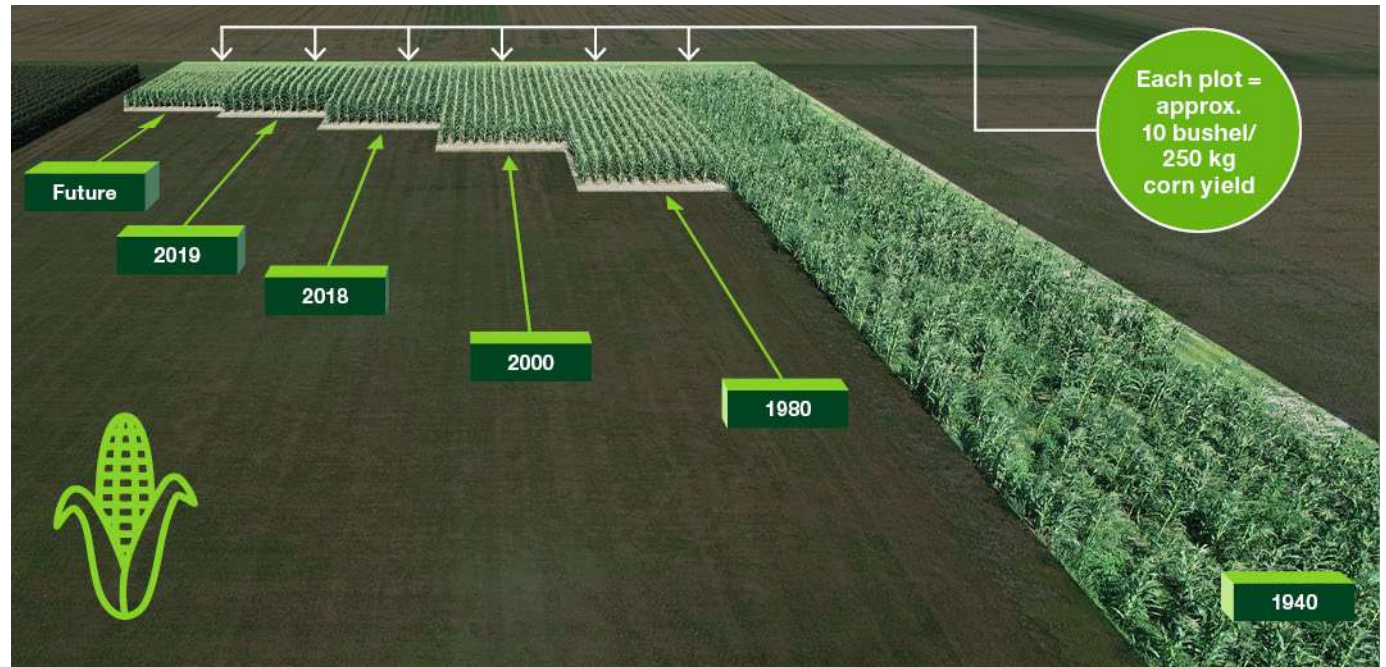
Focus on: Agriculture

Challenges and Approaches

Global agriculture and food systems are confronted with major challenges, such as climate change (in terms of both climate change mitigation and climate change adaptation), water scarcity and population growth. Scientists and United Nations (UN) organizations expect the world population to grow to around 10 billion people by 2050 – an increase of around two billion people relative to 2024. In addition, both the Food and Agriculture Organization (FAO) of the United Nations and the World Resources Institute (WRI) envisage a 50% increase in the demand for food and animal feed by 2050. The demand for animal-based protein and thus also for animal feed is expected to increase further, especially in the emerging markets. At the same time, the already limited farmland is expected to decline due to climate change, water scarcity, soil erosion and other factors. The agricultural sector therefore needs to meet the demands of a growing population, while at the same time promoting sustainability and protecting our ecosystems.

In addition to the challenges already mentioned, it is estimated that around 33–40% of all the food produced for human consumption (including meat from animals fed grain) is lost or wasted along the value chain including customers. This means that around 30% of our global agricultural land is used for food and feed that is never consumed. Besides food security, this also has a critical dimension for climate change: it is estimated that food loss and waste account for approximately 10% of global greenhouse gas emissions.

Solutions from Bayer help farmers to make the best of their fields and help to increase their productivity on the farm. This starts with the choice of a seed. For example, high-performing seeds offer improved resistance against common



diseases and pests as well as being adapted to local environmental conditions. This, combined with farm management and pest, disease and weed management supported by digital decision-making on the field, enables farmers to be more productive with their operations, thus contributing to food security.

Optimized seed varieties can also help reduce food loss and waste in later stages of the value chain. For instance, they can enhance shelf life, improve fruit firmness to withstand long-distance transport, or increase the efficiency of processing operations. Furthermore, plant breeding efforts can

focus on developing seeds that cater to consumer preferences, such as convenience and taste, thereby promoting the consumption of nutritious fruits and vegetables.

Sustainable intensification

Intensive agriculture with high yields per hectare of farmland is a crucial factor for ensuring the continued availability of high-quality and affordable food. Agricultural intensification leads to less land being required for the same amount of agricultural output. While agricultural yields have grown by 60% over the past 40 years, the amount of agricultural land has increased by only 7.6%. This productivity increase was

substantially enabled by technological developments in the areas of plant breeding and – since the 1990s – plant biotechnology as well as by management practices such as fertilization, irrigation and crop protection. Insecticides and fungicides have played a crucial part in reducing harvest losses. Crops compete with weeds for water, nutrients and light, resulting in a potential crop loss of up to 30%. Herbicides are an important tool to reduce this growth competition.

Bayer helps farmers cultivate more food for a growing population, improving food security and reducing the environmental impact of farming operations through our sustainability targets and stewardship. Digital technologies play an important role in this, as do improved seeds and improved agricultural practices. To reduce harvest losses caused by insect pests, competitors for nutrients or fungal infestation, we combine our high-performance seeds with the targeted use of crop protection products. We offer farmers a selection of these innovative tools and recommend optimal combinations that enable the use of crop management practices at the correct time and in the correct place for optimal production.

Regenerative agriculture

We believe agriculture should go beyond sustainable intensification and move toward regenerative agriculture, a key difference being an emphasis on restoring ecosystems while increasing yields at the same time. We aim to transform agriculture by driving forward a more resilient food system guided by our vision of regenerative agriculture.

Bayer promotes a concept of regenerative agriculture (mainly downstream in our value chain) that is defined as an outcome-based production system aiming to increase food production, farm incomes and resilience in a changing climate, while restoring nature, especially the health of our customers' soil.

Our mission 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. For us, regenerative agriculture is an outcome-based production model based on two key building blocks: productivity, which focuses on helping farmers maintain or increase yield with fewer inputs for improved social and economic well-being outcomes, and regeneration, which focuses on delivering a positive impact on nature. Positive impacts on nature include improvements to soil health, reduction in field-level greenhouse gas emissions and an increase in carbon sequestration to mitigate climate change, preservation and restoration on-farm biodiversity and enhancement of plant genetic diversity, and conservation of water resources.

Soil coverage, minimization of soil disturbance, a diversification of rotations, an optimization of inputs and a reduction of their impacts are therefore important practices for achieving regenerative agriculture.

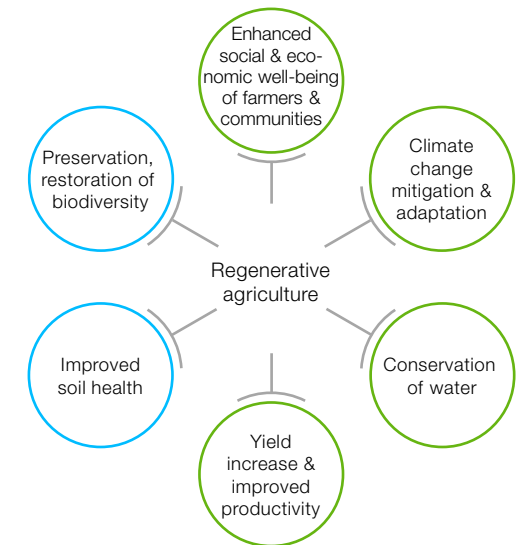
Our sustainability targets (please see the Sustainability Strategy chapter as well as this chapter below) are important building blocks on our journey toward regenerative agriculture and comprise:

- // Reducing on-field greenhouse gas emissions
- // Reducing environmental impact of crop protection products
- // Supporting smallholder farmers
- // Improving water use

Currently we are working on developing further building blocks (e.g. for soil health) and on how to integrate restored habitats into the approach. Moving forward, we are striving to take a full systems-based perspective on our approach to regenerative agriculture and to treat a farm as an ecosystem in itself – with its unique soil and environmental conditions. But this also means that a concept of regenerative agriculture must be understood as a flexible framework rather than a rigid one. Data is the foundation for identifying optimal

solutions for each farm and for assessing progress toward nature-related outcomes (beyond just bushels of yield and income generated).

Building Blocks of a Regenerative Agriculture



- Elements of a regenerative agriculture system that are already part of our strategy
- Other key aspects of a regenerative agriculture system we are currently working on

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 developed by Bayer have the potential to advance the future of regenerative farming:

- // Crops/smart cropping systems (e.g. short-stature corn, hybrid wheat, direct seeded rice, new cover crops)
- // Seeds and traits technologies (e.g. precision plant breeding, genome editing, biotechnology)

- // Sustainable crop protection (e.g. new chemical profiles, biologicals)
- // Innovations in carbon farming, data and digital solutions
- // Nitrogen fixation innovations

We see potential in scaling up regenerative practices on farms around the world providing tailored solutions that combine our innovation pipeline across seeds & traits, crop protection and digital farming, and a multitude of partnerships.

Read more

For more information on the responsible use of crop protection products and the application of digital farming technologies, please see chapter 3.6 Crop Science.

For more information on our target related to smallholder farmers in low- and middle-income countries (LMICs), please see the Sustainability Strategy chapter.

Initiatives to protect biodiversity

In our [Sustainability Statement in the Annual Report 2024](#) we report on E4 Biodiversity and ecosystems.

Forests

Forest habitats are of central importance for biodiversity and forests play a key role in protecting the climate. With our [Position on Deforestation and Forest Degradation](#) we aim to address the causes of these issues within our sphere of influence, as well as in cooperation with our customers and within our supply chains. We also aim for net-zero deforestation in our supply chains. In our current response to the [CDP questionnaire](#), we have included a detailed statement on this.

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, a biodiverse savanna in eastern Brazil the Amazon rainforest and other habitats. The program has two pillars:

- // The first pillar is dedicated to creating new tools that enable forest protection, through which we intend to establish new commercial incentives, improve the implementation of our own objectives and traceability systems and expand our participation in multi-sectoral coalitions to build collective action.
- // In the second pillar, we aim [to create value for existing forests together with partners](#) who are committed to conserving native vegetation. We have established a research investment effort to broaden the scientific knowledge of the interconnection between agriculture and forest conservation.

Agriculture

Land-use change (including fragmentation and degradation of habitats and intensification of land use) is the main direct driver of terrestrial biodiversity decline according to IPBES. We acknowledge that farming is one of the root causes behind this decline, namely because of factors acting at landscape and habitat levels, such as agricultural land expansion at the expense of natural habitats (land-use change), landscape homogenization (bigger field sizes, fewer structural elements, narrower crop rotations) and land-use intensification (e.g. increasing mowing frequency and increased nitrogen fertilization in grasslands).

Agricultural production benefits from [ecosystem services](#) such as pollination, natural pest control and nutrient cycling. Species that create and maintain these important ecosystem services are thus essential for food, feed, fuel and textile fiber production. However, agricultural landscapes are not only habitat to these service-providing species but are also

home to species that may not have direct benefits or may even damage agricultural production (e.g. pests).

- // From a farmer-centric perspective, it is important to maintain and restore the corresponding functional biodiversity (pollination, natural pest control, soil health) and to reduce the occurrence of organisms that could compromise the harvest.
- // From a biodiversity conservation perspective, it is likewise important to protect and restore habitats that harbor a broad range of species in agricultural landscapes.

It is necessary to obtain a better balance between production and conservation. We therefore promote a concept of regenerative agriculture (for more information, please see chapter Focus on: Agriculture). We engage in numerous partnerships and collaborations to further shape the definitions and underlying metrics for enabling a transition toward regenerative agriculture. In addition, we are members of the regenerative agriculture program of the [Sustainable Agriculture Initiative](#) (SAI) and the [Agribusiness Taskforce](#) of the [Sustainable Market Initiative](#). We also contributed to the regenerative agricultural metrics workstreams that are led by the [World Business Council for Sustainable Development](#) (WBCSD).

Soil health, habitats and genetic diversity are important aspects that both we and farmers need to consider when striving for a better balance between production and conservation. In the following section, we highlight promising approaches, actions and partnerships we are pursuing for each of these aspects.

Soil health

Our main objective in soil health is the development of a soil health value proposition for key cropping systems. We want to contribute to solutions for an entire crop rotation system and not only for one cropping season. Combining our solutions in seeds and traits, crop protection, crop nutrition and

digital agriculture, with corresponding agronomic advice regarding cover crops and tillage, crop residue management can not only improve farmers' yield, productivity and profitability, but also lead to beneficial effects on soil health. This in turn increases yield stability, soil carbon sequestration, resilience to extreme weather events and potentially reduced costs (inputs, machinery, labor). Through our Bayer Carbon Programs, farmers can even generate additional income. To confirm soil health and economic outcomes, we started to run corresponding long-term trials in selected regions and cropping systems. For more information, please see our [Crop Science Sustainability Progress Report](#).

In a partnership with the [Midwest Row Crop Collaborative](#), we collaborate with stakeholders to facilitate the adoption of regenerative farming practices to improve soil health and long-term productivity in the Midwestern United States – where some 80% of US corn and soybeans are harvested.

Habitats

From a farmer's viewpoint, protecting or restoring habitats can sometimes be seen as a direct trade-off for farming activities unless habitat creation or protection generates some kind of benefit or provides important [ecosystem services](#) to the farmers.

As part of our Forest Protection Strategy, our PRO Carbono Commodities Program currently includes soybean production by Brazilian growers and agricultural companies in the state of Mato Grosso, within the Cerrado and Amazon biomes. As a prerequisite for taking part in this initiative, farmers may not work on agricultural fields that have been converted from natural vegetation in the last 10 years, even if legally authorized. Additionally, farmers in the program commit to conserving the surplus of natural vegetation on their properties. In turn, farmers stay on top of innovations and trends, experience new market opportunities and get publicity for the good practices they already apply. For more information about this program and our Forest Protection

Strategy, please see the [Crop Science Sustainability Progress Report](#).

Across North America, Bayer collaborates with conservation groups, academic experts, farmers and government agencies to protect pollinator habitats. Conserving and enhancing pollinator habitats is beneficial in multiple ways. It can support multiple other insects, birds and mammals, improve soil structure and water infiltration and decrease field run-off to local water bodies. [Through our partnerships](#), we have supported the creation of more than 171,000 hectares (423,000 acres) of pollinator habitat since 2015.

In Europe, we closely collaborate with biodiversity consultancies in the context of our [BayDiversity program](#) to facilitate the creation and implementation of biodiversity management plans. So far, 120 farms have participated in the program.

To be able to support impactful measures to counteract biodiversity decline, we continuously invest in research activities to better understand the root causes of the decline of pollinators and other insects. A dedicated working group at Bayer is evaluating the [factors behind the reduction of diversity and abundance of insects and potential countermeasures](#). Moreover, we support activities to counteract insect decline – such as our engagements focusing on milkweed habitat creation for monarch butterflies in North America, and our activities with German farmers and conservation institutes enabling [ecological enhancement measures to be implemented in intensive agricultural areas](#).

Genetic diversity

Conserving crop genetic diversity, helping farmers to access better crop genetics and breeding crops with higher resilience to the negative consequences of climate change are our main objectives in this context. By providing in-kind support to public gene banks, we help to ensure the conservation of global collections of agricultural crops for current and

future generations. At the same time, we access and incorporate novel genetic variation into our varieties. We support renowned research centers such as the national gene banks of the Netherlands (CGN), France ([INRAE](#)) and the United States (USDA) with collection missions and the conservation of agricultural crops and their wild relatives from different regions of the world before they become extinct from their natural habitats. This is particularly important for vegetable crops, where many species are not yet conserved in any gene bank. Please find more information on our [website](#).

We work with the World Vegetable Center (WorldVeg) in rescuing their unique collection of Brassica crops such as broccoli, cabbage and cauliflower. This collaborative approach also supports smallholder farmers.

Partnerships and research collaborations

Our collaborative research with [ETH Zürich and the International Food Policy Research Institute \(IFPRI\)](#) in 2021 and 2022 outlined challenges regarding synergies between [biodiversity and agriculture](#). Insights into the challenges around result-based payment programs as well as farmers' perception and behavior were published in corresponding scientific journals. In general, [the study](#) revealed further need for action and research. We continue to address these in partnership with academia, research organizations, consulting companies, nongovernmental organizations (NGOs) and others to help us to become even more effective in our efforts.

To gain experience with modern biodiversity monitoring methodologies and potential new incentive mechanisms for the biodiversity-friendly agriculture that they enable, we are part of the EU Horizon Program [Biomonitor4CAP](#).

One of the methodologies tested is environmental DNA (eDNA), which is DNA that has been left in the environment by organisms, which can be extracted and analyzed to monitor biodiversity or detect the presence of specific species. Bayer's focus in the context of BioMonitor4Cap lies in soil

biodiversity and exploring the differences between land management practices.

We moreover started a multi-year research partnership with the University of Trier (Germany) to develop new technologies that advance and optimize the use of eDNA analysis for field monitoring in the areas of biodiversity assessment and pest control.

In Brazil, we are one of the sponsors [supporting research](#) to better understand the relationships between natural vegetation and agricultural production as well as the value of standing forests for farmers in the Amazon and Cerrado regions.

Reduced impact from crop protection products

We understand that crop protection products are often perceived as one of the root causes of biodiversity decline. However, the available data assessed in a recent [meta-analysis](#) we jointly commissioned does not support the claim that pesticides are a main driver of insect decline.

Potential impacts of crop protection products on the environment are diligently assessed in the development process and additionally by authorities for approval purposes. Moreover, our researchers work successfully on the discovery of new molecules aimed at further reducing such unintended and detrimental environmental effects. Environmental safety plays a key role in various stages of our research and development of crop protection products, starting in early development. We investigate the environmental fate and the effects (ecotoxicology) of the molecule itself and also of its degradation products in the different compartments of the environment and for a large variety of animal and plant species. Data on environmental safety is also included in regulatory studies. Furthermore, with CropKey, we use artificial intelligence (AI) in developing new crop protection products with greater accuracy than ever before regarding their effect on specific targets. For

more information, please see chapter 3.6 Crop Science – Research & Development (R&D).

Crop protection products are labeled to inform farmers about correct usage. To ensure that farmers understand the label instructions and learn about correct usage, Bayer conducts training for farmers. For detailed information, please see chapter 3.6 Crop Science.

We also support and encourage the development of integrated pest management (IPM) and pollinator management methods that conserve the abundance and diversity of beneficial insects, protect pollinators and reduce the use of crop protection products, or replace compounds with less favorable environmental safety profiles with modern, more environmentally friendly solutions. We are therefore conducting comprehensive field trials under agronomic conditions in various crops around the globe with the objective of deriving recommendations regarding the best positioning of our products within an IPM system to protect pollinators and beneficial insects.

With digital tools such as [MagicScout](#) and [MagicTrap](#) (a digital yellow trap for pest monitoring), we aim for crop protection products to be applied in the right amount and only when needed, for example through faster identification and documentation of the causes of damage such as weeds, pests and diseases.

We are continuing our efforts to further reduce the environmental impact of our crop protection portfolio. Therefore, we aim to reduce the treated-area-weighted environmental impact per hectare of Bayer's global crop protection portfolio by 30% by 2030 against a 2014–2018 average baseline. For more information, please see chapter Focus on: Agriculture.

Risk mitigation for pollinators and other insects

Insects play a key role in all terrestrial ecosystems, representing a significant part of worldwide biodiversity. One of the [ecosystem services](#) provided by insects is pollination, which plays an important role in global crop production and in safeguarding nutrition. To minimize the risks posed to nontarget insects, including pollinators, by our crop protection products, we perform extensive safety testing and risk assessments and implement product stewardship measures.

For more information on protecting pollinators and on the effects of our products, please see chapter 3.6 Crop Science. For more information on measures we have taken with regard to neonicotinoids, please see our [separate report](#).

Advancing digital solutions in agriculture

Bayer approaches digital farming through partnerships and is building an ag-tech ecosystem striving for greater industry interoperability to help farmers make the best use of the breadth of digital farming services and tools on the market, while applying sustainable practices. Bayer is a partner in more than 100 technology agreements, and we have made Climate FieldView™ available not only to our customers, but to more than 70 industry partners to provide services, data models and connected solutions. Our efforts and partnerships include:

- // FarmRise (India): a mobile app helping more than 400,000 monthly users access farming advice, evaluate pest infestations, rent drones, join carbon programs, check the weather and watch commodity pricing, all from a smartphone.
- // WeGrow (China): a digital platform, social networking engagement tool, education hub and member reward program to share agronomic expertise, connect farmers to service providers and reinforce sustainable practices.
- // GeoPotato (Bangladesh): a satellite technology for a powerful tool for smallholder farmers, as a digital early warning system that detects late blight disease in

potatoes, allowing time to spray preventative fungicides only when and where needed.

// Apollo Agriculture (Kenya): Using aggregated data, agronomic machine learning, remote sensing and mobile phones, Apollo delivers financing, insurance, farm products and advice that can increase farm profitability.

Also, through our Better Life Farming Alliance, we aim to create an ecosystem that equips smallholder farmers with comprehensive and innovative solutions. It is based on strong global and local partnerships, aiming to ensure smallholders get access to the knowledge, solutions and technologies they need.

Plant Breeding

Plant breeding (including hybrid crops) plays a key role in reducing in-field losses, achieving improved agricultural yields and reducing food loss and waste in later steps of the value chain. Bayer supports the responsible use of different breeding techniques and technologies.

In plant breeding, existing species of a crop (e.g. corn) are crossed to transfer the desired traits to the next generation of plants. Our scientists evaluate large volumes of genomic, phenotypic and environmental data in order to select the highest performing plants for local farmer environments around the world. We use greenhouse- and field-based product testing over multiple years to determine whether the desired traits have been transferred to the following generations.

Our greenhouse- and field-based product testing and our scalable data analysis and automation functions provide additional insight into the special characteristics of our products, such as plants' ability to resist diseases and adapt during times of water scarcity. This enables us to give our

farmers tailored recommendations that take account of factors such as the climatic circumstances of a region.

Especially for perishable crops such as fruits and vegetables, plant breeding for a long shelf life is an important factor. Longer shelf lives can improve the tradability of fruit and vegetables, increase flexibility in the value chain (e.g. to reach markets further away) and reduce food loss and waste along the value chain up to the consumer.

Preceon™ Smart Corn System

One example of the possibilities offered by plant breeding innovations is our Preceon™ 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 Preceon™ Smart Corn System also allow farmers in-season access, which enables optimized application of crop protection products and nutrients such as nitrogen.

Precision plant breeding

In one of the most transformational shifts in plant breeding history, our precision breeding platform will drive tailored solutions that reflect the specific needs of our customers' farms, crops, soils and agronomic practices.

Precision plant breeding uses artificial intelligence (AI) technology to guide genetic changes and to access more data so scientists can quickly and accurately identify the precise changes needed to remove negative plant traits or emphasize positive ones.

Ultimately, precision plant breeding could result in the delivery of seed varieties tailored to growers' unique field conditions years ahead of schedule.

Plant Biotechnology

Whereas plant breeding uses the genetic diversity within a plant species to generate new and unique plant varieties and hybrids for farmers, plant biotechnology can be employed to transfer genes and their associated beneficial traits from one organism to another. Genetically modified crops provide substantial agronomic, economic and ecological benefits. They can help farmers to increase productivity despite difficult growing conditions by protecting harvests from specific pests and weeds while consuming fewer natural resources. Farmers in large and small enterprises from industrialized and developing countries alike can benefit from genetically modified crops, especially corn, soybeans, cotton and oilseed rape/canola. According to information from the nonprofit organization ISAAA (International Service for the Acquisition of Agri-biotech Applications), crops that are the product of modern biotechnology are grown on more than 190 million hectares in over 29 countries.

Bayer specializes in high-quality seeds with groundbreaking traits that offer not just higher yields but also improved weed control and more effective defense against insects. Our genetically modified plants containing Bacillus thuringiensis (Bt) control specific insect pests that feed directly on the plant. Other insects such as bees and native pollinators are not harmed by Bt plants. The deployment of these plants can considerably reduce the use of broad-spectrum insecticides.

Bt corn was introduced in the United States in 1996 and has since been grown in many countries. [According to studies](#), growing Bt corn in the United States reduced the usage of insecticides by 35%, reduced in-field losses by 10% or more and increased grain quality between 1996 and 2008. In low- and middle-income countries ([LMICs](#)), where corn is an important staple crop, Bt corn can improve food safety and food security.

Crops compete with weeds for water, nutrients and light, resulting in a potential crop loss of up to 30%. Our [herbicide-tolerant plants](#) are tolerant to certain herbicides such as glyphosate or dicamba. This enables weeds in fields to be eliminated using herbicides without damaging the crops. Using these plants enables farmers to reduce or completely forgo tillage as a method of weed control. In combination with good agricultural practices such as the cultivation of cover crops, no-till has a positive impact on soil health. It reduces erosion in the long term, facilitates the development of humus and thereby increases storage of carbon in the soil. This in turn reduces the release of greenhouse gases from the soil that can contribute to climate change. Furthermore, farmers need less fuel for tillage when there is no need for plowing and cultivation.

The development and approval of genetically modified seeds are subject to comprehensive international guidelines and stringent national laws and regulations. For more information, please see our [website](#). The safety of genetically modified crops has been confirmed by numerous studies, which have been evaluated by regulatory authorities in 70 countries. Some believe that genetically modified plants could spread throughout the environment and thus negatively impact plant biodiversity. However, cross-pollination between a genetically modified plant and a wild one would require the plants to be very closely related. Various studies have demonstrated that the introduction of genetically modified crops has not negatively affected crop biodiversity.

Preserving plants' integrity

Plant breeding, for cultivation either in conventional or organic farming, requires measures to preserve the plants' integrity and thus to maintain seed quality. To that effect, the uncontrolled pollination or cross-breeding of plants needs to be prevented. Pollen flow plays a key role here, both in conventional and genetically modified plants. For example, in cultivating corn (a cross-pollinated crop) for seed production, it is essential to be aware of and limit possible pollen flow between adjacent fields. Detailed agricultural practice requirements are in place for our own research sites and those of our seed producers, to prevent inadvertent cross-pollination. These rules are spelled out in our publicly accessible [Technology Use Guide](#) for corn, soybeans, oilseed rape/canola and other row crops. Among other information, this contains provisions for planting at a prescribed distance to other fields of the same crop type or planting at different times to prevent simultaneous pollination in adjacent fields.

There is no evidence that local or native plants are adversely impacted in the unlikely event of inadvertent cross-pollination between genetically modified and nongenetically modified plants from the same species. There is also no evidence that plant diversity has decreased because of the introduction of genetically modified crops. After reviewing more than 900 studies, the US Academies of Science published a report in 2016 stating that it did not see any indication that the genetic diversity of major crop varieties in countries such as the United States had declined due to the introduction of genetically modified varieties. Rather, the number of crop varieties in cultivation had already declined during the 20th century due to strong demand for high-yielding crops.

Innovations in plant breeding: genome editing

Bayer employs new breeding methods that contribute to the development of modern varieties better suited to their environments.

One targeted plant breeding approach is a molecular biology process known as genome editing, which is largely based on improving plants' characteristics by leveraging their existing genetics, for example by deactivating unfavorable traits (such as disease vulnerability) or supporting beneficial traits (such as drought tolerance or improved nutrition). The use of plant breeding innovations, including [CRISPR-Cas](#), can improve the efficiency and precision of plant breeding and contribute to the development of new crop varieties needed to sustainably secure the supply of safe and healthy food.

Partnerships supporting access for smallholder farmers

Facilitating access to the latest techniques and technologies is essential for scientists to enable higher yielding and healthy crops amid continued climate challenges. In order to make these improvements accessible to smallholder farmers, we engage in various collaborations and public-private partnerships to share knowledge and resources:

- // The Modern Breeding Project is a cooperation with the International Institute for Tropical Agriculture ([IITA](#)), providing know-how in technology advancements to plant breeders so they can increase genetic gain in local crops grown in countries such as Mali and Nigeria.
- // We participate in the International Maize Improvement Consortium for Africa ([IMIC-Africa](#)) to enhance African farmers' access to high-quality, affordable, high-yielding and locally adapted maize seed.
- // 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.

// In the European Union, we offer small vegetable breeders free access to our European patents for vegetable traits, which are contained in the Euroseeds [PINTO database](#) and can be licensed by Bayer.

TR4-resistant varieties of banana

Bananas, a key crop for global food security and the livelihoods of millions of smallholder farmers, are facing the most serious threat in decades – the Tropical Race 4 (TR4) strain of the Fusarium fungus, which has triggered a pandemic on banana plantations and is devastating the crop harvest across banana-cultivating regions. At present, control of the disease using fungicides is impossible. The only way to protect bananas is to prevent the fungus from spreading, which is extremely difficult, or to develop resistant varieties. Joining forces with partners from the private and academic sectors, civil society organizations and state entities within the [Global Alliance Against TR4](#), Bayer supports the efforts of the Alliance in capacity building for the prevention and control of TR4 as a model for other diseases that threaten banana production. Our support is focused on prevention and control of TR4.

The Zero Hunger Private Sector Pledge

In 2022, Bayer signed the Zero Hunger Private Sector Pledge and [committed to contributing US\\$160 million](#) to support the goal of combating hunger worldwide, together with other organizations. This pledge was created within the scope of the UN Food Systems Summit. As part of the Zero Hunger Coalition, we are working to help end food scarcity in various regions of the world.

[The Zero Hunger Private Sector Pledge](#) aligns governments, agencies, civil society and businesses with the

10 high-impact intervention areas from the CERES2030 evidence, a research project by scientists from Cornell University, the International Institute for Sustainable Development (IISD) and the International Food Policy Research Institute (IFPRI) that provides practical recommendations on how to end hunger by 2030 worldwide and on a lasting basis.

A detailed report on advancements in our Zero Hunger Pledge (vegetable seeds, plant breeding, the Better Life Farming partnership and our training program BayG.A.P.) can be found in our [Crop Science Sustainability Progress Report](#).

Enabling a Climate-Smart Agriculture

According to [a report of the Intergovernmental Panel on Climate Change \(IPCC\)](#), agriculture, forestry and other land use account for about 22% of all greenhouse gas (GHG) emissions worldwide. Climate change places significant pressures on agriculture in the form of reduced yields, land degradation and increased threats from pathogens and diseases. At Bayer, we strive to advance a climate-neutral future for agriculture in close collaboration with farmers and global and local players. [This requires](#) the development of new technologies, digital enablement and the transformation of agricultural practices. In addition to our commitments to climate neutrality for our own operations (please see the [Sustainability Statement in the Annual Report 2024](#)), we aim to enable our farming customers to reduce their on-field greenhouse gas emissions per mass unit of crop produced by 30% by 2030 compared to the overall base-year emission intensity. The overall base-year greenhouse gas intensity includes the weighted emission intensities of 17 crop-country combinations. In 2024, the crop-country combination

Australia-Cotton was removed from the scope due to the unavailability of data. Base years are defined individually for each crop-country combination, using data from either harvest year 2021 or 2022 depending on the availability of data. Base years were adjusted in 2024 due to additional data requirements based on an updated [GHG](#) calculator methodology and lack of data availability from prior years. This reduction target applies to the highest greenhouse gas-emitting crop systems in the regions Bayer serves with its products (with the exception of the crop-country combinations Italy-Corn and Spain-Corn that were not selected based on these factors but were additionally included because data were already available). Our major focus lies on soybeans and corn in the United States, Brazil and Argentina, paddy rice in India, and wheat, cotton and oilseed rape/canola in various regions.

Methodology and base-year greenhouse gas intensity

The scope of our efforts is focused on emissions of major greenhouse gases from field operations: carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O). The sources of greenhouse gas emissions include cultivation, decomposition of applied fertilizers and organic matter, and irrigation.

To measure progress against our target, we use representative samples of Bayer's customers' field-level data from a third-party market research data provider (Kynetec UK Ltd.) obtained in interviews with randomly selected farmers.

We calculated our overall base-year greenhouse gas intensity based on our customers' greenhouse gas intensities for our major crop-country combinations with data from the 2021 and 2022 harvest years. We define our customers according to the following criteria: farmers whose share-of-wallet for our products equals our market share in a particular market at a minimum, farmers using our seed varieties or our digital platform Climate FieldView™ or farmers participating in our [Bayer Carbon Programs](#).

To calculate the overall base-year greenhouse gas intensity, individual greenhouse gas intensities per crop and country were weighted according to Bayer's footprint in these crops and regions, estimated using the total production volume of a particular crop in a particular market as stated in the database of the Food and Agricultural Organization (FAO) of the United Nations, our market share in this market and carbon intensity of this crop within a particular country. Using this methodology, our overall customers' greenhouse gas intensity weighted across all crop-country combinations in the scope of our target was 726 kilograms CO₂e per metric tonne of crop produced (base-year greenhouse gas intensity of our target). We will assess and report our progress against our base-year greenhouse gas intensity annually or as data becomes available to support the target we have set.

Base-year greenhouse gas intensities as published in the 2023 Sustainability Report were restated based on the >10% difference threshold from previous calculations and due to updated [GHG](#) calculator methodology. For more information, please see the [methodological report](#).

Measures

To achieve our target, we foster the adoption of regenerative agriculture practices and technologies by our farming customers. These include high-yielding crop genetics, crop protection products, precision irrigation systems, soil management tactics through no-till and cover crops, crop rotation, root health, fertilization management, microorganisms and inoculants, direct seeding and alternate wetting and drying in rice cultivation, and digital and precision farming tools. Combining different levers can lead to customized and profitable solutions for our farming customers.

Currently, we are integrating environmental metrics, including a greenhouse gas footprint, into our development field trials to develop innovative and tailored solutions that combine higher yield with co-benefits such as increased soil health and reduced water usage.

In addition, Bayer is driving forward the implementation of regenerative agriculture programs in every region we serve. Our Global [Ecosystem Services](#) support farmers and companies across the value chain to accelerate the adoption of more regenerative agriculture practices and digital technology. In 2024, we had 22 programs with 18 different companies in six countries globally, with more than 21,000 farmers participating, and covering more than 1.5 m hectares (3.6 m acres) where farmers were compensated for the adoption of regenerative farming practices.

North America

In the United States, since 2020, we have provided farmers with incentives to adopt innovative, regenerative agricultural practices through programs such as the Bayer Carbon Program and the ForGround platform. In 2024, we announced our collaboration with Mars Petcare with the goal of changing practices on up to 200,000 acres. Additionally, we expanded our Bayer ForGround program to growers in 28 states with enrollment possibilities extended to 12 cash crops.

Latin America

As part of our Global Ecosystems Services, farmers who fulfill the requirements, such as social and environmental compliance, and who use our digital farming platform Climate FieldView™ are eligible for soil collection and analyses and have access to technical consultants and professional agronomists. The PRO Carbono program was launched in Brazil in 2020 and in Argentina in 2021. In 2024, Bayer, Louis Dreyfus Company and Global Clean Energy Holdings partnered to expand the cultivation of camelina as part of Bayer's PRO Carbono program in Argentina.

In addition to this program, the PRO Carbono Commodities initiative was launched in Brazil in 2023 and in Argentina in 2024. It is a solution designed to address the challenges of the supply chain in moving toward decarbonization, while also recognizing and connecting with forest preservation efforts. In Argentina, as part of PRO Carbono Commodities, more than 300 producers who plant over one million hectares of soybeans are having their carbon footprint calculated, and farmers will receive a financial incentive on grain value from Viterra.

Europe

In Europe, we support the decarbonization of the food value chain through our Bayer Carbon Program, which was launched in 2021, and collaborations with other organizations. In 2024, Bayer announced a collaboration with Trinity Agtech to leverage Trinity Agtech's platform Sandy, an ag tech software for measurement and management of regenerative agricultural practices. Also in 2024, we announced an extension of our collaboration with ADM to drive the further adoption of regenerative agricultural practices in Europe.

Asia/Pacific

Flooded paddy rice has been identified as a significant contributor to emissions of methane, a potent greenhouse gas. In 2021, Bayer started the India Sustainable Rice project, which has since evolved into the [Good Rice Alliance](#). As part of it, Bayer is evaluating the reduction of greenhouse gas emissions as well as water-saving potential in the cultivation of rice under Alternate Wetting and Drying (AWD) and Direct Seeded Rice (DSR) methods. In addition, Bayer is engaged in developing a holistic rice crop system powered by direct seeding, and also in 2021, Bayer launched the DirectAcres project (please see the Conserving Water section later in the chapter).

Progress

Based on the data collected for harvest years 2022 or 2023 (depending on the base year for the respective crop-country combination), our overall customers' greenhouse gas intensity weighted across all crop-country combinations in the scope of our target was reduced by 9% against the overall weighted base-year greenhouse gas intensity of 726 kilograms CO₂e per metric ton of crop produced. The reduction was mainly driven by lower greenhouse gas intensity for India-Rice.

Partnerships

In our partnerships and scientific coalitions, we support the science of soil management, the decarbonization of food systems and technical, digital and financial solutions that help farmers to implement regenerative agriculture practices.

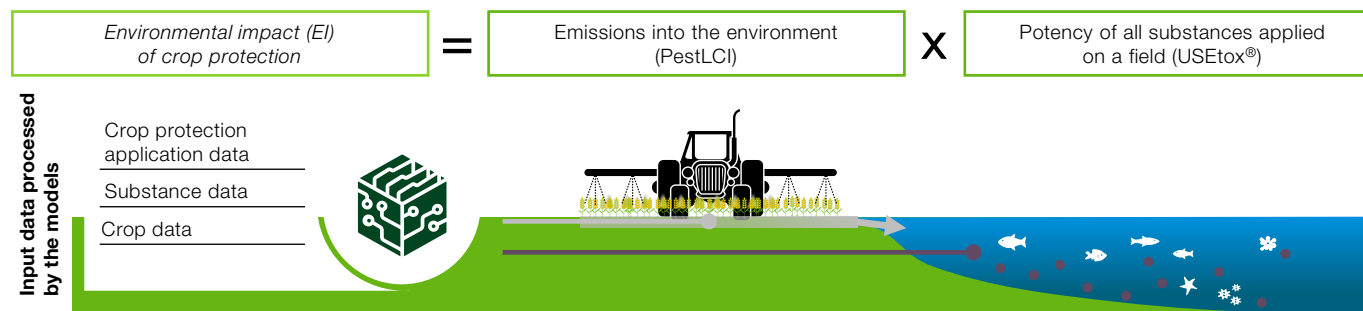
- // [Sustainable Agriculture Initiative Platform](#)
- // [Inter-American Institute for Cooperations on Agriculture \(IICA\)](#), [Living Soils of the Americas Initiative](#)
- // [Coalition of Action 4 Soil Health \(CA4SH\)](#)
- // [Collaboration with Perdue AgriBusiness](#)

For more information, please refer to our [Crop Science Sustainability Progress Report](#).

Crop Protection Environmental Impact Reduction (CP EIR)

Crop protection, next to fertilizers and breeding advancements, has helped humanity to feed an ever-growing population while limiting the increase of arable land, which is a vital step in helping minimize land use change. Yet crop protection products do not just increase yield – they also have an environmental impact when applied to fields.

Crop Protection Environmental Impact Reduction



The prerequisite for placing crop protection products on the market is clear proof of efficacy, while ensuring no effects on human health and only an acceptable impact on the environment. Crop protection products are therefore highly regulated by governmental authorities. Bayer consistently seeks to develop and offer crop protection products that have the same or better benefits for farmers, while having less impact on the environment.

To this end, Bayer adopted a methodology for CP EIR and set a target for reducing the environmental impact of our crop protection products. Specifically, we aim to reduce the treated-area-weighted environmental impact per hectare of Bayer's global crop protection portfolio by 30% by 2030 against a 2014–2018 average baseline. For more information, please see the [Bayer Crop Science Sustainability Progress Report](#) and [the methodological report](#). Additional information will be published on our [website](#).

Scientific models used

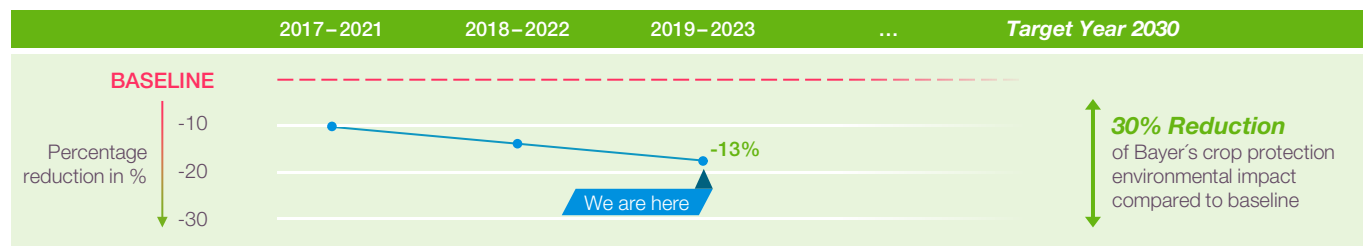
The methodology we adopted relies on two leading, externally developed scientific consensus models to enable a quantifiable environmental impact assessment of crop protection.

// PestLCI has been developed and established by the Technical University of Denmark (DTU) in cooperation with other institutes and organizations since 2006. PestLCI estimates the quantity of an active ingredient emitted into the surrounding environment with the application of a crop protection product in the field, taking into account all contributing processes.

// USEtox[®] has been developed under the auspices of UNEP-SETAC in cooperation with various universities and institutions since 2008. USEtox[®] determines concentrations in the surrounding environment and the potential impact the crop protection products could have on the aquatic ecosystems (defined as the potential effect on nontarget aquatic organisms). USEtox[®] is also recommended by the European Commission as a model for the analysis of products' life cycles and environmental footprint.

Bayer provided an extensive inventory of detailed historic market data on crop protection applications globally to the DTU. The DTU combined the crop protection inventory data with PestLCI and USEtox[®] to calculate a global crop protection impact assessment. An external panel of experts is [independently performing an assessment](#) of how

Progress Overview: Bayer Achieves a 13% Reduction in Crop Protection Environmental Impact, Advancing Towards a 30% Target by 2030



Bayer and the DTU apply the models to assess its crop protection environmental impact, and how Bayer measures performance against its target and other methodological considerations.

Bayer's CP EIR assessment compares the impact of crop protection products. The calculation results in a numerical Environmental Impact Score per application scenario. The score depends mainly on the environmental profile of the active ingredient applied on the field, the amount applied and other factors influencing the emissions into the environment such as application method and timing.

The CP EIR assessment does not account for the environmental effects of other tools applied within farming and integrated crop management, such as plowing, seed bed preparation, fertilizers or harvesting.

As the science of impact assessment is evolving, we are working with the scientific consortium developing these models as well as with other experts in the field to expand the capabilities of the current models. Currently, we are focusing on the potential impact on aquatic ecosystems, and we plan to expand the model to soil organisms and pollinators once these enhancements have been published by the

scientific consortium. These models and the underlying methodology are publicly available.

Scope of the sustainability target

All Bayer crop protection product applications that are characterizable by PestLCI and USEtox® and used in the field globally, as reported in the [AgroWin system](#), are in the scope of our target to reduce the environmental impact of our global crop protection portfolio. The baseline for our target is built on an average of all Bayer crop protection products applied in the field globally between 2014 and 2018 and their respective environmental impact. Using an average as the baseline takes account of the specifics of agriculture such as seasonality or dependence on climatic conditions. To enable the transparency and credibility of the baseline, performance tracking and calculation of CP EIR, all required model input data is third-party data – including substance characteristic data. The crop protection application data in AgroWin is predominantly based on external data providers. To a limited degree, the data is based on Bayer's internal estimates.

Outcomes

Applying CP EIR allows Bayer to identify hotspots of environmental impact and develop improvement levers.

Based on the analysis of the environmental impact of crop protection products, we will be able to recommend a range of tools to help farmers protect their crops and lessen their environmental impact. This can help to produce higher-yielding crops with less impact in and around the field.

The levers involved in achieving this commitment can be categorized as follows:

- // Optimization of crop protection volumes required per hectare through tools such as:
 - // Precision application: data-driven tools that strive to ensure the right amount of crop protection product is applied by farmers in the right place and at the right time
 - // Seed treatment: seed-applied crop protection tools that can significantly reduce the volume of chemicals used and therefore the potential exposure of wildlife and the environment to these chemicals
 - // Seeds and traits: crops bred and designed to better fight pests and diseases that attack them, ensuring less chemical crop protection is needed
 - // Biologics: complementing chemical crop protection with biologics to enhance integrated management practices and reduce pest resistance
- // Reduction of the environmental impact of the crop protection product itself:
 - // Better environmental profile of an active ingredient (lower effect on nontarget plants and species) compared to other products (please see our CropKey approach in chapter 3.6 Crop Science)
- // Reduction of the emissions into the environment:
 - // Mitigation measures such as drift reduction and buffer strips
 - // Digitally enabled precision application

Based on a 2021 data set covering global crop protection use data, Bayer's crop protection products represent around 2% of the global environmental impact of all crop protection products, despite Bayer's market share in terms of sales being significantly higher (around 15% of the global crop protection market). For more information, please see our [website](#).

Progress

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

Conserving Water

Scarcity of fresh water affects farmers around the world. A growing demand for this resource, coupled with climatic change, is among the factors that have the potential to aggravate the water crisis and put additional pressure on water availability, water accessibility and water demand. The agricultural sector accounts for nearly 70% of global freshwater use and therefore has a central role to play in addressing water challenges – all while continuing to deliver on food production and striving to ensure global food security. At Bayer, we recognize the importance of water challenges and intend to help alleviate the global water crisis.

At the UN Water Conference held in New York in March 2023, we released our [water strategy](#), which aims to have a transformational impact that goes beyond our own operations and reflects our willingness to contribute to climate resilience and more sustainable water usage. Our efforts encompass water dimensions along the value chain, from our own operations to the farmers we work with. This is also clearly reflected in our target to [support our smallholder customers to increase water productivity by 25% by 2030 against a 2019–2021 average baseline by](#)

transforming rice cropping in the relevant geographies where Bayer operates, starting in India. Water productivity is defined as kg of crop yield per volume of water applied (kg/m^3). The baseline validation is still ongoing. Our water target is currently focusing on the DirectAcres Initiative, which aims at supporting farmers shift successfully from transplanted puddled rice to mechanized direct seeded rice. The water quantification methodology to enable reporting against our target is published on our [website](#).

Direct seeded rice (DSR)

Rice is one of the most important staple foods in the world. Billions of people rely on a diet that includes rice every day – but [the irrigation of rice crops is responsible for up to 43% of global freshwater use](#) in irrigation.

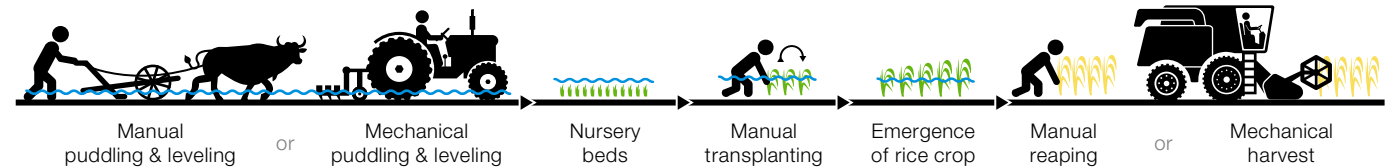
Today, a large majority of the world's rice crop is produced using transplanted puddled rice cultivation practices that are especially water- and labor-intensive

and contribute to global greenhouse gas emissions through higher methane emissions from flooded paddy fields. Traditionally, farmers first grow seedlings in seedbeds or nurseries for two to three weeks before transplanting them in ploughed paddy fields. These fields are flooded beforehand with rain, ground or river water. Over the subsequent months the water level must remain constant to ensure that the plants establish and grow. Shortly before the harvest (after 90 to 130 days), the farmer drains the field to enable the grain to mature.

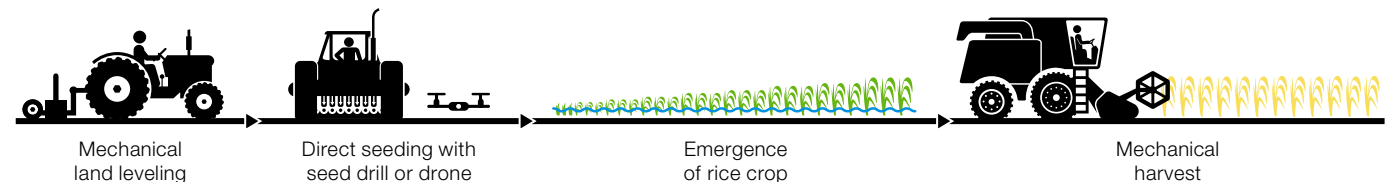
One of the most promising solutions to support sustainable rice production is direct seeded rice. Direct seeded rice is a technology-driven and less resource-intensive cultivation system. Moving from traditional transplanted puddled rice cultivation to direct seeded rice can help farmers reduce water use by up to 40% and can reduce greenhouse gas emissions by up to 45% (by reducing methane emissions from the flooded rice fields).

Transplanted Puddled Rice and Direct Seeded Rice

Transplanted Puddled Rice



Direct Seeded Rice



In addition, farmers can reduce their dependence on manual labor by up to 50%. In many countries, workers are moving away from rural areas and the agricultural sector. In India, for example, nearly 60% of the total labor force worked in agriculture in 1991. It is estimated that this number will reduce to 25% by 2050 at the latest. Many rural agricultural workers are moving away to urban communities for employment in different sectors and this transition is leading to uncertainties in labor availability and higher labor costs for rice farmers. Using direct seeded rice cultivation methods enables direct seeding without labor-intensive manual transplanting of the rice seedlings.

Direct seeded rice cultivation methods could potentially also contribute to soil health.

Bayer is supporting farmers' transition to DSR and building entire systems driven by climate-resilient rice hybrids, a high-performing crop protection portfolio and digital advisory and machinery services.

India

India is the focus of Bayer's approach. Direct seeded rice has the potential to be transformational, as DSR acreages are estimated to grow by around 8–10% in terms of the Compound Annual Growth Rate (CAGR), driven by labor and water shortages. Some governments of north Indian states have announced that they will incentivize farmers to switch to direct seeded rice.

By 2030, Bayer plans to bring the direct seeded rice system to one million hectares in India, supporting over one million early-adopter smallholder rice farmers through our DirectAcres program. Already underway, the DirectAcres program has seen considerable success, with more than 90% of participating Indian farmers achieving successful plant establishment in 2023.

We plan to introduce DirectAcres in other rice-growing countries in Asia/Pacific, starting with the Philippines in 2025.

For more information on our approach to help build water resilience in agriculture and our scientific solutions, please see our [Crop Science Sustainability Progress Report](#).

3. Product Stewardship

Assuming responsibility for our products, from medicines to complex solutions for agriculture, is always at the core of what we do. These should be of the highest quality and contribute to a better life. This means that neither their development and manufacture nor their disposal should cause damage to people and the environment. For this reason, we conform strictly to regulations and laws all over the world.

3.1 Management Approach

For us, product stewardship means that our products meet the highest quality standards and are safe for people and the environment when used properly. Not only the desired properties of substances and products must be considered, but also potential effects on people and the environment. We respect legal requirements, and our voluntary commitment and internal standards go beyond these in a variety of areas. Bayer has put in place suitable directives and management systems to implement regulatory and voluntary product stewardship requirements. These are steered by our Public Affairs, Sustainability & Safety (PASS) Enabling Function and the quality functions of the divisions.

Our quality management systems are based on internationally recognized standards. For more information, please see chapter 3.6 Crop Science and chapter 3.8 Pharmaceuticals and Consumer Health. Approximately 75% of business activities (based on energy consumption of environmentally relevant sites) occur at sites certified to standards ISO 9001, ISO 17025 or ISO 13485.

3.2 Regulatory Conditions

Most of our finished products, such as pharmaceuticals, crop protection products or some varieties of seeds, are

subject to very stringent regulations prescribing specific and extensive approval and registration procedures.

PFAS stands for per- and polyfluoroalkyl substances. They are a group of man-made synthetic chemicals used across industries and products. PFAS are used in a wide range of industrial and consumer products due to their useful properties. There is no common definition which substances qualify as PFAS. In recent years, regulatory authorities have prioritized efforts to define what substances qualify as PFAS of regulatory relevance. There is no currently applicable regulation which restricts any Bayer product. Like all other companies across industries, Bayer is monitoring the evolving regulatory definitions and rules related to PFAS and will continue to comply with all relevant regulations.

Our products cannot be sold on the market until they have been approved by a competent authority or an official registration has been granted. As a condition of their approval, the prescribed efficacy and safety of the individual products must always be demonstrated as proven. An approval therefore only applies for a particular product with the formulation entered in the marketing authorization. Changes in the product composition (such as new formulations for crop protection products) require an additional approval or registration.

Where there is no dedicated crop protection legislation in a given country, Bayer has made a voluntary commitment to distribute only those crop protection products whose active ingredients are approved or registered in at least one Organisation for Economic Cooperation and Development (OECD) country or in a country with mature risk-based regulatory framework to ensure that their safety has been adequately verified. For more information, please see chapter 3.6 Crop Science.

Chemical regulations

In addition to regulating finished products, extensive statutory regulations also apply to the chemical substances handled by Bayer during product manufacture. Chemical substances are subject to the respective regional chemical regulations. These include REACH in the European Union, the Toxic Substances Control Act (TSCA) in the United States and the Measures for Environmental Management Registration of New Chemical Substances (MEE Order No. 12) of the Ministry of Ecology and Environment (MEE) in China. To fulfill these requirements, we have formulated Group-wide and division-specific regulations.

In addition, authorities in the European Union review the implementation of obligations resulting from chemicals legislation through regular inspections. To meet these obligations, we require our suppliers to acknowledge conformity with REACH for all substances they supply to us.

In addition to the regular registration obligation, REACH can also result in an additional authorization procedure, which can lead to the replacement or prohibition of the use of substances of very high concern (SVHC). Already registered substances are also regularly evaluated by the authorities. For Bayer substances this can result in additional testing requirements, new risk management measures or inclusion in the REACH authorization procedure. So far, this pertains to only one Bayer substance, for which authorization has already been granted. The use of SVHCs, including and particularly in research and development at Bayer, is bindingly regulated by the Group Regulation on Assessment of Chemical Substances.

Under certain conditions, existing dossiers have to be updated under REACH. In 2019, as part of the voluntary action plan of the European Chemical Industry Council (CEFIC), Bayer also committed to review and update all REACH registration dossiers by 2026. We reviewed and updated 73 dossiers by end of 2024.

The requirements of MEE Order No. 12 in China are similar to those of REACH in the EU, although MEE No. 12 in China provides for greater grandfathering of products that are already on the market.

In the United States, all substances must be approved in accordance with the TSCA and accompanied by the information required pursuant to the standard Hazard Communication (29 CFR 1910.1200) of the US Occupational Safety and Health Administration.

The classification and labeling of chemicals enables users to become informed about the properties associated with individual chemical substances. Bayer implements the Globally Harmonized System (GHS) for the classification and labeling of chemicals worldwide.

In our [Sustainability Statement in the Annual Report 2024](#) we report on the handling of substances of concern and substances of very high concern according to ESRS in E2 Pollution.

Voluntary assessment of substances handled

We voluntarily apply comparable standards around the world, independent of the respective national legislation. For all handled substances with an annual volume of more than one metric ton that are not subject to the REACH regulation, we have voluntarily undertaken to successively provide comparable minimum data sets on ecotoxicology and toxicology. This data enables the hazard potential of the substances we use in quantities exceeding one metric ton per year to be assessed.

3.3 Assessments and Testing

Our substances and finished products undergo extensive assessment and testing to ensure product efficacy and safety. We examine possible health and environmental effects along the entire value chain and use this to derive appropriate mitigation measures.

The safety of our products is our top priority. As early as the research and development stage, we assess the properties of our active ingredients and all other substances that are contained in a product and could thus impact the properties of a finished product (e.g. additives that support the actual active ingredients). We discontinue the development of active ingredients with undesirable properties, applying the precautionary principle as defined in Principle 15 of the Rio Declaration of the United Nations and Communication [COM \(2000\) 1](#) of the European Commission. However, the focus should be on a well-balanced evaluation, also considering potential benefits.

All active ingredients emerging from research are subjected to further extensive testing and assessments at the development stage that include (legally prescribed) animal studies. For more information, please see chapter 3.4 Animal Welfare. We also conduct environmental impact assessments or implement respective mitigation measures for our active ingredients following their registration. Moreover, we help to raise questions about the impact of active ingredients on the environment and to have them addressed through sound assessments and analyses.

We carry out these assessments for our substances according to recognized scientific methods such as those described in the Guidance on Information Requirements and Chemical Safety Assessment of the European Chemicals Agency (ECHA). Should the analysis reveal potential concerns regarding the intended use of a certain substance, we take respective measures to mitigate. These can vary from

revised application recommendations to the substitution of a substance. The substitution of chemicals is basically a continuous task for the chemical and pharmaceutical industry in generating new or substantially improved products and processes. This is integral to our commitment to [Responsible Care™](#). The applicable assessment steps are established in a corresponding Group Regulation.

Strict international and national laws and regulations also control the official approval and therefore development of crop varieties and plant traits and the recognition and commercialization of seeds and planting material. This also encompasses genetically modified seeds. We meet all regulatory requirements of the countries in which we distribute our crops. Extensive and intensive safety reviews of the environmental and health risks for people and animals are conducted at all stages in the development of genetically modified crops from early development onward. The results of these are incorporated into the approval procedures.

Processes are established throughout the company to address inquiries regarding products that are already available on the market. This feedback is also integrated into our respective product assessment. More information about the products of the Pharmaceuticals and Consumer Health divisions can be found under Pharmacovigilance (please see chapter 3.8 Pharmaceuticals and Consumer Health) and about the (crop protection) products of the Crop Science Division in chapter 3.6 Crop Science.

Information on substances and products

Bayer compiles safety data sheets for all chemical substances used, even where this goes beyond of what is required by law. Safety data sheets are the central tools of communication for safety-relevant information about substances and mixtures in the supply chain. Targeting professional users, they contain information on a substance's properties and on how to use it safely. In addition, technical information is provided for professional use.

Appropriate packaging information is provided for all end consumer products, an example being package inserts for pharmaceuticals.

In accordance with the respective product safety and information obligations, we compile product information for raw materials, intermediates and end products, and make this information available across the company worldwide.

Commitment

We are actively engaged in product stewardship activities through our work in relevant associations and initiatives. Since 1994, Bayer has supported the [Responsible Care™](#) initiative of the chemical industry and the associated Responsible Care™ Global Charter. We participate in the further development of scientific impact assessment and are involved in several associations – such as the European (CEFIC), US (ACC) and international (ICCA) chemical industry associations and the Organisation for Economic Cooperation and Development (OECD) – and in initiatives such as the European Centre for Ecotoxicology and Toxicology of Chemicals (ECETOC).

Principles of Green Chemistry

Bayer's approach in the production of our crop protection products can be compared to the principles of Green Chemistry as follows.

Prevention; Atom Economy & Solvents and Auxiliaries: Our production processes for complex chemicals are intended to reduce inputs and to use solvents and auxiliaries as well as possible. Also, processes to recycle solvents are used. This inherently reduces chemical waste. Comprehensive waste management processes are in place. Please see chapter 7. Environment.

Chemical Syntheses & Designing Chemicals: Our crop protection products are subject to very stringent regulations prescribing specific and detailed approval and registration

procedures. Potential effects of crop protection products on the environment and on humans are diligently assessed in the research and development (R&D) process, starting in early development, and are also part of regulatory approval processes. Moreover, our researchers are working on the discovery of new molecules aimed at mitigating potential unintended effects. Our production processes and synthetic methods are designed to only produce these products and to inherently reduce unintended chemical products and waste. Please see chapter 3.6 Crop Science.

Design for Energy Efficiency: Our production processes are intended to use energy efficiently. In line with our targets to reduce greenhouse gas emissions, we are converting our sites to 100% renewable electricity by 2029. Please see the [Sustainability Statement in the Annual Report 2024](#).

Use of Renewable Feedstocks: In our production processes, we make use of chemicals produced by other companies. The use of chemicals based on renewable feedstock is currently limited to, for example, palm oil derivatives. In many cases, the quantities of chemicals needed for our processes are not yet available in the markets. Our procurement screens the markets and, whenever available, technically feasible and economically comparable, we assess the use of chemicals based on renewable feedstock. Please see chapter 4. Procurement.

Design for Degradation: Our crop protection products are subject to very stringent regulations prescribing specific and detailed approval and registration procedures. We investigate the fate and effects of the molecule itself and also of its degradation products in the different compartments of the environment and for a large variety of animal and plant species. Please see chapter 3.6 Crop Science.

Real-time Analysis & Inherently Safer Chemistry for Accident Prevention: Our production processes are designed to be as low-risk as possible. This includes real-time, in-process

monitoring of chemical processes, as part of our management of production processes. We also examine the applicability of principles of inherently safer design and the feasibility of a sound safety concept at a very early stage in the development of new production processes. High standards and a comprehensive management system for process and plant safety are in place and audited regularly by our health, safety and environmental protection (HSE) audit function. Please see chapter 8. Health and Safety.

3.4 Animal Welfare

Animal studies are legally required and essential from a scientific viewpoint to assess the safety and efficacy of our products. We aim to minimize the use of lab animals and to employ alternative methods whenever possible.

At Bayer, all employees involved in animal testing bear responsibility for animal welfare. Responsibility lies in particular with the animal welfare officers and the [animal welfare committees](#). The requirements are subject to the laws of the respective country. We respect all legal requirements pertaining to animal welfare, compliance with which is verified both by regulatory authorities and by means of internal audits. To ensure that this is the case, clear processes and rules are defined at Bayer. In addition, Bayer applies its own principles on animal welfare and animal studies, which are specified in Group Regulations. Our principles also explicitly apply to the contract research organizations (CROs) we commission and to our suppliers, whose compliance with our animal welfare requirements we regularly review. We monitor compliance with these principles within the Bayer Group and in external studies.

More than 90% of the animal studies performed by Bayer and the CROs we commission are in compliance with European standards ([Directive 2010/63/EU](#)). These EU standards are considered to be among the strictest animal welfare regulations in the world and ensure extensive protection for animals. We view it as particularly important that the sizes of cages housing our study animals meet the legally prescribed standards or even exceed them. Additionally, for those CROs we commission to perform animal studies outside of Europe, we place great value on accreditation to the [Association for Assessment and Accreditation of Laboratory Animal Care](#) (AAALAC).

Through regular inspections, we ensure that both new and longstanding research partners are regularly audited with respect to compliance with our animal welfare requirements.

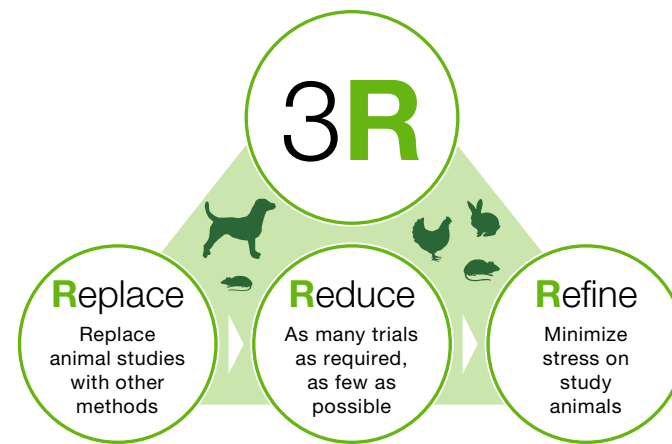
Commitment to reducing animal studies

In early active ingredient screening, Bayer continuously establishes different computer-based and in-vitro processes that help reduce the number of animal studies or the impact on animals in subsequent testing. Included in this are our activities in connection with organ-on-a-chip, a biochip method used to investigate the behavior of complete organs in vitro. In this context, Bayer has since established several organ systems and platforms that are deployed for both toxicological and pharmacological issues.

In 2024, too, we actively participated in internationally renowned consortia, projects and validation programs geared toward achieving replacement methods. Bayer currently sponsors four projects of the United Kingdom's National Centre for the Replacement, Refinement & Reduction of Animals in Research (NC3R). Bayer led a consortium which submitted a project proposal on Virtual Control Groups to the Innovative Health Initiative. The project was positively evaluated and started its activities under the name of [VICT3R](#) ("Developing and implementing Virtual control groups to reduce animal use in toxicology research") in

September 2024. VICT3R comprises 33 partner organizations from 12 countries and has a budget of approx. €28 million. During the 42-months duration of the project, the partners aim to revolutionize toxicology studies by replacing up to 25% of animals used in experiments with Virtual Control Groups (VCGs), setting new standards for ethical research.

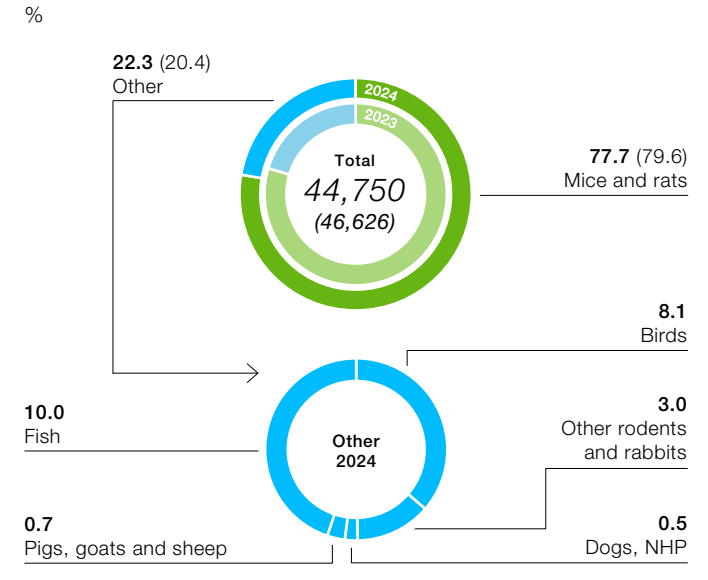
3Rs Principle



Applying performance indicators, we analyze the development of animal numbers, the distribution according to species and the impact on our test animals each year, while evaluating studies and discussing possible steps in accordance with the [3Rs principle](#) (replace, reduce, refine).

The total number of study animals used in 2024 (including animals in Bayer studies performed by contract research organizations) was 44,750, compared with 46,626 in 2023.

Study Animals by Species 2024 (2023)



3.5 Protection against Product Counterfeiting

Product counterfeiting is an enormous problem worldwide, particularly due to the increase in e-commerce. We endeavor to resolutely and effectively prevent counterfeiting so as to ensure that our customers have access to our safe and effective original products, to protect our innovations and intellectual property rights, to reduce potential financial damages for Bayer and to safeguard the company's reputation. The basic principles of our strategic actions against counterfeit or otherwise illegal products and the corresponding organizational implementation for all divisions are defined in a Group procedure that complements the Bayer Code of Conduct.

Product counterfeiting can only be addressed internationally through a joint approach by industry, associations, government agencies and nongovernmental organizations. We

advocate the resolute application and, where necessary, the tightening and expansion of existing laws and provisions that serve to enable the identification and confiscation of illegal products. We support these efforts through extensive measures of our own in the areas of production and packaging development that are designed to also enable our customers to distinguish original products from counterfeits.

Crop Science

The production, transport, trade and use of counterfeit crop protection products and illegal seeds are mainly steered by globally organized criminal networks. Online retail is becoming increasingly important for the distribution of these products. Illegal or counterfeit crop protection products are estimated to account for up to 15% of products sold, while illegal seeds make up as much as 10% of products sold.

The use of counterfeit crop protection products can lead to a lack of efficacy or severe damage of the treated crop. Additionally, these products pose a high risk to human health and the environment (including agriculture and biodiversity) because their contents do not correspond with those of products formulated by Bayer and approved by the regulatory authorities and often contain prohibited active ingredients.

Counterfeit seeds do not possess the traits chosen by farmers upon purchase. The use of counterfeit seeds results in reduced yields, inferior produce quality or even complete crop failure, and can considerably affect the income of smallholder farmers in particular. Illegal seeds increase the risk that insect pests and diseases will develop resistances. The use of counterfeit crop protection products and illegal seeds therefore can also jeopardize the safe and reliable production of food.

Innovative packaging technology: SafetySeal and Seal Scan app

It is becoming increasingly difficult for users of crop protection and seed products to distinguish between an original and a counterfeit product. Against this background, Bayer is the first producer of crop protection and seed products to enable farmers to reliably identify original products through SafetySeal technology. The seal has optical security features and a QR code that users can scan with the interactive Seal Scan app to obtain a reliable statement about the product's authenticity. The SafetySeal is found on the packaging of all Bayer bottled crop protection products that are sold in the Europe/Middle East/Africa and Latin America regions. The SafetySeal was also introduced on the packaging of selected solid crop protection products for the Egyptian and Turkish markets.

Since 2022, the SafetySeal has also been applied to seed bags for corn and oilseed rape/canola filled in Europe. In 2023, the use of SafetySeal was expanded to sunflower seed bags in Europe, and in 2024 introduced on corn seeds in Brazil and the North Latin America region. Projects to introduce the SafetySeal on corn seed packaging in Africa as well as on vegetable seed packaging worldwide were also further advanced.

We support association initiatives and work closely with crop protection and law enforcement authorities to prevent the introduction of counterfeit products to the market by criminal networks. Our activities in the area of crop protection products are focused on cooperating with the Chinese authorities to identify counterfeit products in the counterfeiter's production facilities already and seize them before they get exported from China. In 2024, we identified trademark

infringements, for example in China, India and Brazil, and successfully asserted our rights.

Globally, we are confronted with an increasing incidence of illegal or counterfeit seeds. We therefore further expanded our internal and external action network and our globally coordinated activities to combat illegal practices in the seeds business in 2024. In close cooperation with local authorities, we seized significant amounts of illegal seeds, in Brazil for example, and asserted our rights against the counterfeiters.

Counterfeit products, and especially counterfeit crop protection products, are transported on a large scale by ocean freight. That's why Bayer has been cooperating with leading shipping companies for several years to jointly identify counterfeit and illegal products, prevent their transport and notify the responsible authorities for further prosecution. In addition, we participate in a cross-industry alliance with companies from various sectors.

In cooperation with the United Nations Office on Drugs and Crime (UNODC) and its Container Control Program (CCP), and also with the World Customs Organization (WCO), we offer training measures for customs authorities in the world's biggest seaports. These activities are aimed at enabling customs officers to reliably distinguish genuine Bayer products from counterfeit products based on packaging features and other criteria and thus detect and confiscate counterfeits more easily. Bayer supports the work of the Organisation for Economic Cooperation and Development (OECD) as regards the issue of the misuse of containerized shipments for illicit trade.

We conduct our own inspections in the market worldwide and keep a record of all signs of suspicious and potentially counterfeit or illegal products.

The use of tested and approved inputs such as seeds, crop protection products and fertilizer is an essential condition for

sustainable agriculture. Bayer therefore offers training events for farmers around the world – including smallholder farmers in low- and middle-income countries (LMICs) – on the issue of product counterfeiting. The training measures convey to farmers what dangers are harbored by counterfeit seeds and crop protection products, how to distinguish between genuine Bayer products and counterfeits, and what general measures protect against the unintended use of counterfeit products. These training courses are combined with our stewardship training measures within the scope of sustainable use (please see chapter 3.6 Crop Science).

We also provide our customers with extensive information on counterfeit and illegal crop protection products and seeds on our [Counterfeits in Agriculture website](#), including on how to identify counterfeit products, what risks they are associated with and how farmers can protect themselves against unintentional use of counterfeits. For more information on our anti-counterfeit measures, please see the [Crop Science Sustainability Progress Report](#).

Pharmaceuticals and Consumer Health

Counterfeit products that imitate the medicines of our Pharmaceuticals and Consumer Health divisions harbor considerable risks for patients and consumers. For this reason, Bayer has established binding regulations in its uniform Group-wide quality management system for reporting, registering, investigating and escalating potential pharmaceutical counterfeiting. Together with the responsible pharmaceutical regulatory authorities, we initiate the necessary measures based on investigation results and the severity of each case. These measures range from notifying business partners and medical specialist groups to recalling products impacted by counterfeiting at the appropriate recall level.

In addition to the process established in the quality management system, we have introduced a data management tool for the corporate security and legal functions. This enables assessments and reports to be compiled on activities by law

enforcement authorities relating to pharmaceutical counterfeiting that were triggered by information and analyses we submitted.

Through the [Beware of Counterfeits](#) campaign, Bayer is actively addressing the problem of counterfeit pharmaceuticals. The campaign includes a website that provides information on the risks associated with counterfeit pharmaceuticals and offers tips on how patients can protect themselves against counterfeiting. The website also provides information on actual pharmaceutical counterfeiting incidents and explains how patients can distinguish the counterfeit items from our original products.

Safety features for medicinal products

Bayer protects medicinal products worldwide in accordance with the regulatory and statutory requirements of each country, including those defined by the European Falsified Medicines Directive. This EU Directive 2011/62/EU with its Delegated Regulation (EU) 2016/161 specifies requirements and measures for the inspection and verification of original pharmaceuticals. These include mandatory safety features on outer packaging, which Bayer has been using for its prescription products since 2019. In 2024, Bayer began preparation activities for extending these requirements to products for Italy and Greece. These two countries had established systems with stickers already in place in 2019 for the purpose of counterfeit protection. On this basis, both countries were subject to a grace period until February 9, 2025, to comply with the aforementioned regulation. In addition, due to the United Kingdom leaving the EU and in the context of the Windsor agreement, Bayer has made preparations to adapt the products for the United Kingdom including Northern Ireland in compliance with the regulation, which is valid from January 1, 2025.

Safety features in the EU comprise two elements – an individual serialized and therefore pack-specific 2D data matrix code and a tamper-evident closure. Featuring individual

serial numbers, the data matrix codes are stored for coding in country-specific databases across the EU. Wholesalers and pharmacies can verify the products' authenticity simply by scanning the code.

Together with the other stakeholders, we continued working with the European Medicine Verification Organisation (EMVO) to create a European Alert Management System (EAMS). An initial version of the EAMS was activated for use at the beginning of February 2023 and the current slightly improved version is available since November 2023. The EAMS enables direct communication between all participants connected to the system, thus ensuring simpler and faster analysis of the alarm signals generated in the system to identify potential product counterfeiting cases. The very low number of actually confirmed counterfeit products can thus be more quickly identified, their dispensation stopped, and warnings issued to protect patients.

It is possible to link existing national alert management systems with EAMS, thus enabling complete pan-European integration. The national alert management systems in Austria, Belgium, Cyprus, France, Iceland, Germany, Poland and Slovenia are currently productively connected to the EAMS. Further national systems such as in Spain and Liechtenstein are supposed to be connected in the course of 2025. As in the previous years, also in 2024, Bayer contributed to further developing the EAMS to optimize the effective and efficient use of an improved version of the system that went live for all users in November 2023. After analyzing and adapting our processes, the existing alert processing procedure was transitioned to the EAMS in May 2024 and its benefits leveraged for Bayer and all other market participants. The daily use of the EAMS revealed needs for further improvements. Therefore, Bayer is now engaged in the Alert Management Advisory Group (AMAG) reporting to EMVO and its subgroups on "Alert prevention and reduction" as well as "Alert escalation and alert closure," representing the European

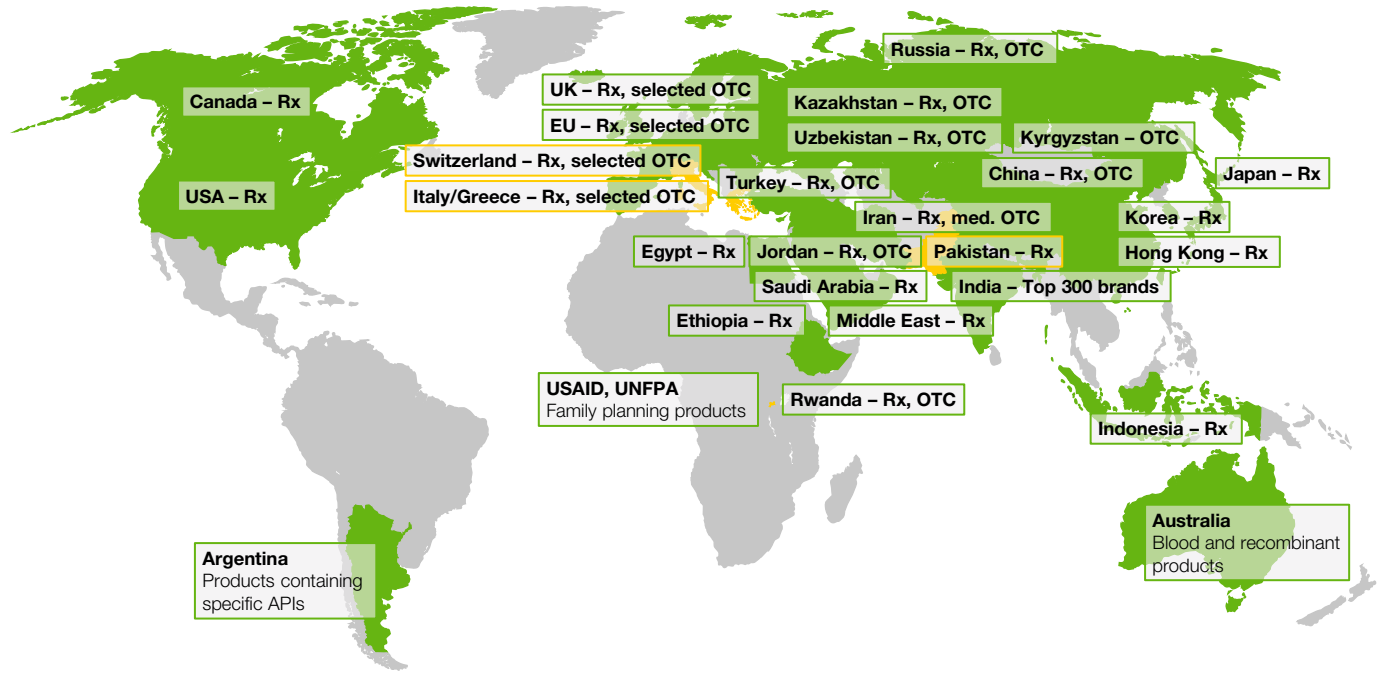
Federation of Pharmaceutical Industries and Associations (EFPIA) and its members.

Safety features such as codes with individual serial numbers are also used in many other countries. The graphic “Serialization and Coding Requirements Worldwide” provides an overview of this. In other countries, such as the United States, these safety features are implemented for pharmaceutical manufacturers, and their mandatory use is being successively expanded to include additional market participants in the distribution chain. A complete track and trace system has been implemented in the United States since November 2023. To ensure that all market participants, especially those along the distribution chain, have implemented the requirements, the US Food and Drug Administration (FDA) specified a further transition period of one year, during which no actions will be taken, should all measures not yet be implemented in the distribution chain. Bayer punctually introduced and fulfilled all legally specified regulations and processes in connection with the serialization for pharmaceutical producers. However, because some stakeholders were not ready even after the additional one-year transition period, US FDA granted another stakeholder specific, staggered “exemption” to ensure compliance with the regulation. Bayer supports and monitors serialization and coding requirement measures worldwide with the goal of ensuring standardized protection of patients against pharmaceutical counterfeiting in as many countries as possible.

In conjunction with regulatory and statutory requirements (ISO Standard 21976), we have voluntarily employed tamper-evident closures for nearly all our prescription medicines and also for many of our nonprescription products for years now to prevent packaging manipulation.

In addition, we deploy a combination of overt and hidden authentication features that to some extent offer the same level of security as the features used in bank notes and

Serialization and Coding Requirements Worldwide



■ = implemented/ongoing ■ = in preparation
Rx = prescription medicines; OTC = nonprescription (over-the-counter) medicines

identification documents. In this connection, further suppliers of packaging materials into which the security features are integrated were additionally and specifically qualified in 2024, including in Germany, Hungary and the United States. This also involves an authorization by the licensor of the high-security feature deployed. The training for further packaging material suppliers in Costa Rica, Japan and Spain began in 2024.

It is important to enable the local supply of counterfeit-proof packaging materials, in part because this can strengthen local suppliers, reduce the risk of problems such as losses in the distribution channel and shorten transport routes.

This in turn allows us to reduce transport-related greenhouse gas emissions while strengthening the resilience of the supply chain.

Defense against illegal products on the internet

To ensure the safety of patients and customers and protect our products, we are actively fighting against illegal pharmaceutical product offerings on the internet, such as on marketplaces and social media channels. In 2024, we engaged our own service provider and

extended the scope to 10 of our products that are most exposed and at risk of being falsified. In 2024, we succeeded in shutting down about 1,700 illegal websites and impermissible offers worldwide on marketplaces such as eBay or on the dark web and on social media platforms such as Twitter, Facebook, Instagram and Telegram. Of a total of 3,815 alerts with takedown requests, about 200 targets were no longer active, about 900 takedowns were denied and about 750 takedown requests are still a work in progress.

Together with other members of the [EFPIA](#) and through the European Alliance for Access to Safe Medicines ([EAASM](#)), we advocate for a comprehensive change in the legal foundations of and obligations on internet players. Of outstanding importance was the amendment to the Digital Service Act (DSA), which was adopted by the European Parliament in July 2022. The provisions of the DSA highlight possible approaches for further improvement and added security in online retailing that we have identified together with other impacted parties via the EAASM, the Alliance for Safe Online Pharmacy (ASOP EU) and the EU Intellectual Property Office (EUIPO).

We also support the “Memorandum of Understanding (MoU) on the sale of counterfeit goods on the Internet” initiated by the European Commission.

For many years now, we have served on the Executive Board of the EAASM so as to educate patients about the dangers of purchasing drug products on the internet. We provide information on the associated risks and consequences through information campaigns, research projects and publications.

Since 2022, Bayer has been a member of TAPA EMEA, the European branch of the Transported Asset Protection Association (TAPA), to further increase the resilience of our distribution chain as regards additional risks posed by theft and misappropriation. This gives us access to specific analyses of identified dangers and risks in the distribution chain and during transport, enabling us to examine the potential of possible defense mechanisms for implementation and their usability in our distribution chain. Consequently, we have introduced new Group regulations for the reporting of supply chain related incidents as well as defined the corresponding roles and responsibilities in the supply chain to ensure unified standards across the globe.

3.6 Crop Science

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 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 also comply with import regulations for importing countries and obtain product approvals in countries in which the products are to be marketed.

Management approach

Responsibility for product stewardship in Bayer’s Crop Science Division lies with the divisional function of Research & Development, which reports directly to Bayer’s Crop Science Executive Leadership Team (ELT), the highest decision-making body within the division. The ELT is led by the head of Bayer’s Crop Science Division, whose position makes him a member of the Board of Management of Bayer AG.

We work continuously to improve our products and develop solutions for more sustainable agricultural practices. The

focus is on optimizing product benefits, including safety for people and the environment, and applying the findings from product monitoring. For us, product stewardship is a life cycle approach that begins at the research and development stage of a new product, continues through its production, marketing and safe use, and ends with the final disposal of any waste.

We have specified our principles of responsible product management in our Group Regulation on [Product Stewardship Commitment, Principles and Key Requirements](#). This is based on established and internationally recognized standards such as the International [Code of Conduct on Pesticide Management](#) issued by the Food and Agriculture Organization (FAO) of the United Nations and the World Health Organization (WHO), the guidelines of the crop protection association [CropLife International](#), and the guidelines of the industry initiative [Excellence Through Stewardship](#) (ETS) for seeds and plant traits. This initiative promotes, for example, the introduction of product stewardship programs and quality management systems for seeds throughout the entire life cycle and entrusts independent outside experts with the performing of audits to verify that member companies are complying with its guidelines. Our plant biotechnology sites across the Asia region and in Australia were recertified for the product stewardship programs in 2024.

For more information on our target for smallholder farmers in low- and middle-income countries ([LMICs](#)), please see the Sustainability Strategy chapter.

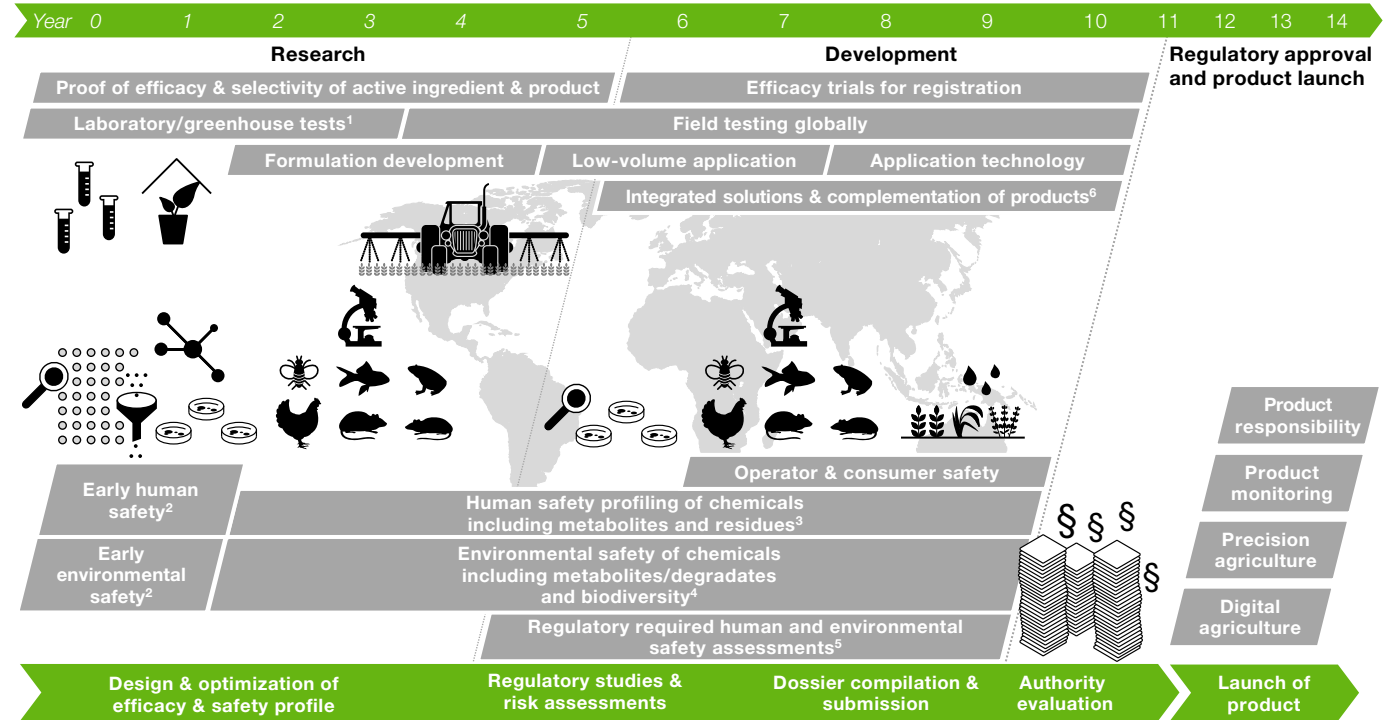
Online transparency platform

Transparency is very important to Bayer, especially with respect to the safety of our products. Through transparency, we aim to strengthen our customers’ and stakeholders’ confidence in our products. Bayer

was the first company in the agriculture industry to make safety-relevant data on crop protection products and genetically modified crops accessible. Summaries of scientific studies assessed by [the European Food Safety Authority \(EFSA\)](#) in connection with the registration procedures for 30 of our crop protection active ingredients are available on our [online transparency platform](#), including toxicological and ecotoxicological studies and investigations into degradability. There, we have also published summaries of scientific studies for 16 biotechnology traits within our seeds business that were previously evaluated by the responsible regulatory authorities in the United States. Comprehensive reports on the registration studies for the approval of our crop protection products and genetically modified crops are available on specific request.

In addition, we actively address public concerns and provide clear, comprehensive information on critical agriculture-related safety topics in the news. For example, we facilitate access to information such as the emergency authorization processes, our comprehensive product stewardship and risk mitigation measures to support the safe use of neonicotinoid products. We articulate how glyphosate allows farmers to control weeds effectively and help secure the livelihood of the farmers and the food supply chain, as well as its rigorous and extensive safety testing and oversight by regulatory agencies worldwide. We also explain why it is so important that farmers in the EU continue to have access to flupyradifurone, a modern insecticide for foliar, drench, drip and seed treatment application. Additionally, we provide our detailed response to the allegation that we have withheld developmental neurotoxicity studies from the EU regulatory process and our globally applied, stewarded approach to managing highly hazardous pesticides (HHPs).

Research & Development Process for Crop Protection Products



¹ Profile-driven chemistry design & in-vivo biological studies, incl. in-silico design, virtual ligand-based screening, target-based vitro screening, biological vivo screening powered by Artificial Intelligence (AI)

² Including in-vitro screening and in-silico approaches (including on nonbioaccumulation)

³ Including in-vitro and in-vivo studies (mammals) on acute, subchronic, chronic toxicity; mutagenicity, carcinogenicity, teratogenicity, reproduction; endocrine disruption, residues (e.g. plants, animals); dietary and nondietary risk assessments

⁴ Including risk assessments and research on biodiversity & ecosystems, as well as acute and long-term effect investigations on nontarget organisms, e.g. on algae, daphnia, fish, birds, bees, soil organisms, plants; environmental behavior in soil, water and air; endocrine disruption; drinking water

⁵ Including data from previous research and in addition the regulatory-required safety studies & assessments, e.g. in/on nontarget organisms, environmental behavior & corresponding environmental exposure, metabolism and degradation in plants & animals, residues, acute, subchronic, chronic toxicity in mammals, endocrine disruption

⁶ Integrated solutions; complementation with nonchemical and biological solutions

We present our principles for responsibly handling our products throughout their life cycle based on our [Group Regulation on Product Stewardship Commitment, Principles and Key Requirements](#) in the sections below.

Research and development (R&D)

We use the latest knowledge and technologies to develop products and services so that we can continuously optimize their [efficacy and safety for people and the environment](#).

As part of the testing process, chemical and biological crop protection products are examined early in the development phase with regard to their mode of action, their (eco)toxicological properties and the extent of potential residues in plants and the environment to ensure that we only continue to develop those products with the best safety profile. It usually takes 12 to 14 years to develop a new active ingredient for crop protection products.

Development and in-licensing projects for crop protection products whose acute toxicity is classified as WHO class 1a or 1b, are not pursued. We market only those crop protection products whose active ingredients are registered in at least one OECD country or a country with a mature risk-based regulatory framework. For crop protection products that do not meet that criteria, further activities and risk assessments are performed. This enables selection and implementation of the right projects in a sustainable manner and makes the best use of available resources in research and development.

Each R&D project must undergo a thorough safety assessment as defined by the respective regional and country regulatory environments, following a risk-based approach that often exceeds these country requirements – particularly in low- and middle-income countries (LMICs). This risk-based approach takes account of local agronomic use conditions in LMICs, especially common local application techniques that are not widespread in Europe or the United States (e.g. manual application of crop protection products or on-farm seed treatment). For these scenarios, we have developed relevant exposure models globally that consider actual use conditions. They are consistently applied before triggering development work for new products. R&D projects that we do not consider safe under the current use conditions are not pursued further. The development of genetically modified seeds is also subject to extensive international guidelines and stringent national laws and regulations.

We have specified internal processes in a Group Regulation to ensure a responsible approach to biotech-based manufactured products throughout their entire life cycle. For more information on plant breeding and genetically modified seeds, please see chapter Focus on: Agriculture.

CropKey – using artificial intelligence (AI) in R&D to design new crop protection

CropKey, our novel and innovative approach to crop protection chemistry relies on breakthrough technology – such as computational target and profile driven discovery – to design entirely new, sustainable crop protection solutions. Our ambition is to unlock new ways to protect our crops, going above and beyond current standards, and to potentially further reduce the impact of crop protection on the environment substantially.

CropKey is supported first by a Target Based Discovery process. It consists of identifying in each biological pathway, the right target, or protein that can be thought as a “lock” and that is unique to the pest species. With more scientific understanding than ever before about the makeup of living organisms and their complex biological processes in any given environment, using AI and machine learning we can identify the complex interdependencies between a theoretically unlimited number of organisms, singling out unique proteins (rather like locks are unique) far faster and with greater accuracy than ever before. Using computational predictive modelling, we design the crop protection molecule according to predefined safety and sustainability profiles that will inhibit the identified target protein – a second process called Profile Driven Discovery. The molecule designed can

be thought of as a precise “key” for the unique lock. The uniqueness of the lock in a given pest organism and the precision of the key means that other nontarget species are protected.

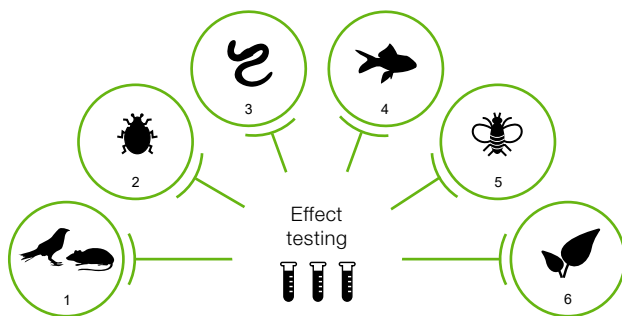
Environmental safety

We take aspects of environmental safety into account very early on in the process of designing a new active molecule for a crop protection product. This includes the design of active molecules that can degrade in the environment and with no unacceptable effects on environmental nontarget organisms in the spirit of “safe by design.” Therefore, our 600 specialized researchers globally conduct experiments in vitro, in vivo, in the lab and in the field. Our studies are conducted according to internationally agreed test guidelines (e.g. OECD) and under Good Laboratory Practices (GLP), which ensures the best possible study quality, reliability, documentation and traceability. We also use scientific literature, biomonitoring data and computer models.

We investigate the fate and effects of the molecule itself and also of its degradation products in the different compartments of the environment and for a large variety of animal and plant species. Combining the results from effect and exposure level testing, we can quantify the environmental risk.

// Testing of side effects on the environment (ecotoxicology): Toxicity to different species is tested – usually we look at up to 60 species from different trophic levels and taxonomic groups that are sensitive to chemicals, widespread and representative of the biology and ecology of other species. To protect them, we investigate effects of our technologies on their survival, development, growth, behavior and reproduction.

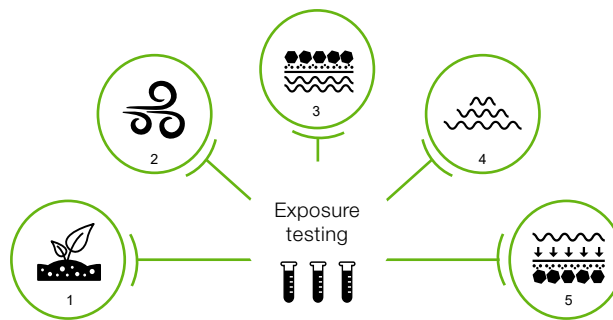
Effect Testing (ecotoxicology)



- ¹ Birds & mammals: acute (mortality) and chronic (reproduction) effects on birds and mammals from exposure to residues in feed items
- ² Nontarget arthropods: effects on survival and reproduction for arthropods like beetles, spiders and mites – both in the field and in field margins
- ³ Soil organisms: acute and chronic effects on earthworms, soil macro-organisms (e.g. soil mites) and micro-organisms (bacteria)
- ⁴ Aquatic organisms: acute and chronic effects on all levels of aquatic food chain/web – algae, plants, invertebrates and fish
- ⁵ Bees: mortality of individuals as well as honeybee colony health after oral and contact exposure for honeybees and – if required – other bee species
- ⁶ Nontarget plants: effects on seeds and young plants outside of the cropped field

// Exposure testing (environmental fate): Laboratory and field experiments as well as model calculations and monitoring programs are used to investigate and understand the distribution of substances between the different environmental compartments (soil, groundwater, surface water, air and sediments), how and how fast they degrade and which metabolites they form. Identified metabolites are investigated in the same way to understand their environmental fate, too.

Exposure Testing (environmental fate)



- ¹ Soil: time it takes until a substance is degraded; adsorption and desorption studies describe the immobility or mobility
- ² Air: volatility of a substance to check its potential to evaporate into the air
- ³ Groundwater: likelihood and concentration level of active ingredient or its metabolites reaching groundwater
- ⁴ Surface water: degradation and distribution of active ingredient or its metabolites in surface water bodies
- ⁵ Sediment: degradation and distribution of active ingredient or its metabolites in sediments

Using this scientific data, we evaluate the risks of the product, and we define the conditions under which the products can be used safely. These conditions are written on the product label, which are the instructions a grower needs to follow when using our products. The product will cause no unacceptable harm to the environment (as defined by the specific protection goals set by the regulators) if it is used according to this label. We support farmers worldwide in the professional handling of our products. For more information about this, please see our [website](#).

Around the world, regulatory authorities systematically check our data, risk assessments and labels, and perform their own risk evaluation before they authorize (or do not authorize) a product to be launched on the market. In the EU, a typical dossier for the registration of a new active molecule consists of 130 studies on ecotoxicology and 20 studies on environmental fate.

In many countries, the safety of our products is re-evaluated by authorities (e.g. every 10 to 15 years in the EU) in view of the latest status of science and regulations. This allows us to progressively withdraw old chemicals from the market and replace them with new products with an improved safety profile. For crop protection products over the past years (2020–2023), we conducted more than 1,600 studies on ecotoxicology and around 270 studies on environmental fate.

Human safety

We apply the evaluation criteria of our [Bayer Crop Protection Safety Standards](#) as well as stewardship measures to ensure that our crop protection products are safe when used according to label instructions.

Since 2021, we have shared our crop protection operator safety standards on our [website](#). These voluntary standards reflect the guidelines and standards of international organizations such as the FAO of the United Nations, the WHO and the OECD, as well as those of reference regulatory authorities around the world. These safety standards use information on the toxicological profile of the active ingredients and crop protection products and their behavior during and after use. They evolve continuously based on the latest scientific knowledge, and we invite internationally respected researchers from academia and other expert groups to review them.

The operator safety standards and the associated data acquisition exceed local regulations in many countries. Here, we particularly consider specific use and application scenarios that are mostly relevant in [LMICs](#). In 2021, an [expert review panel](#) was held with external scientists.

Studies and regulatory approval

Our [BASE \(Bayer Societal Engagement\) principles](#) set out the principles of Good Scientific Practice, especially in relation to the transparency of studies conducted including publication and collaboration.

Before a crop protection product is approved for use on the market, safety studies must be conducted in accordance with scientific principles and quality standards mandated by regulatory agencies to safeguard the health of people, animals and the environment. Usually, more than 150 different studies are required to evaluate and demonstrate the safety of a crop protection product.

These studies are conducted using the services of renowned and accredited service providers that work according to GLP and follow internationally approved guidelines. GLP are principles outlining how safety studies are planned, performed, monitored, recorded, reported and archived to maintain the quality and integrity of study data that supports regulated products.

Sponsorship is disclosed on the cover page of the study reports that are part of the regulatory dossier submitted to authorities. Regulatory authorities conduct independent audits on companies' processes, test facilities and studies to confirm compliance with GLP standards.

OpenLabs

Through the [OpenLabs program](#) initiated in 2020, we offered the public the opportunity to visit our site in Monheim, Germany, to observe our scientists as they carry out a safety study. Due to the COVID-19 pandemic, we replaced the Monheim onsite visitor program with a new virtual visitor platform, [Bayer OpenLabs 360°](#), which allows visitors to observe how we collect data on the safety of our crop protection products by complying with guidelines and with GLP at any time and from anywhere in the world. Since its launch in 2022, the Bayer OpenLabs 360° platform and related online events have enabled our scientists

to engage with visitors and answer their questions live. In addition, we continue to grow the [OpenLabs 360° platform](#) by expanding it to include how the safety of genetically modified crops is assessed at Bayer.

Approved products

In general, operator safety, consumer safety and environmental safety studies have to be submitted if crop protection products are subject to reapproval or reregistration across the globe. However, not all countries' regulatory systems apply sufficiently stringent risk assessment in our opinion.

For that reason, we have undertaken on our own accord to successively screen uses beyond the legal requirements against our own high voluntary standards of user safety. We began a systematic evaluation in 2020.

In a stepwise approach, we started with substances that have lower toxicological thresholds and high sales volumes. This screening includes checks on operator safety of use under actual, local working and agronomic conditions. We also check the label instructions for safe use of the crop protection products to ensure compliance with our safety standards. For more information on our approach to the development and use of crop protection products, please refer to our [Product Development Report](#).

Production, packaging, storage and transport

Health, safety, environmental protection and quality are a top priority for Bayer at all its sites around the world, including the sites where crop protection products or seeds are produced. A health, safety and environmental protection (HSE) management system with uniform standards applies Group-wide. For more information, please see chapter 7. Environment. Product manufacture at our sites is performed according to the quality management standard ISO 9001. As with our suppliers, we expect our third-party producers to

conduct their business with Bayer in accordance with the requirements of our Supplier Code of Conduct. For more information, please see chapter 4. Procurement.

Labeling and packaging

To allow safe use, crop protection products must be labeled. The [FAO Guidance on Good Labelling Practices for Pesticides](#) (FAO Guidance) and the underlying Globally Harmonized System (GHS) for classification and labeling of chemicals are the relevant and acknowledged international standards.

At Bayer, overarching and uniform requirements regarding labeling and packaging of crop protection products are included in our Group Regulation on Product Stewardship Commitment, Principles and Key Requirements, among other regulations. Our product labels follow the FAO Guidance and the GHS and also comply with local regulatory requirements for classification and labeling. In countries where there are no specific requirements for labeling, our crop protection products are classified and labeled in accordance with the FAO Guidance and the GHS. When local regulations deviate from the FAO Guidance and the GHS, we use this reference to advocate for label improvements whenever possible.

Packaging materials used for crop protection products are certified according to [UN Transport of Dangerous Goods Model Regulations](#). These refer to the mechanical stability of the packaging as well as the compatibility of the packaging material with the contained chemicals. Packaging is registered in the countries of sale according to the locally required regulations.

We also ensure that our products are stored and transported according to the applicable legal and regulatory requirements. For more information, please see chapter 8. Health and Safety.

Marketing, sale and distribution

Our Code of Conduct establishes how we interact world-wide with various stakeholders.

Marketing and sales

We are committed to ethical marketing and sales practices that meet the standards set by external regulations and codes of practices, in particular the laws and regulations dealing with advertising and marketing practices, the applicable global, regional and local industry codes relevant for our business as well as data protection and the privacy of customer or consumer information.

The Group Regulation on Integrity & Responsibility in Communications and Marketing holds our employees, contractors and agencies accountable for ensuring that communications and marketing activities and materials are compliant, appropriate, honest, fair and respectful.

In line with our [Group Regulation on Product Stewardship Commitment, Principles and Key Requirements](#), which is based on the [International Code of Conduct on Pesticide Management](#) issued by the Food and Agriculture Organization (FAO) of the United Nations and the WHO, we adhere to ethical marketing and sales practices that meet applicable regulations. Our Group Regulation on Stewardship and Compliance Incident Management ensures the management and investigation of external complaints.

Distribution

In its distribution of crop protection products and technologies, Bayer follows the [International Code of Conduct on Pesticide Management](#) of the FAO of the United Nations and the WHO. Our principles are defined in our [Group Regulation on Product Stewardship Commitment, Principles and Key Requirements](#).

Self-commitment

Our crop protection products are classified according to their WHO acute toxicity class, and this classification is maintained in our internal database. Internal processes ensure that no new product with a WHO class 1a or 1b category can be marketed. In addition, since 2012, we have no longer sold WHO Class 1a or 1b agricultural crop protection products, despite continued formal authorization to do so. We also withdrew registrations on WHO Class 1a or 1b agricultural crop protection products.

Not all of our crop protection products are registered in Europe. There are various reasons for this, e.g. different customer needs and agricultural practices outside Europe. These crop protection products are registered in accordance with national regulations outside Europe. Bayer complies with international regulations, e.g. the UN Rotterdam Convention concerning the export of such products that could be produced in Europe but are not registered in Europe, being registered instead in the importing country. We market only those crop protection products whose active ingredients are registered in at least one OECD country or a country with a mature risk-based regulatory framework.

We regularly review the products we offer in emerging markets and developing countries with respect to the applicable specifications for ensuring the safety of our products and reducing the risks associated with their use. We voluntarily withdraw such products from the market if identified risks cannot be limited sufficiently. For more information on the safety of crop protection products, please see our [website](#).

To ensure the safe use of our crop protection products based on adequate research, we made an important voluntary commitment – we market only those crop protection products whose active ingredients registered in at least one OECD country or a country with a mature risk-based regulatory framework. OECD data packages require the preparation of complete dossiers for crop protection products and

their active ingredients in support of regulatory decisions in OECD countries. They include the findings of all test and study reports and other relevant information submitted by the company and other interested parties. This data needs to be made available to facilitate checking by regulatory authorities as a basis for decision-making with respect to the approval of individual active ingredients, the registration of crop protection products, the establishment of a maximum residue limit, or the determination of an import tolerance, as appropriate. The guidance contained in the OECD package can be used by regulatory authorities, where the evaluation of extensive data submissions is necessary.

For the marketing of genetically modified seeds, we have established internal processes and defined the requirements for the responsible use of biotechnology in our [Group Regulation on Product Stewardship Commitment, Principles and Key Requirements](#).

Counterfeit products

Counterfeit products harbor substantial risks for users and the environment. For more information on our strategy for preventing product piracy, please see chapter 3.5 Protection against Product Counterfeiting.

Integrated weed management

Bayer offers farmers sustainable integrated weed management (IWM) programs to help guide them through science-based, best practices for crop protection and herbicide stewardship. These customized solutions show farmers the benefits of a holistic approach to weed management, for example by using crop rotation, planting cover crops or utilizing multiple modes of action or other cultivation practices.

IWM is a systematic approach for long-term weed management and is particularly useful for managing and minimizing herbicide resistance. Thus, incorporating a combination of weed management measures helps to sustain weed control systems over time and maintain farms' ability to provide

productive harvests while protecting the soil by helping to reduce soil erosion and increasing soil organic matter levels.

Bayer ForwardFarming

[Bayer ForwardFarming](#) promotes regenerative agriculture by fostering dialogue and showcasing on-farm practices with independent farmers. Together with farmers and scientific experts, we are improving and pioneering agronomic practices with a strong focus on improving soil health, biodiversity conservation, environmental impact reduction, carbon-neutral agriculture and water conservation, for example.

On ForwardFarms, we share how end-to-end stewardship solutions, including integrated crop management and resistance management, can be put into practice. In this context, ForwardFarmers demonstrate modern cultivation techniques and the sustainable and safe use of seeds and crop protection products, as well as managing resources responsibly.

We aim to inspire a greater number of farmers to adopt regenerative agricultural systems that produce more with less while restoring nature. Via the worldwide ForwardFarming network we promote dialogue and the exchange of ideas and findings among a wide range of stakeholder groups via in person-visits.

The global network currently includes 24 ForwardFarms spread across Europe (12), Latin America (7) and Asia (5). In 2024, a network of 12 independent farms in Argentina and Uruguay was established under the ForwardFarming Scale-Up Model framework. These farmers share their agricultural practices and advocate the adoption of regenerative agriculture within their communities.

Responsible use of crop protection products

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. Aside from our high safety standards for the crop protection products we sell, we conduct a wide range of product stewardship activities that align with the [International Code of Conduct on Pesticide Management](#) issued by the FAO of the United Nations.

Training

Through targeted training courses, we show farmers, seed treatment professionals, distributors and other users how to use our products both effectively and safely to maintain healthy plants and thereby increase the yield and quality of their harvested goods. Our objective is to continuously increase the outreach of our training activities through more widespread use of digital media.

The training courses cover aspects such as the safe handling of our products during use, transport, storage and disposal, the correct use of protective clothing and equipment, and first aid measures in the event of emergencies. The training topics can be adapted for specific target groups, a particular crop being used in cultivation or a particular product, according to local requirements. Our training materials are available in various formats – from on-site presentations to brochures, videos, posters, manuals and live chats. In addition to special training measures for farmers and those who use crop protection products, we also combine training activities with events such as product launches or field days to reach a large number of farmers and distributors. Our training videos on the safe handling of crop protection products are also available [online](#).

In 2024, we continued to offer virtual training activities that we had widely introduced during the COVID-19 pandemic, but also resumed on-site training wherever possible. The flexible approach and use of digital tools enabled us to

reach almost 5.4 million external contacts worldwide (e.g. farmers, field workers, distributors, retailers and other stakeholders in the agriculture industry), including around 4.1 million smallholder farmers. We focused many of our training activities in countries where there is no legal requirement for farmers to be certified in the safe handling of crop protection products. Most of the people we trained were in Asia, followed by Africa and Latin America. Our partnerships enable us to increase the reach of the activities and conduct joint events, for example with universities, information centers or local, regional and international associations.

Bayer also trains farmers in various technical areas in the correct use of individual products. This includes training as mandated by the US Environmental Protection Agency (EPA) as a condition of registration for products containing the herbicide dicamba for use in dicamba-tolerant soybean and cotton crops. This training course was developed in cooperation with other dicamba herbicide registrants and governmental certification authorities. Successful completion of the training helps enable farmers to apply low-volatility dicamba products for use in dicamba-tolerant soybean and cotton crops. Approximately 19,600 users in the United States completed this certification in 2024, 72% of whom were trained by Bayer.

Additionally, Bayer trains internal staff on the responsible use of pesticides used at our sites that support product research and development, plant breeding and seed production. In North America this training has been formalized as part of our internal pesticide management programs (Responsible Use @ Bayer) to enhance pesticide knowledge and is leveraged to increase Bayer's understanding of how to improve overall pesticide safety training for our products.

Bayer Safe Use Ambassadors

Besides training farmers, we are also engaged in training agricultural students and physicians in [LMICs](#) through our

Bayer Safe Use Ambassador initiative. Our goal is to advance farmers' safety and reduce the environmental impact of crop protection products through knowledge transfer and empowerment.

Since 2017, through the initiative, we have partnered with more than 50 universities across Asia/Pacific and Africa. In collaboration with agricultural universities, we offer students training in the safe use of crop protection products, prioritizing safety for both users and the environment. These students then become safe use ambassadors and transfer their knowledge to farmers during internships. During 2024, more than 1,400 students were trained on the sustainable use of crop protection products.

In the medical sector, we provide physicians and poison control centers with guidance about the hazards, toxicity and treatment of crop protection product poisoning as well as the treatment of snake bites. In 2024, the program continued to connect the medical sector in East Africa, fostering exchange and building knowledge among healthcare professionals. More than 1,000 medical professionals and Bayer employees participated in the latest medical webinar series, "One Health: Pesticide Toxicology & Management of Poisoning," where they learned about prevention, treatment and safety in the field.

Product stewardship for glyphosate

The nonselective herbicide glyphosate is used in many countries for effective, simple and cost-effective weed control. The active ingredient was first introduced in 1974 and has since been marketed under a number of different tradenames in hundreds of crop protection products by several dozen different companies worldwide. In Europe, glyphosate-based herbicides are most frequently used, according to the label, to

control weeds in various field crops. According to the label, applications also include weed control in noncultivated areas, such as in industrial complexes and along railway tracks. Glyphosate works in plants by specifically inhibiting an enzyme that is essential to plant growth. This enzyme is not found in the cells of humans or animals.

Glyphosate use enables conservation tillage, which brings its own benefits in terms of reduced soil erosion, improved water retention in soil and lower carbon dioxide (CO₂) emissions. In agricultural systems where glyphosate-tolerant crops are not available, glyphosate provides benefits for farmers and the environment by simplifying weed management, reducing the need for mechanical tillage and enabling the adoption of cover crops. Outside of agriculture, glyphosate delivers benefits for noxious or invasive weed control.

Glyphosate has a proven track record of 50 years of safe use when used according to label directions. This is confirmed by science-based evaluations conducted by European regulatory bodies such as the [European Food Safety Authority \(EFSA\)](#), the [European Chemicals Agency \(ECHA\)](#) and the German Federal Institute for Risk Assessment (BfR), and other leading regulatory authorities such as the EPA and the Canadian governmental authority for pest control belonging to the Department of Health (Health Canada Pest Management Regulatory Agency [PMRA]). The most extensive agricultural epidemiological study ever with detailed information on glyphosate use, the Agricultural Health Study published in the Journal of the National Cancer Institute in 2018, also found no association between the use of glyphosate-based herbicides and the occurrence of non-Hodgkin lymphoma. The study followed

more than 50,000 licensed applicators of crop protection products for more than 20 years.

Glyphosate's environmental safety profile underlies its ability to be used in many diverse settings. Detailed reviews by the EFSA, PMRA and other regulatory authorities have concluded that approved uses of glyphosate-based herbicides are unlikely to cause adverse effects on the environment. In the United States, EPA scientists reached the same conclusion following their primary environmental review and have initiated a final step in the re-registration process to ensure current uses account for potential effects on endangered species. This is a standard review for all crop protection products in the United States and can take several years to complete. Bayer scientists reviewed the draft report on endangered species and engaged in the public comment period.

Extensive information on the public discussion surrounding the safety of glyphosate for users and the environment is available on our website. For information on the lawsuits against Bayer in the United States, please see [our website](#) and the [2024 Annual Report](#) under Note [30] to B Consolidated Financial Statements (Legal Risks).

It is of central importance for Bayer to offer farmers a broad range of solutions to improve the sustainability and productivity of their operations.

Glyphosate will continue to play an important role in agriculture and in our product range. Additionally, we plan to invest around €5 billion in the current decade to research additional weed control methods and thus provide farmers with more options in the future. This includes the development of an entirely new herbicide

mode-of-action for broadacre weed control, the first in the industry for over three decades. This molecule has demonstrated effective control of key resistant grasses in research and is expected to be commercialized toward the end of this decade.

In 2023, the European Commission renewed the approval of the active ingredient glyphosate in the EU for 10 years. This decision is based on EFSA's safety evaluation for the renewal of the EU approval of glyphosate completed in July 2023. Following a comprehensive scientific review, EFSA concluded that glyphosate fulfills all required approval criteria according to the EU Plant Protection Regulation. EFSA published its conclusions and all background documents related to the peer review and risk assessment on its [website](#).

A proactive dialogue with a wide range of stakeholders took place throughout 2023. This dialogue and information exchange was on behalf of the Glyphosate Renewal Group (GRG), national organizations such as the German Glyphosate Working Group (GLAR) as well as on behalf of Bayer or other GRG member companies. The broad offer included a wide range of activities, for example a bi-monthly GRG newsletter, press releases and statements posted on the GRG website, along with dialogue formats such as informative sessions with stakeholders and regulators, not to forget online webinars and media briefings with journalists.

Product monitoring

We provide our customers with comprehensive, transparent and reliable information about our products and services in accordance with our Group Regulation on Integrity & Responsibility in Communications and Marketing. Users of our products can contact us through a range of communication channels should they have inquiries or complaints, or if they

wish to report any incidents. These channels include both direct contact with our sales staff and hotline numbers printed on our product packaging.

We follow up on every incident relating to our crop protection and seed products reported anywhere in the world and manage the incidents with the aid of a dedicated incident management system. Reported incidents are classified based on severity and risk. We have enacted clear guidance on handling incidents through our Group Regulation on “External Adverse Incident Management for Crop Protection Products”.

Our incident management system and continuous product use screenings form the key reference points when it comes to monitoring the safety of our products and to identifying necessary improvements. In general, steps to mitigate risks can vary from increased training efforts, change of formulation, revised application recommendations and use limitations, to product withdrawal. This is fully in line with the FAO/WHO International Code of Conduct on Pesticide Management and the FAO [Guidelines on Highly Hazardous Pesticides](#) (HHPs).

Our incident management system also analyzes data from national poison control centers, where available. We work with hospitals and poison control centers to further improve their incident management capability and data quality, also with the support of CropLife International. Since 2022, we have also engaged with medical professionals through our [Bayer Safe Use Ambassador](#) Initiative, in which we encourage physicians in [LMICs](#) that do not have national incident monitoring institutions to report any incidents related to the use of our crop protection products directly to us.

Use of digital technologies

For Bayer, digital technologies are key enablers for creating a better balance between agricultural productivity and environmental conservation. One of the goals of digital farming is to use resources such as water, and crop protection

products, more efficiently and to sustainably increase productivity while protecting human and environmental health.

Utilizing these new technologies makes it possible to reduce the resources needed for crop production, while also promoting the safe and responsible use of crop protection products. For example, the use of satellite and drone data means that even slight differences in the field can be taken into account and crop protection products can be individually and precisely applied in the required amount only where they are needed (targeted/zone/spot spraying plus variable rate application).

In 2024, Bayer continued its strategic partnership with major drone-producing companies, for example for the targeted treatment of crops with crop protection products. Through these partnerships, we strive to provide farmers with reliable and high-quality spray applications. At the same time, we are collaborating with local professional drone spray service providers, who are also interesting for regions with large numbers of smallholder farmers as they can boost productivity and increase operator and farmer safety at the same time. Through our [Leaps by Bayer](#) unit, we also invested in two companies with their own drone application development programs.

We place emphasis on quality and safety throughout the trials we perform with drones. The existing guidelines on the safe use of drones have been further refined. We worked together with regional CropLife organizations, such as CropLife Asia and CropLife America, to frame guidance documents for the application of crop protection products through unmanned aerial systems (UAS). In various countries, we conduct corresponding training courses for our employees and those of our research partners, often virtually. To further refine guidelines and enrich the data set needed for risk assessments, Bayer is engaged in various initiatives, such as the OECD Working Party on Pesticides

Drone/Unmanned Aerial Spray Systems (UASS) Subgroup and is playing a leading role in the Unmanned Aerial Pesticide Application System Task Force (UAPASTF). Bayer provided leadership in the UAPASTF effort to publish a best management practice (BMP) document for UASS-based applications; this document is being utilized by stakeholders to create national or regional BMP documents. We also supported the OECD Cooperative Research Program-funded “Applying Pesticides Using Drones” conference held in York, United Kingdom, in May 2023, aimed at developing aligned best management practices for UAS applications of crop protection products. Our employees working with regulatory agencies in Australia and the United States have led the effort to establish an OECD Cooperative Research Program-funded conference aimed at developing recommendations for how precision application technologies should be included in regulatory exposure and risk assessments and included on crop protection product labels; pending approval, this conference will be held in Australia in February 2026.

Sensors on the latest tractors and harvesters can supply important information on plant health and yield data. Along with other data, this is incorporated into the digital applications developed by the digital farming unit of Bayer to help farmers achieve more efficient and sustainable agricultural operations. We have taken a leadership role in the development of an OECD Working Party on Pesticide Community of Practice focused on creating the international infrastructure needed to implement digital labels and use instructions that would eventually enable direct actions to be implemented by software and machinery for crop protection purposes. This project leverages our support for currently running national/regional digital label projects (i.e. in Canada, United States and the EU).

With digital tools such as [MagicScout](#) and [MagicTrap](#), a digital yellow trap for pest monitoring, we aim for crop protection products to be applied in the right amount and only when needed, for example through faster identification

and documentation of causes of damage such as weeds, pests and diseases.

Our digital farming platform [Climate FieldView™](#) enables farmers to use data to optimize their agricultural inputs (costs) used on the field and to improve their output (yields). This takes place through the sensor-based collection and storage of large volumes of machine-generated agronomic and machinery-related data directly in the farmers’ accounts. The application of this data not only enables farm management to be economically sustainable by providing higher return on investment but can also create substantial advantages for the environment. Thanks to precision agricultural machinery and digital tools, inputs such as seeds, water and crop protection products are only used when and where they are necessary. FieldView™ is currently available in North America, South America, Europe, Turkey, South Africa and Australia.

We launched [ForGround](#) in 2022. This farmer-first digital platform offers growers tools and resources, as well as the potential to earn revenue through participation in the Bayer Carbon Program, for the adoption of more sustainable practices such as cover cropping and reduced tillage. ForGround is expanding and evolving beyond carbon sequestration (part of the Bayer Carbon Program) to explore other approaches and collaborations that could enable farmers to make a positive impact in their business operations and on the environment. ForGround is currently available in North America.

Water protection

Avoiding discharges of crop protection products into water bodies is an important aspect of sustainable agriculture. Alongside point source discharges into water bodies that can occur during the handling of spraying devices, diffuse substance discharges from treated fields can also play a significant role. That is why many of our training measures for farmers also focus on protecting water bodies in the context of the correct use of our products.

To avoid point source discharges, Bayer recommends the use of biological remediation systems such as Phytobac™, which are offered by third-party manufacturers. Phytobac™ is designed to prevent water contamination with residues of crop protection active ingredients generated during the filling and cleaning of spraying devices or the disposal of residual liquids. This solution is increasingly being used in several countries. In Europe, more than 5,000 Phytobac™ systems are currently in operation. Demonstration farms using Phytobac™ systems have been implemented in Australia, Canada, China, Thailand, Argentina, Brazil and Colombia.

Further, we support the implementation of closed transfer systems. Closed transfer systems help prevent spills of crop protection products and hence help to further increase convenience, operational safety and environmental protection. This is consistent with the CropLife Europe commitment to making closed transfer systems universally available to European farmers and operators by 2030.

We jointly developed the “easyFlow” system with agrotop GmbH, which has been available to farmers for several years already. Additionally, Bayer has joined the cross-industry group developing the “easyconnect” closed transfer system. Work on the pilot for the system in the Netherlands is ongoing, with the implementation now planned for the 2025 season.

Protecting pollinators and other beneficial insects

Bees and other pollinators are important for sustainable food production, and we also depend on healthy pollinators in our seeds business. We are actively involved in [various projects](#) and research activities to protect bees and other pollinators.

Bayer shares the concerns about currently declining insect populations and has published a [position](#) on this issue. As the causes of this decline have not yet been fully clarified, we believe further scientific studies of the causes and the

development of corresponding countermeasures are urgently needed. We have therefore established a dedicated working group to address the issue and are involved in researching the factors leading to this decline and developing measures to counter the trend.

Our research supports farmers in food production, while at the same time contributing to the health, safety and biodiversity of pollinators. We promote dialogue with all stakeholder groups through our global network. In cooperation projects worldwide, we have been looking into some of the major stress factors for pollinators and into approaches for protecting them. At the same time, we are engaged in the development and implementation of approaches to protect insect biodiversity in the agricultural landscape, where the current state of knowledge already allows for the definition of effective measures.

To reduce potential risks posed to pollinators by our crop protection products, initial tests – particularly to measure bee toxicity – are already being conducted at an early development stage to ensure that only products with an environmental profile that allows pollinator-safe use proceed to further development. Crop protection products are stringently regulated and are subjected to thorough testing to make sure they can be used safely. Extensive safety testing and risk assessments enable us to recommend specific bee safety measures to farmers.

Furthermore, we have contributed to the creation of a new label pictogram (see icon) designed by CropLife International and published by the [FAO](#) of the United Nations to be used as a precautionary icon on labels for crop protection products



to protect pollinators. The new label pictogram serves on the one hand to optimize global consistency in pollinator safety labeling, and on the other hand puts emphasis on the protection of wild pollinators beyond honeybees, and on

pollinator habitats. We have started to adopt this label pictogram for Bayer's crop protection products containing imidacloprid.

Even beyond the regulatory requirements for pollinator safety testing, our experts drive extensive activities in fundamental and applied research to ensure the pollinator safety of our existing product portfolio.

In the early stages of product development, we have started exploring digital phenotyping in honeybee toxicity screening assays as well as computational modelling approaches with the goal of further enhancing the mechanistic understanding of the interaction of insecticides with pollinators to support the targeted design of new molecules. In the area of toxicogenomics, we continue to drive research in the field of bee pollinator toxicology using functional genomics and other innovative technologies that contribute to the optimization of the bee safety profile of our products.

Another focus of our pollinator research is the regulatory system that is designed to ensure the safety of pesticides to bees, and its continuous optimization. In recent years, Bayer scientists have been actively contributing to the development of optimized risk assessment programs in different regions of the world. This applies, for instance, to the revision of the EFSA Bee Guidance Document in the EU, the activities of the Pollinator Research Task Force in the United States, and the development of risk assessment programs in Latin American countries.

Bayer is actively participating in the development of new ecotoxicological testing systems, for instance for wild bees, together with partners in academia, contract research organizations and authorities. Furthermore, Bayer experts have, in collaboration with academic scientists, proactively driven the development of modelling tools for ecotoxicological risk assessment. Finally, our experts are working with external research partners toward the development of digital

methods to advance the pollinator risk assessment for crop protection products.

Our contributions go beyond the safety of our products; we also contribute to approaches addressing pollinator health in a holistic way. An example is the Healthy Hives research partnership with Project Apis m. in North America, through which we aim to identify and implement practical data-based solutions to improve the health of honeybees as a key pollinator of various crops.

Meta-studies on plants featuring *Bacillus thuringiensis (Bt)* technology (genetically modified plants that contain genes of the soil bacterium Bt) have not identified any biologically relevant effects on honeybees. For more information, please see chapter Focus on: Agriculture.

Bayer is one of the founding members of Growing Matters, an initiative that fosters an open and scientific discourse on stewardship, benefits and alternatives to neonicotinoid insecticides in North America. Together with its partners, Growing Matters launched the BeSure! campaign, designed to strengthen awareness and adoption of stewardship practices to protect bees and other pollinators during the handling, planting and disposal of neonicotinoid-treated seeds and other neonicotinoid applications used during the growing season.

Neonicotinoids

The introduction of the neonicotinoid class of insecticides in the 1990s brought new features to improve sustainability and to reduce the environmental impact of insecticides in agriculture. Neonicotinoids replaced older, frequently much more toxic insecticides, reinforced the concept of seed treatment minimizing environmental exposure to agrochemicals, and

brought a broad spectrum of efficacy and a new mode of action to assist integrated resistance and pest management on many crops.

Some years after introduction, there were a few reports of incidents where the use of neonicotinoid products was associated with negative effects on bees. The most severe example was when dust from treated seeds was accidentally released during planting in Germany in 2008, which resulted in significant intoxication of bees nearby.

At Bayer, the incidents triggered a period of internal review/research into suitable risk mitigation measures or product replacements. It also changed the risk assessment and profiling of existing and new products in Research and Development (e.g. systematically considering toxicity to pollinators already in the early compound candidate selection process). Several initiatives and processes were introduced to minimize further risk through the exposure of bees to neonicotinoids and other insecticides.

Since 2021, we have published details on the measures we have taken in recent years in [a separate report](#) that is updated on a yearly basis. We have also published detailed information as appendices to the report.

Mitigating measures taken include the following:

// Bayer has continued to make updates to product labels to improve pollinator safety. Labels for imidacloprid-containing products, where approved, have improved explanations of use regarding pollinator safety. These labels include, where approved, a pollinator safety icon such as the one developed by CropLife International, which has

recently been approved by the FAO of the United Nations. For details on this label, see previous section on “Protecting pollinators and other beneficial insects”.

// Various tests in Research and Development to characterize the toxicity of novel development compounds to bees at an earlier stage of the screening process to further optimize the establishment of pollinator-safe use patterns as an integral part of product development

// Innovation in seed coatings to improve adhesion: seed coatings protect operators and the environment from dust, with emissions reduced by up to 95%

// Bayer's invention of the Seed Treatment End Point (STEP) technology, which enhances the quality of the treated seeds by avoiding abrasion

In countries outside of the EU, competent authorities regularly review neonicotinoids to assess the risks to humans and the environment.

We believe that continuing to manufacture and market neonicotinoids under the conditions authorized by regulatory authorities around the world is responsible, beneficial and consistent with the UN Global Compact environmental principles.

Monarch butterfly

Populations of the migratory monarch butterfly, which is common in North America, have declined in recent decades, primarily due to the loss of milkweed in the United States, habitat loss in the Mexican forests, weather extremes and climate changes. Second, impacts from natural enemies, crop protection products, disease, pathogens and parasites are also possible contributing factors. To enhance the habitat for the monarch butterfly and other pollinators, [Bayer is](#)

[collaborating](#) with conservation groups, academic experts, farmers and government agencies to find meaningful and proactive ways to help these important pollinators thrive. We are working to ensure that the growth of the wild plants (esp. milkweed/*Asclepias*) that constitute the monarch butterfly's main larval food source is supported along its migration routes outside of cultivated areas. Combined with a diversity of blooming plants throughout the seasons, this habitat benefits not only monarchs but also many other insects, birds and mammals.

Through an app called HabiTally, which we developed together with Iowa State University in 2019, farmers and landowners can document the habitats they have created for monarch butterflies and track the gains made in milkweed (*Asclepias*) stems/acres across the United States. The app enables better estimates of how much current habitat exists and where, while also better facilitating further habitat planning and development. The United States Fish and Wildlife Service can use the data as a component of their assessment of habitat availability for the monarch butterfly. For more information, please see our [website](#).

Disposal of containers and old inventories, discontinuation policy

Processes are in place at Bayer to ensure the safe sell-off of products, including the disposal of obsolete inventories or waste.

The crop protection industry has set up voluntary initiatives in various countries for the proper disposal of obsolete stocks. As part of its activities in the international CropLife association, Crop Science is also working with the FAO of the United Nations and the World Bank to support the proper collection and disposal of obsolete crop protection products in Africa.

Empty crop protection product containers must be safely disposed of to ensure that any remaining product residues

are not released into the environment and that empty containers are not improperly reused. As the proper disposal of crop protection product containers is handled differently in many countries, the crop protection industry collaborates with authorities, distributors and farmers to establish or maintain suitable disposal systems.

Bayer supports programs worldwide to ensure the safe recycling and disposal of empty packaging and containers. Users can learn about how to safely dispose of our products through information on their labels.

We support the safe disposal of empty crop protection product containers in many countries together with the CropLife International industry association. As a result, some 1.3 million metric tons of plastic have been collected since 2005. This partnership has also facilitated the development of environmentally friendly packaging design programs, the implementation of training courses on the proper handling of crop protection product containers for distributors and farmers, and the testing of plastic recycling options. Particularly successful disposal programs have been established in Brazil, Canada, France, Germany and Australia. In Brazil, more than 800,000 metric tons of empty crop protection product containers have been disposed of since 2002 through the National Institute for Processing Empty Packages (inpEV) program.

In Germany, the crop protection industry partnered with agricultural wholesalers to develop the voluntary PAMIRA system for disposing of agrochemical packaging materials. Crop protection product manufacturers cover the costs for collection, logistics and utilization of packaging, while wholesalers provide the collection points. In 2023, around 3,100 metric tons of crop protection product and liquid fertilizer packaging in Germany were returned free of charge to the almost 400 collection points and disposed of in an environmentally friendly manner through the PAMIRA system.

3.7 Pharmaceuticals and Consumer Health

Quality and safety of pharmaceuticals and medical devices

Extremely stringent safety standards for patients and medical professionals apply to pharmaceuticals and medical devices. That is why both the development and the manufacture of pharmaceuticals and medical devices are subject to very strict quality requirements.

The quality management system of the Pharmaceuticals and Consumer Health divisions is based on internationally recognized standards and applicable legal, regulatory and ethical requirements for all stages of the provision of a pharmaceutical or a medical device – from development to registration, production and distribution. In particular, these standards include the rules for good working practice (GxP) in the development and manufacture of pharmaceuticals – such as Good Manufacturing Practice (GMP), Good Distribution Practice (GDP), Good Clinical Practice (GCP), Good Pharmacovigilance Practice (GVP), ISO certifications such as those for the manufacture of medical devices (e.g. ISO 17025 and 13485), and the guidelines of the International Conference on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use (ICH).

Internal experts and external assessors regularly conduct risk-based audits to verify compliance with the statutory requirements and relevant standards in development and production, as well as for registered product specifications. Such audits also cover institutes subcontracted by Bayer, service providers, our suppliers and contract manufacturing organizations (CMOs). Deciding the frequency of audits at CMOs follows the same risk-based approach as for internal manufacturing sites. Observations made during these audits are systematically evaluated, and compliance with corrective measures is verified at regular intervals. The quality requirements derived from regulatory requirements, permits and

authorizations, and from relevant standards, are regularly reviewed and integrated into our quality management system.

In addition to the internal quality assurance mechanisms, all our sites are regularly inspected by the health authorities of the respective countries to verify compliance with the various national and international requirements and certified according to the respective product category (e.g. through GMP certificates or in the form of a manufacturing license). All our sites received the targeted certifications in 2024.

The quality, safety and efficacy of pharmaceuticals and medical devices are always assessed relative to the possible risks associated with their use. Such an assessment results in a benefit–risk profile, which is crucial for the product’s approval and is also continuously reviewed thereafter. Accordingly, the Pharmaceuticals and Consumer Health divisions assess the medical benefit–risk profile of their pharmaceuticals and medical devices throughout their entire product life cycle. For medical devices, the initial production and subsequent update of the benefit–risk profile are undertaken within the scope of the quality management system. For pharmaceuticals, this takes place through a corresponding pharmacovigilance system.

Sustainability criteria for radiology products

In the research and development (R&D) of new radiology products, we have begun introducing sustainability criteria according to a “sustainability by design” approach. We want to examine the sustainability of future radiology products at various stages of R&D using sustainability checkpoints.

Safety in pharmaceutical development and production

Drug development is a complex and time-consuming process and is subject to stringent rules. The first step in developing a pharmaceutical is to find substances that can serve as the starting material for a new active ingredient. The next step is to test the new active ingredient – for example by using computational simulation processes, conducting tests in cell or tissue cultures, or with the help of bacteria or animal studies. These tests are prescribed by law and subject to strict guidelines and governmental controls. For more information, please see chapter 3.4 Animal Welfare.

The active ingredient is then used to produce a safe and easy-to-dose pharmaceutical. The requirements of the active ingredient and the product's acceptance by patients both play a role when developing a suitable delivery form (such as a tablet or ointment). The dosage form must also be such as to ensure that patients can safely dose the product and handle it easily.

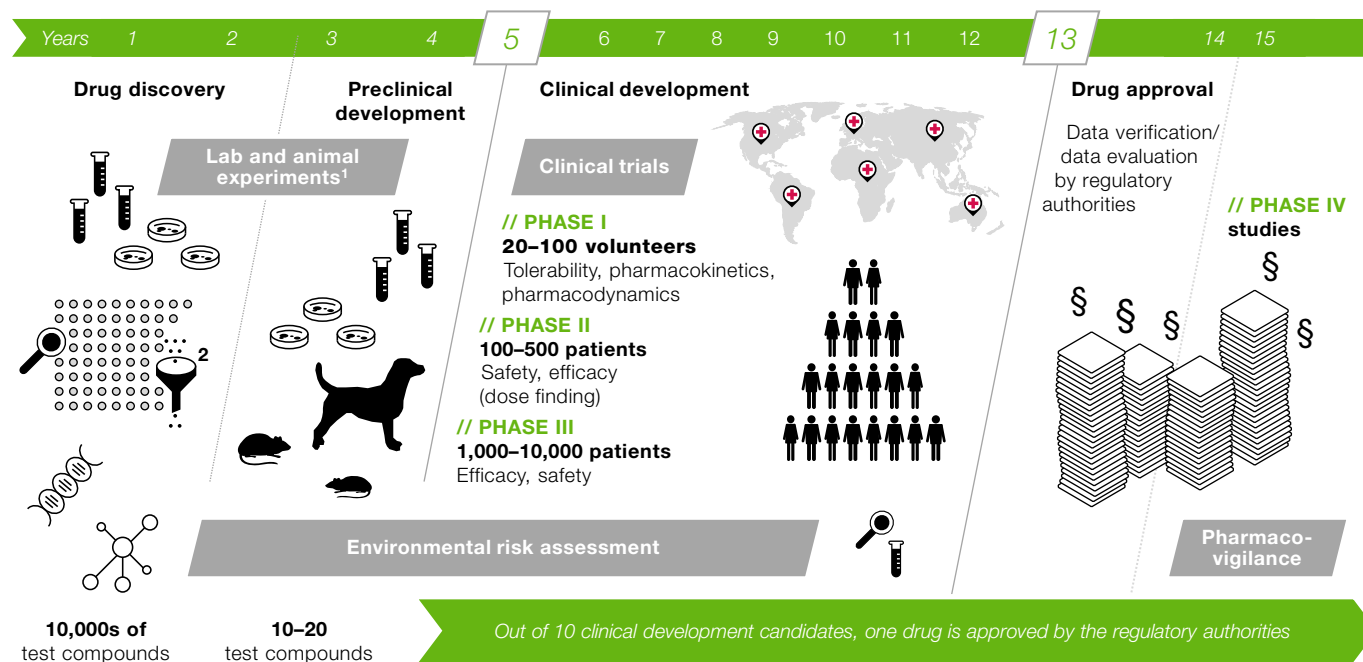
Before the pharmaceutical can then be submitted for approval, its efficacy, safety and tolerability must be examined in various preclinical and clinical trials (Phases I-III).

Clinical trials

Clinical trials are an essential tool for determining the efficacy and safety of new drugs before they can be used to diagnose or treat diseases. The benefits and risks of new medicinal products must always be scientifically proven and well documented. However, clinical trials are also necessary to examine already approved products for new indications or to confirm their safety profile.

With respect to clinical trials, we strictly align ourselves to the Declaration of Helsinki, an ethical standard in place since 1964 that regulates research conducted on humans. This commitment is stipulated in our Human Rights Policy and applies to all research institutes (clinical research

Drug Development Process



¹ Required by law

² Compound screening (millions of chemical structures)

organizations [CROs]) tasked with conducting clinical trials on our behalf.

Additional statutory regulations, directives and ethical codes supplementing the Declaration of Helsinki have been further developed and introduced worldwide to ensure that the health and safety of participants in clinical trials are the top priority. We follow the Harmonized Guideline on Good Clinical Practice (International Conference on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use – Good Clinical Practice, ICH-GCP). This international ethical and scientific standard for planning, implementing, documenting and reporting clinical trials in

human subjects ensures the rights, safety and well-being of trial participants in accordance with the Declaration of Helsinki. Its requirements include the deployment of an independent ethics committee for each clinical trial involving human subjects. Such ethics committees are based at university hospitals, for example, and composed of medical experts from various disciplines. A clinical trial on behalf of Bayer cannot begin without a positive vote from such an ethics committee. The commitment to complying with the ICH-GCP is also included in the agreements with the CROs we commission to conduct clinical trials.

Clinical trial phases

Stringent scientific and ethical principles apply to all clinical trials involving humans. A trial protocol lays out what is to be investigated, how the trial is to be conducted and why it is necessary. It is approved by the pharmaceutical regulatory authorities and an independent ethics committee. The voluntary trial participants are comprehensively informed in advance about the planned trial and the possible risks. Their participation is subject to written consent that can be retracted at any time, this having no impact on standard medical care.

In Phase I, physicians investigate an active ingredient with respect to its safety, tolerability and behavior in the body of healthy trial participants. Blood values and additional parameters are monitored, and it is determined how the ingredient is taken up, distributed, metabolized and excreted by the human body. In further studies, physicians investigate interactions with other pharmaceuticals or food. If an active ingredient proves to be tolerated well in this phase, it is subsequently tested on patients. Active ingredients with possible serious side effects, such as for the treatment of cancer and other serious diseases (e.g. Parkinson's), are tested in patients from Phase I.

In Phases II and III, physicians examine how effective the ingredient under investigation is, if at all, which dose is ideal for treatment and how frequently side effects occur. To rule out distorted measurement results as far as possible, the scientists compare the new active ingredient with an established therapy form or a placebo that does not contain any active ingredient.

The patients do not know which group they belong to. In what are known as double-blind, placebo-controlled

studies, the attending study team at the trial center does not know which patient belongs to which group either. Participants in a clinical trial conducted by Bayer can contact the responsible investigator and/or the contact person at the trial center who is listed in the patient information at any time.

Physicians participating in a clinical trial keep records of the treatments, measurement values and findings, and forward the data to the drug producer in pseudonymized form. Finally, the data is interpreted to determine whether the results are medically relevant and the prospects for seeking regulatory approval of the active ingredient in the form of a drug product are promising. The clinical trials last in total eight years on average. Additional clinical studies (Phase IV, post-authorization safety studies) take place following registration to further assess the benefit-risk profile in the determination of the therapeutic value of the product under practical conditions.

Bayer only conducts clinical trials in countries in which there are plans to launch the respective drug product onto the market. Once a clinical trial has concluded, patients can be provided with the trial medication until the date of approval and availability within the scope of compassionate use programs or extension studies.

Wherever in the world we conduct clinical trials, they comply with these strict international directives and high standards of quality, as well as the respective applicable national laws and standards. We review whether they comply with these by means of risk-based audits, which also cover those trials performed by the institutes we commission (CROs). Bayer publishes information on clinical trials in compliance with the respective local laws. Bayer publishes information on its own clinical trials both in the [publicly accessible registers](#) and on its own [Clinical Trials Explorer website](#).

Summarized results of Phase II, III and IV clinical trials are accessible online through the Clinical Trials Explorer – irrespective of whether the results of a study for one of our products were positive or negative. Upon request, scientists can receive access to anonymized data from clinical trials at the patient level via [Vivli](#), the website of the Center for Global Clinical Research Data, provided the studies in question are listed in the portal. Through this, Bayer observes the principles of the European Federation of Pharmaceutical Industries and Associations (EFPIA) and the Pharmaceutical Research and Manufacturers of America (PhRMA) on the responsible communication of clinical trial data, which were defined in a [joint position paper](#). Bayer is a member of Vivli, together with other pharmaceutical companies and universities around the world. In January 2022, Vivli was [awarded](#) funding by the National Institute of Health (NIH) in the United States to promote the sharing of clinical trial data.

For further information about our globally uniform standards, the monitoring of clinical studies and the role of the ethics committees, please see our [website](#).

We communicate transparently about our research and development activities. This needs to be done objectively, precisely and on a timely basis, and must conform with current internal and external legal and ethical standards, including those of Good Publication Practice (GPP). We disclose our participation in scientific studies and publications of third parties and the participation of third parties in the development of our publications. As a result, we act transparently and grant access to scientific findings.

Easy-to-understand summaries

Since 2020, we have published clinical trial results on our [Clinical Trials Explorer website](#) in language that is easily understandable.

The results of Phases II through IV interventional trials and of Phase I patient trials are generally published within 12 months of the completion of the trial or – in the event of premature termination – within 12 months of the conclusion. We publish the summarized results using clearly comprehensible formulations in English and eight other globally important languages, along with the languages of the countries in which the trial was carried out. Bayer thus goes well beyond the requirements of the EU regulation on clinical trials on human pharmaceuticals that entered into force on January 31, 2022.

In 2021, Reuters Events awarded Bayer the prize for the Most Valuable Awareness Initiative for our commitment to making scientific research available to patients in a comprehensible form. This recognizes Bayer's dedication to providing patients and all affected parties with clear and easily understandable concepts, including in scientific publications.

Diversity in clinical trials

Bayer is committed to broadening access to clinical trials. By enrolling participants who are representative of patient populations that may benefit from treatment, we gain valuable insights, enhance treatment outcomes, and help address health disparities. In our Research & Development (R&D) efforts, aligned with our mission, "Health for All, Hunger for None", we are dedicated to inclusive research by making our clinical trials more accessible to underrepresented communities and aim to reflect real-

world disease demographics. This reflects our dedication to demonstrating scientific integrity while helping to build societal trust in the medical and research process.

To ensure health equity is foundational in our research and development practices, Bayer consults and partners with a variety of relevant stakeholders, including clinicians, scientists, health and regulatory authorities, ethics committees and patient advocacy groups. In 2024, this commitment was recognized through the receipt of the Reuters USA Health Equity Award for our efforts to improve patient representation in clinical trials.

In 2024, Bayer established key pillars for inclusive practice in clinical trials, each designed to address critical barriers and improve representation in research.

// Implementing sustained community engagement is vital for building trust and increasing awareness of clinical trials. Bayer partners with health equity organizations and actively engages underrepresented populations through local events, community center collaborations and digital outreach. For instance, in 2024, Bayer sponsored prostate cancer clinical research and conducted community outreach at the Zero Prostate Cancer runs/walks in San Antonio and Los Angeles, with the goal of building trust by providing information about participation in clinical research.

// Improving access to clinical studies is essential for fostering a more positive patient experience and thereby enabling more patients to enter trials. Bayer partners across the healthcare ecosystem to address community needs, as demonstrated by our involvement in the 2024 European Society for Medical Oncology (ESMO) Industry Forum on Health Equity and Inclusive Research. Since 2022, Bayer has co-led initiatives with TransCelerate to develop tools and educational resources aimed at improving representation of diverse patient populations. Additionally, through a partnership with the Academy for

Oncology Nurse Navigators (AONN), Bayer sponsored training for Nurse Navigators focused on improving diversity in clinical research and enhancing patient support.

// Cultural competency and awareness: Bayer provides training to all clinical research staff, equipping teams to engage effectively and respectfully with underrepresented populations. The aim being to actively engage with clinical research staff to better understand and support access for the intended patient population. Bayer raises awareness of inclusion of underrepresented groups in clinical trials, for example, by supporting awareness of equity and inclusion in research. Bayer supports SGM Alliance, a US-based non-for-profit organization to educate and advocate for inclusive participating in clinical research. In October 2024, Bayer participated in an industry panel discussion coordinated by SGM Alliance to demonstrate ways in which the pharmaceutical industry can commit to greater representation in research.

Improving patient awareness and knowledge of clinical trials: patient education is crucial for increasing trial participation and ensuring informed decision-making. Bayer has developed tools and materials to enhance patient awareness, supporting the consideration of trials as viable healthcare options. In 2024, Bayer partnered with WomenHeart to raise awareness about cell and gene therapy trials, developing educational content on this topic.

Women and Health Equity: A Focus on Cardiovascular Disease (CVD)

Women experience significant disparities in health equity, particularly regarding CVD, which while being the leading cause of death among women globally, remains under-recognized, underdiagnosed, and under-treated. These inequalities are especially pronounced for women from historically underserved communities,

including those of color and economically disadvantaged backgrounds, as well as those in low- and middle-income countries. Additionally, women are underrepresented in clinical research, despite comprising nearly half of the global population.

Bayer is committed to improving the representation of women in clinical trials. A prime example is the OCE-ANIC-STROKE Study, an international Phase III randomized, placebo-controlled trial aiming to enroll 12,300 participants across 703 sites in 37 countries. Alongside a Representative Enrollment Plan for US sites, an Inclusive Research Committee is evaluating barriers to trial enrollment for women in various countries. Their recommendations, combined with insights from a patient council including underrepresented groups, have led to an increase in global female participation.

To address broader healthcare challenges, Bayer participated in the Global Heart Hub International Roundtable Discussion on “Late, Missed, and Misdiagnosis of Heart Disease in Women” in April 2024, held in Madrid, Spain. This patient-led initiative brought together 27 participants from 15 countries, including women with lived experience, patient organization leaders, public health experts, researchers and clinicians. The roundtable led to a paper outlining key challenges and calling for urgent global action to improve the treatment journey for women with cardiovascular disease.

Vulnerable patient populations

Vulnerable groups are defined as groups of people at a higher risk of experiencing adverse health outcomes or facing disparities due to various factors, such as women who are pregnant or breastfeeding, children, minorities, people with

disabilities and elderly people. These special populations are often at highest risk, yet are underrepresented in clinical trials. Consequently, health disparities among vulnerable populations may be exacerbated, meaning that these groups may experience higher barriers to medical care and may not receive the same access to treatments and interventions, potentially leading to worse health outcomes.

Patient centricity and collaboration with key patient groups is essential for identifying and addressing the comprehensive needs of a specific population. Bayer's commitment to inclusivity for vulnerable populations was recognized through its inclusion as a finalist in the “Driving Health Equity” category at the Reuters Events: Pharma Awards Europe 2024, highlighting the company's success in advancing access to clinical trials and pioneering treatments for preterm infants.

In line with its commitment to health equity, Bayer has partnered with the Swiss Tropical and Public Health Institute (Swiss TPH) and with the Drug for Neglected Disease Initiative (DNDi) to combat neglected tropical diseases, such as onchocerciasis and specifically soil-transmitted helminthiasis (STH). These infections are caused by parasitic worms and affect millions of people globally. They can lead to severe health issues such as malnutrition and anemia, seriously impacting physical and cognitive development, especially in low-resource countries where healthcare access is limited. The collaborations focus on developing emodepside, a potentially transformative treatment owing to its efficacy against different helminth species, with concentrated efforts in Africa and Asia. In 2024, the partnerships advanced through Phase II and prepared for Phase III trials, aiming to evaluate emodepside's efficacy and safety at different regimens, ultimately ensuring that effective treatments are accessible to those high-risk countries able to benefit from treatment and prevention strategies. Additionally, the widespread distribution of these diseases raises challenges for clinical research, particularly in providing accurate information and education to vulnerable populations. This highlights the importance of collaboration with academic

and public health institutions such as Swiss TPH and DNDi as models of ethical public-private partnerships.

Pediatric development at Bayer

Children represent a significant portion of the global population. However, only about half of pediatric medications are thoroughly evaluated by health authorities, often leading to off-label prescriptions of adult drugs. To address this issue, it is crucial to develop drug formulations specifically tailored to children and conduct studies that ensure safety, efficacy and proper dosing across all age groups. However, pediatric clinical trials face ethical and recruitment challenges, particularly in protecting children's rights and recruiting participants for rare disease studies.

Bayer is dedicated to advancing innovative research methodologies and data collection aimed at developing effective treatments for young patients. Our commitment goes beyond regulatory requirements, as we actively engage with patients, parents and care partners from the outset of each pediatric study program. Furthermore, we prioritize communication of study material in clear, age-appropriate language, ensuring that children and their families can easily understand the information relevant to their care.

A prime example of our commitment to pediatric drug development is the PATENT-CHILD study, which explores the use of riociguat for treating pediatric pulmonary arterial hypertension (PAH), a rare and serious condition affecting the blood vessels in the lungs. In 2024, the European Medicines Agency (EMA) approved pediatric-specific tablets for PAH treatment in patients under 18 years old and weighing at least 50kg, specifically those classified as World Health Organization (WHO) Functional Class (FC) II to III. This approval was made possible through advanced pharmacokinetic modeling techniques that extrapolated data from adult trials (PATENT-1 and PATENT-2) to pediatric populations. Such innovative approaches streamline the research process and facilitate the effective adaptation of treatments from adults to

children, overcoming significant barriers typically faced in pediatric drug development.

In addition to PATENT-CHILD, Bayer is advancing several other important programs to address critical unmet needs in pediatric populations. The ongoing FIONA study is evaluating finerenone for children with congenital chronic kidney disease (CKD) and proteinuria. Furthermore, we are investigating treatments for rare diseases that impact pediatric patients, including pediatric heart failure, gene-inherited Limb-Girdle Muscular Dystrophy (LGMD) and Pompe disease.

Bayer's commitment to pediatric drug development not only enhances treatment options for children but also underscores a broader dedication to ensuring that vulnerable populations receive the safe and effective care they deserve.

Approval process

The respective documentation submitted to the regulatory authorities contains the research results from the Phase I to III clinical trials and the data generated for a pharmaceutical during its development. It includes both the data from the developmental phases, such as chemical-pharmaceutical and toxicological data, and a comprehensive benefit–risk assessment of the pharmaceutical. A new pharmaceutical must comply with all regulatory safety requirements to secure marketing authorization. The same applies to medical devices, dietary supplements and medicated skincare products. Based on these documents, the regulatory authority assesses whether the efficacy, safety and quality of the pharmaceutical have been demonstrated for the intended indication. The product is only approved if its benefit–risk ratio has been assessed as positive.

As each country has its own strict regulations for drug development, product approval and market launch, we work closely with the respective national regulatory authorities to ensure that we act in a compliant manner at every development stage. The authorities in other countries often take the

assessments of the EMA and/or the US Food and Drug Administration (FDA) into consideration in their own evaluations.

Key regulatory authorities for Bayer are:

- // The US Food and Drug Administration (FDA)
- // The European Medicines Agency (EMA)
- // The Pharmaceuticals and Medical Devices Agency (PMDA) in Japan
- // The National Medical Products Administration (NMPA) in China

Drug safety

The preclinical and clinical trials prescribed for pharmaceutical research investigate drug candidates regarding their quality, safety and efficacy. At the same time, the genesis and progression of a disease differ from one person to another, and the effect of a drug product can vary accordingly. We continue to observe and evaluate our products following their approval and throughout their entire life cycle. This enables adverse effects to be identified at an early stage and a decision to be taken as regards the necessary risk mitigation measures.

The collection and evaluation of safety-relevant information about our products are the responsibility of the global Patient and Drug Safety (Pharmacovigilance) department, in which scientific and medical experts from various disciplines work together in safety management teams (SMTs). These teams evaluate internal benefit and safety data, clinical trials, post-marketing studies, external databases and scientific publications to identify potential safety concerns at an early stage and detect possible changes in the benefit–risk profile. All reported side effects are entered into our pharmacovigilance database. The evaluation of information about a benefit–risk profile applies not just to pharmaceuticals and medical devices but also to dietary supplements and medicated skincare products. This information is regularly evaluated in

collaboration with the regulatory and oversight authorities at both national and international level.

As it is particularly important to not just collect data during the clinical development of a medical product but also to monitor the product after marketing authorization has been granted, if required, we conduct Phase IV studies (post-authorization safety studies) to investigate rare or very rare side effects, for example. As a pharmaceutical manufacturer, we receive reports on side effects either directly or through the health authorities, as well as through stakeholders such as physicians, pharmacists or patients themselves. Suggestions derived from these reports regarding possible supplementary safety-relevant information for the package inserts are passed on to the regulatory authorities by us. Such suggestions usually come to the authorities from the respective pharmaceutical manufacturers. The relevant health authorities decide on the steps resulting from the reports and suggestions in close cooperation with us as the producer.

Should risks be identified, we immediately take steps to safeguard the health of patients and consumers in coordination with the authorities. These measures range from updating product information for patients, users, pharmacists and physicians through patient education brochures and further training measures for medical professionals to direct communication with medical experts (Direct Healthcare Professional Communication [DHPC]) and even product withdrawals. Implementation of risk mitigation activities is coordinated by our local SMTs in the country organizations.

All these processes are documented, regularly updated and integrated into the quality management system. To maintain the high quality of Bayer's pharmacovigilance system, our medical and scientific experts undergo regular training. Furthermore, in line with our Group Regulation, all Bayer employees are required to undergo training as regards their obligation to immediately report safety- and quality-relevant information to the Pharmacovigilance department. We

regularly test whether the pharmacovigilance system can cope with emergency situations such as pandemics.

The information that we compile on side effects is reported to the national health authorities in the relevant countries, where it is required. As processes in the EU are centralized, European marketing authorization holders such as Bayer are now required to enter all suspected cases of undesirable side effects directly into EudraVigilance, the European Medicines Agency's electronic information system, rather than reporting them to the 27 national authorities individually.

Large data volumes must be analyzed to identify relevant information in the drug safety process. Where it makes sense, Bayer employs automation technologies, artificial intelligence (AI) and machine learning. This enables side effects to be discovered at an earlier stage, meaning that risk mitigation measures can be implemented faster, which in turn helps to further improve patient safety.

About AI in radiology

Aging populations and changing lifestyles are leading to an increase in chronic conditions, such as cardiovascular disease and cancer. Consequently, the demand for medical imaging to detect diseases, guide treatment decisions and support therapy planning is growing – bringing additional challenges such as staff and budget shortages.

AI comes with the value proposition of aiding diagnosis and increasing the throughput of radiological examinations.

In the area of medical imaging, Bayer offers [Calantic™ Digital Solutions](#), a cloud-hosted platform including digital radiology AI-enabled applications that assists

radiologists and their teams. Such AI applications are developed by specialized partner companies and integrated into the IT systems of medical staff via Calantic™.

The vendor-neutral, cloud-hosted platform includes a growing number of applications designed to aid prioritization and lesion detection, as well as apps that automate routine tasks and measurements, improve radiology suites' workflow and help medical staff to spend more time on patients and their diagnosis. For more information, please see our [website](#).

Trace substances of active pharmaceutical ingredients in the environment

Our Pharmaceuticals and Consumer Health divisions carry out ecotoxicological investigations on active pharmaceutical ingredients. These investigations serve as the basis for the environmental risk assessments within marketing authorization for [human pharmaceuticals in Europe](#) and the [United States, as well as in other geographies](#). In line with legal requirements, we thus evaluate possible environmental risks that could result from the intended use of human pharmaceuticals. The results of these environmental risk assessments are outlined in general terms in the specialized information for physicians. This information includes details on how to properly dispose of expired or unused pharmaceuticals so that users are able to avoid unnecessary environmental emissions. These details are also included in the packaging inserts.

We take additional action in our production facilities to minimize discharges of pharmaceuticals into the environment based on risk-oriented assessment parameters. For more information, please see chapter 7. Environment.

In some cases, monitoring can detect active pharmaceutical ingredients in environmental media as trace substances, in

other words in low concentrations. According to an [Organisation for Economic Cooperation and Development \(OECD\) publication](#) from 2021, discharge into the environment in these cases occurs primarily through patients' excreta, as well as partially through the improper disposal of unused and expired medicines, and from hospitals. According to this report, discharges into the environment via pharmaceutical production facilities are minor. The main path of entry into the environment for these trace substances is through wastewater discharged into surface waters such as rivers or the sea, as current treatment plants are not always able to eliminate trace substances sufficiently.

In some areas, surface water is used as a source of drinking water. However, current knowledge indicates that the trace substance concentrations of active pharmaceutical ingredients measured in drinking water are harmless to human health. This assumption is based partly on the findings of the WHO's Drinking Water Parameter Cooperation Project report of 2017. Among the aspects studied in this report were the concentrations of active pharmaceutical ingredients measured in environmental media and mixtures of such substances measured in drinking water. The report found that there were no immediate health risks and consequently no need to act in the short term. This has been confirmed by [more recent studies](#). Against the backdrop of a potential increase in the use of pharmaceuticals and to further guarantee the safety of drinking water resources, the WHO recommends that the discharge of trace substances be observed comprehensively over a longer period of time.

In addition to human health, there is now a focus on the environmental impact of pharmaceutical trace substances. Such trace substances are the subject of scientific publications and a matter of public interest. The European Commission also acknowledges the issue of trace substances, including those from medicinal products, in the environment. Strategic approaches to managing pharmaceuticals in the environment have been published in connection with the Pharmaceuticals Strategy initiated in 2020 and were specified with the

proposal of the European Commission on the review of the pharmaceutical legislation in Europe in April 2023.

For many years, the pharmaceutical industry has also been addressing the issue of trace substances from medicinal products in the environment and the environmental risk assessment of active ingredients. Between 2015 and 2019, for example, an initiative of the manufacturers' associations EFPIA, Association Européenne des Spécialités Pharmaceutiques Grand Public (AESGP) and Medicines for Europe put together key points for a strategic approach to dealing with pharmaceuticals in the environment and developed possible solutions to this problem. This initiative, which is supported by Bayer, focused partly on expanding the current legally required risk assessment for active pharmaceutical ingredients within the scope of the pharmaceutical marketing authorization process. At the end of 2022, the three pharmaceutical associations published a position paper that proposed specific improvements under the designation of an "extended Environmental Risk Assessment" (eERA). Another focus was the development of a concept for analyzing and managing wastewater from pharmaceutical production facilities. This is currently being implemented at Bayer, please see chapter 7. Environment.

For the first time, a database of environmental information for active pharmaceutical ingredients was created in the EU within the scope of the International Panel on the Information Environment (iPiE), enabling a comprehensive, transparent and comprehensible overview of more than 2,000 studies on the environmental behavior of active pharmaceutical ingredients already on the market. Scientific evaluations of the database have found that only a few of the registered active ingredients pose a potential environmental risk. These primarily include hormones or antibiotics, which impact the environment even at very low concentrations and are also marketed by companies such as Bayer.

Bayer is also active in the iPiE follow-up project Innovative Medicines Initiative (IMI) PREMIER (Prioritisation and Risk Evaluation of Medicines in the Environment). More than 25 public- and private-sector partners currently participate in PREMIER, including public authorities, universities and EFPIA companies. This IMI project, scheduled to run from 2020 until 2026, is geared toward continuing and expanding the iPiE database. The objectives of PREMIER include making more data and details on the studies publicly accessible and providing modeling and evaluation tools. Furthermore, it aims to develop strategies and processes that enable the prioritization of active ingredients for which little or no environmental data is currently available (there has only been a legal obligation to conduct an environmental risk assessment in the EU since 2006). The goal is to identify the active ingredients that can lead to heightened risks in the environment. The intention is to generate new environmental data for these prioritized active ingredients and enable risk assessments to be performed on them. This in turn will obviate the need for unnecessary studies – such as those involving vertebrates (fish) – for active ingredients classified as unproblematic. PREMIER also aims to research and promote options for more environmentally friendly active ingredient design.

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.

re:contrast

As part of our re:contrast program, we take back residues of our iodinated X-ray contrast agent iopromide and our gadolinium-containing contrast agent gadobutrol from our customers. This makes it possible to avoid unnecessary environmental discharges and properly reuse the iodine or gadolinium in an industrial cycle. Once contrast agent containers have been opened, their contents need to be quickly used. Collection enables iodine and gadolinium contained in residues of unused contrast agents from doctor's surgeries, hospitals or radiology centers to be reused. The residues are collected in special containers that can be obtained from Bayer for free and that an external service provider picks up on our behalf. This makes our system customer-friendly and participation easier for medical personnel.

Iodine recovery is already a common practice in Bayer's contrast agent production. Tons of iodine have already been recovered using our patented process and fed back into the value chain. The recovered iodine can be used for many different purposes, but not for the production of contrast agents themselves as the legal quality requirements for medicinal products do not permit this.

Focus on: Access to Healthcare

Millions of people in many parts of the world do not have access to basic medical care. According to the World Health Organization (WHO), there are various reasons for this – a lack of medicines, poverty, a lack of or inadequately trained medical personnel, a lack of political will and insufficient access to medical data.

As a leading pharmaceutical company, we believe we have a responsibility to improve access to healthcare for all. For this reason, we are focusing on areas in which we can have the biggest impact by leveraging our scientific know-how, products, partnerships and global network.

In accordance with our strategy, we aim to fulfill the need of 100 million women in low- and middle-income countries (LMICs) for modern contraception by 2030. We also want to support 100 million people in economically or medically underserved communities with self-care interventions from Bayer by 2030. For more information, please see the Sustainability Strategy chapter. Responsibility for implementing the access to healthcare strategy lies with the heads of the Pharmaceuticals and Consumer Health divisions, both of whom are members of the Board of Management of Bayer AG due to their positions. The Supervisory Board of Bayer AG monitors the attainment of the established goals.

It is also our ambition to improve access to our prescription products for people in LMICs through improved availability and modified drug pricing, as well as through our patient access programs.

We have implemented strategies for improving access to healthcare throughout the value chain.

Access to Medicine Index

Since 2008, the [Access to Medicine Foundation](#) has published a ranking of the 20 biggest pharmaceutical companies. The Access to Medicine Index evaluates the companies' measures to make medicines and diagnosis more easily accessible to people in LMICs. Bayer was ranked 10th in 2024. This means that Bayer has achieved a top ten ranking in a second consecutive assessment cycle. This accomplishment aligns perfectly with our sustainability strategy, where we set the ambitious goal for ourselves to be among the top ten. Notably, our ranking has improved from 16th place in 2018 to 13th place in 2020 (which was published in 2021), 9th place in 2022, and 10th place in this index. We are particularly proud of our 4th place ranking in the "Governance of Access" category, which signifies our commitment to ensuring equitable access to our medicines globally.

Family Planning

The ability of girls and young women to complete their education and thus improve their opportunities for a self-determined life is highly dependent on family planning options. For this to happen, they must be able to make their own well-founded decisions about whether to have children, and, if so, how many and when. Knowledge about their own sexuality and access to modern family planning are crucial to helping young people make important life decisions. Furthermore, both education and conversations about family planning strengthen gender equality and the role of women worldwide. That is why access to voluntary family planning has been an established human right for more than 50 years.

According to the United Nations, more than 200 million women in LMICs would like to prevent pregnancy but do not use safe and effective family planning methods. According to the United States Agency for International Development (USAID) and the studies of the [Copenhagen Consensus Center](#), [investment in family planning](#) is a "best buy" for development that can support the attainment of various Sustainable Development Goals (SDGs). Family planning provides the foundation for more equality, education and affluence, and plays a crucial role in reducing poverty (SDG 1) and hunger (SDG 2), improving health (SDG 3) and increasing participation in high-quality education (SDG 4). It also strengthens gender equality (SDG 5), which in turn is a crucial factor in future economic and social development.

Collaborations

Bayer works together with international partners to improve education on sexual and reproductive health with a focus on contraceptive options. Back in 2007, in close cooperation with our partners, we've launched World Contraception Day (WCD), September 26, as an official awareness day that puts sexual rights and contraception in focus. The associated year-round Your Life information campaign is directed at young people and pursues the vision of a world where every pregnancy is wanted. WCD and Your Life are supported by a coalition of over a dozen international partners.

The campaign has a dedicated website, www.your-life.com, where young people can get accurate and unbiased information on contraception. The content is presented in a straightforward, interactive and relatable way, without judgement or lectures. It seeks to address the needs and questions of a young audience, counter common myths and misconceptions, and provide guidance and preparation for a well-informed discussion about different contraceptive

methods with a healthcare professional. The online presence is complemented by the Your Life social media channels on Facebook, Instagram and YouTube, as well as the YOURLA chatbot. By means of user surveys, we have generated a sound database for assessing the conversion of women reached via social media into users of modern contraception. The datapoints suggest that a relevant number of women – who often lack alternative ways of engaging on sexual and reproductive health topics – can be reached and educated to choose a modern contraceptive. We are elaborating ways of reporting these important activities in our goal to address the unmet need for family planning.

Access to family planning products is not adequately guaranteed in many regions of the world. As a global leader in women's health, Bayer is a longstanding partner of international family planning programs. Bayer's contraceptive products are made available there at preferential prices.

Irrespective of whether its own products are used, Bayer has been providing financial support to [The Challenge Initiative](#) (TCI) – a family-planning program based at Johns Hopkins University and implemented by the Bill & Melinda Gates Institute for Population and Reproductive Health – since July 2020. TCI aims to establish various family planning options on a broad scale quickly and sustainably. The program is currently being implemented in more than 210 Asian and African cities. In total, approximately 5 million women received access to voluntary family planning with the help of TCI since Bayer became a partner in 2020. Bayer is an anchor partner of the Bill & Melinda Gates Foundation in preclinical research pertaining to nonhormonal contraception. We undertake to make such a product available in [LMICs](#) at an affordable price as soon as it has been approved by the health authorities following the development phase.

Since 2007, Bayer has been a member of the [Reproductive Health Supplies Coalition](#) (RHSC), a global partnership of public, private and nongovernmental organizations (NGOs).

The RHSC endeavors to ensure that people in LMICs can access affordable and high-quality contraceptives.

In addition, Bayer worked together with the United Nations Population Fund (UNFPA), USAID and international NGOs to make hormonal contraceptives such as birth control pills, three-month injections, implants and coils available. As a strategic partner, we also provide support with expertise in the areas of supply, logistics and product registration.

In accordance with the Sustainable Development Goals (SDGs) of the United Nations (particularly SDG 3.7 and 5.6), the UNFPA and Bayer have a common vision: to measurably increase the number of women who can meet their need for modern contraceptives. The intention is to reach this goal through interventions supported by this collaboration, with the objective of strengthening the autonomy and resilience of local health systems by focusing on four specific areas: measures to sustainably develop their structure and expertise (capacity building); supply chain management; innovation; and gender equality, inclusion and diversity at the workplace.

We therefore concluded further cooperation agreements with the UNFPA in 2022, and Bayer became the first company to join the [UNFPA Equalizer Accelerator Fund](#). In 2024, these initial agreements were extended to 2026, and Bayer also joined the UNFPA Coalition for Reproductive Justice in Business as a Champion for Women's Health in Business.

Current status

We currently provide contraceptives to 51 million women in [LMICs](#). More than a third of these women are reached through commercial distribution channels – particularly in upper-middle-income countries. In contrast, the majority of women in low- and lower-middle income countries – gain access through the international development network, such as through UNFPA or participating national family planning programs. Shipments provided through such programs are usually free of charge for the women. To address the

challenges associated with facilitating access to contraceptives over the next decade and reach our target of enabling 100 million women to access modern contraceptives, we are continuously expanding our partnerships and increasing our production capacities.

Global Health Unit

Bayer has established the Global Health Unit (GHU) to further enhance access to medicines and eliminate barriers for underserved populations, primarily, but not exclusively, in more than 50 low- and middle-income countries ([LMICs](#)) where Bayer Pharma has no or limited presence. The GHU focuses on women's healthcare, cardiovascular diseases, ophthalmology, oncology, and neglected tropical diseases, employing innovative partnerships and local initiatives to meet diverse community needs. A key objective is to fulfill the need of 100 million women in low- and middle-income countries ([LMICs](#)) for modern contraception by 2030 and address neglected tropical diseases as well as non-communicable diseases.

For more information on our Group target, please see the Sustainability Strategy chapter or our [website](#).

Expansion of production capacities

We approved capital expenditures of more than €400 million to expand the contraceptive production facility at our site in Finland and build a new plant in Costa Rica. The site in Finland is preparing for market supply, and the Costa Rica site has got Good Manufacturing Practice (GMP) approval, now preparing for the supply of long-acting reversible contraceptives (implants and hormonal intrauterine devices) to [LMICs](#).

Access to Self-Care

More than half the world's population does not have access to basic, vital medical services because the people do not have sufficient income, live in medically underserved regions or cannot access hospitals, pharmacies or other treatment options for various reasons. This means that billions of people rely on self-care to prevent diseases, maintain their health or treat illnesses.

We want to support 100 million people in economically or medically underserved communities with self-care interventions from Bayer by 2030. As a leading supplier of medical self-care products, we are present in many countries and regions in which people depend on self-care, and already reached 73 million people in 2024, including our strategic investments in India. For more information, please see the Sustainability Strategy chapter.

Neglected Tropical Diseases (NTDs)

Together with other pharmaceutical companies, Bayer plays an important role in fighting NTDs. Bayer supports the WHO NTD road map 2021–2030, which aims to permanently eliminate two NTDs by 2030. For over 20 years, we have provided the WHO with two essential drugs to treat [African sleeping sickness](#) and [Chagas disease](#) in Latin America free of charge. We also provide funding for logistics and the distribution of these drugs in the affected countries, as well as for other activities. Bayer reaffirmed its commitment in 2022 by signing the [Kigali Declaration on Neglected Tropical Diseases](#).

African sleeping sickness

Sustained control efforts have reduced the number of new cases by 97% in the last 20 years. The disease has thus been eliminated as a global public health problem after decades of efforts.

Chagas disease

Currently, between six and seven million people are infected with the Chagas disease pathogen. Less than 1% of those infected have access to adequate diagnosis and treatment of the disease. Newborn babies and children are at particular risk because infected, and in some cases asymptomatic, mothers can pass on the pathogen to their unborn children.

Our preclinical and clinical research has resulted in the development of a formulation of our active ingredient nifurtimox that is suitable for children, and this was approved by the US Food and Drug Administration (FDA) in August 2020. Approval was granted in Bolivia in 2021, making it the first Latin American country in which this formulation is available. As nonendemic countries, Germany and Spain registered the product in 2024. The formulation enables the drug to be precisely dosed for children based on body weight. It also has better solubility and is easier to administer, which means it can be given to infants aged zero to two years. That makes this formulation of nifurtimox the first Chagas treatment approved for this age group.

Bayer signed a letter of intent for a cooperation agreement with the Brazilian Institute for pharmaceutical technology (Farmanguinhos/[Fiocruz](#)) to supply nifurtimox directly to the Brazilian government in the future. This is an important step in facilitating access to effective treatment via government programs.

Pork tapeworm

Bayer also supports the WHO in the fight against infection with the pork tapeworm (*Taenia solium*), which is transmitted through the consumption of raw or insufficiently cooked pork. When people and pigs live closely together in unhygienic conditions, infection can also occur when the tapeworm's eggs are excreted with feces. The disease is asymptomatic but can also attack the brain in the late stages if left untreated (neurocysticercosis). Infection with the pork tapeworm at this stage has led to epilepsy in about 13 million

people, accounting for about one-third of all epilepsy cases in the affected countries. Bayer provides two essential drugs to treat pork tapeworm infection, and financially supports the logistics and distribution of the medicines within the scope of national programs to eliminate the illness.

Onchocerciasis

Since 2014, Bayer has worked together with the Drugs for Neglected Diseases initiative (DNDi) to develop an active ingredient for the treatment of onchocerciasis. The first clinical trials in humans (Phase II) began in mid-2020. The preparation of the Phase III clinical trial started in 2024. Transmitted by threadworms, this tropical disease leads to incurable river blindness in about 10% of chronically ill patients. Some 30 million people around the world are infected with these threadworms, of whom more than 99% live in Africa.

Soil-transmitted helminths

A partnership between Bayer and the Swiss Tropical and Public Health Institute ([Swiss TPH](#)) started in 2023, with the Phase III clinical trial beginning in 2024. This was launched with the aim of jointly developing an effective therapy for people infected with soil-transmitted helminths. Worldwide, more than 1.5 billion people are infected with at least one soil-transmitted helminth species, with the highest prevalence reported in sub-Saharan Africa, Asia and South America.

ESCuLab

Furthermore, Bayer is a member of the European [ESCuLab project](#) (European Screening Centre; unique library for attractive biology) of the Innovative Medicines Initiative (IMI), which seeks drugs that will treat neglected tropical diseases and malaria effectively, among other objectives.

Further Engagement

Noncommunicable diseases are a major challenge, particularly in [LMICs](#). More than three-quarters of deaths from

cardiovascular disease occur in [LMICs](#). Between 1990 and 2013, sub-Saharan Africa was the only geographic region in the world to register an increase in deaths due to cardiovascular disease. The number of cardiovascular patients is expected to double by 2030. For this reason, Bayer is working to develop model projects to establish an integrated diagnosis, treatment and continuing education concept for cardiovascular diseases.

The Ghana Heart Initiative (GHI), which Bayer supported in partnership with the German Society for International Cooperation (GIZ) and local health authorities in Ghana, ran for six years until August 2024 and aimed to facilitate more specific drug access programs by strengthening the healthcare system. The proven impact of the intervention is demonstrated by the increase in the percentage of patients diagnosed with hypertension and reaching controlled blood pressure levels through treatment from a national average of 5–7% to an average of over 70% in participating facilities.

This was achieved based on newly developed national guidelines for the treatment of cardiovascular diseases and the involvement of over 6,000 medical specialists who were trained to diagnose and treat these illnesses and a total of nine centers of expertise that were established to diagnose and treat deep vein thrombosis. For further information, please see the [Ghana Heart Initiative website](#).

Building on the impact of the GHI, Bayer, together with GIZ International Services, local authorities, additional pharmaceutical companies – Eli Lilly, represented by Panorama Global, and Sanofi – and the Bill and Melinda Gates Foundation, formed a new collaborative project called AYA – Integrated Healthcare Initiative. AYA was launched in September 2024 and is aimed at further strengthening Ghana's healthcare system with a focus on cardiovascular diseases and type 2 diabetes.

The AYA Initiative's key goals are the following: capacity building for healthcare providers, improved access to medical equipment for cardiovascular diseases and type 2 diabetes, facilitation of screening and linkage to counselling and care, empowering of patient self-management for chronic conditions, and strengthening of data collection systems for better healthcare outcomes.

Social commitment, access programs and innovative, inclusive business models jointly contribute to the implementation of our "Health for all, Hunger for none" mission. For more information, please see chapter 9. Social Engagement.

Antimicrobial resistance (AMR)

AMR is an increasing problem in healthcare, and suitable antibiotics are urgently needed. Therefore, together with other pharmaceutical companies, we support the AMR Action Fund, which aims to bring two to four additional antibiotics to market maturity by 2030 to address AMR. The development of these antibiotics would otherwise be jeopardized by funding problems.

Equitable Drug Pricing

The cost of medicines can present a major obstacle for patients, especially when they have to pay for this themselves. This is particularly true in [LMICs](#), most of which do not have universal health coverage for the reimbursement of medicinal and treatment cost. We are therefore working on various options, including in collaboration with charitable organizations and governmental authorities, on the one hand to provide more patients with improved access to much-needed medicines, and on the other hand to optimize the therapeutic benefit of the medication by giving patients the chance to prolong their drug therapy. For most of our key products (Adempas™, Eylea™, Kerendia™, Kyleena™, Mirena™,

Nexavar™, Stivarga™, Verquuvo™ and Xarelto™), including specific new launches, we have established the framework conditions for adjusted, equitable pricing that also accounts for per capita gross national income. This enables us to be increasingly flexible in taking decisions under consideration of local purchasing power, allowing patients to benefit more.

Patient Access Programs

Our patient access programs help patients in [LMICs](#) to better overcome financial obstacles to being able to afford prescribed medications and access them in a timely manner or, on a long-term basis, to give patients not only reliable access to drugs but also in a sustainable way. We cooperate with insurance providers, charitable organizations and other partners to advance these options. Our patient access programs are developed according to the framework conditions in each country and take account of the needs of patients, supporting them in different ways, e.g.:

- // Individual assessment of patients' financial solvency and derivation of a corresponding financing and treatment plan
- // Reduction of the financial burden on patients, for example through the provision of free and payment-based medicines or the granting of discounts on the original selling price

For more information, please see our [website](#).

Patents in low-income countries (LICs)

In LICs, Bayer does not register or enforce patents for human pharmaceuticals. This applies as long as a country retains the status of an LIC according to the World Bank classification and the country's

government does not take any measures that would justify a change in that status.

We have also joined the Patent Information Initiative for Medicines (Pat-INFORMED), which provides basic patent information on our registered products, making it available to the public to facilitate the procurement of medicines, particularly in LICs.

The [WHO Model List of Essential Medicines](#) that should be available in functioning healthcare systems has been published by the WHO since 1977 and includes various medicines produced and sold by Bayer. We generated some €7.7 billion through sales of these products in 2024 (equivalent to about 17% of total Bayer sales).

4. Procurement

As a global company, Bayer procures services and materials from all over the world. We align our procurement and supplier management processes to ambitious ethical, social and environment-related principles. We expect our suppliers to observe these principles, too, and we support them in doing so. Through this approach, we help to improve sustainability in our supply chain.

4.1 Management Approach

The procurement organization supplies the company with raw materials, goods and services all around the world. It acts on behalf of all divisions and Enabling Functions, leveraging synergies by bundling know-how and procurement spend. The head of Procurement reports directly to the Chief Financial Officer.

We exert influence on society and the environment through our procurement activities and supplier relationships. In addition to this, economic, ethical, social and ecological principles are all anchored in our [Bayer Code of Conduct](#) which is binding for all employees worldwide.

Procurement operates according to established procurement and supplier management processes. As both the market and supply chain management are very dynamic and constantly evolving, long-term contracts and active supplier management for strategically important goods and services are important elements here. They serve to minimize procurement-specific risks such as supply bottlenecks or significant price fluctuations, and to safeguard the company's competitiveness and ensure smooth production processes.

Sustainability in procurement

In our [Sustainability Statement in the Annual Report 2024](#) we report on S2 Workers in the Value Chain, E2 Pollution and G1 Governance.

We have integrated sustainability aspects into our supplier management to ensure that the way we conduct business with our suppliers is in line with environmental, social and ethical standards. Bayer regards adherence to these sustainability standards within the supply chain as a crucial factor.

By acting responsibly in collaboration with our suppliers, we aim to identify and minimize risks and create stable, long-term business relationships with our partners. This is also an important strategic lever for Bayer in safeguarding both its global competitiveness and the supply of materials and services. For this reason, the company applies not just economic standards, but also sustainability standards in choosing new suppliers or continuing its relationships with existing ones. These principles are defined in Bayer's SCoC, which generally forms the basis for our collaboration with suppliers.

Supplier Code of Conduct

Bayer has developed a SCoC which sets forth key social, ecological and ethical standards that the Bayer Group expects its suppliers and subcontractors to share. This code applies globally to all our potential and selected suppliers. It is included in all purchase orders and forms an integral part of all contract negotiations.

Bayer supports the 10 principles of the United Nations Global Compact (UNGC) on Human Rights, Labor, Environment and Anti-Corruption as well as the UN Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. The Bayer SCoC is based on, among other international standards, the UNGC, the International Bill of Human Rights, the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, the UNGPs, the Rio Declaration on Environment and Development, the UN Convention Against Corruption, the Convention on Biological Diversity, the UN Framework Convention on Climate Change (UNFCCC) as well as the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, the Stockholm Convention on persistent organic pollutants (POPs), and the Minamata Convention on Mercury.

The principles laid down in Bayer's SCoC comprise an important component in supplier selection and evaluation. Moreover, we expect our suppliers to replicate these standards further down the supply chain. Bayer's SCoC is therefore made available to our suppliers with the goal of strengthening our mutual understanding of how sustainability should be practiced in day-to-day business. Bayer's SCoC is available in 21 languages on our website, which can be accessed [here](#).

In addition, our comprehensive Supplier Code of Conduct Guidance aims to provide concrete examples of good practices and benchmarks that suppliers can use, and references such as the regulatory framework and standards governing Bayer's sustainability efforts.

To effectively address the wide-ranging challenges of a sustainable supply chain and to leverage synergies, Bayer is a member of several initiatives including the [Pharmaceutical Supply Chain Initiative \(PSCI\)](#) and [Together for Sustainability \(TfS\)](#). These initiatives are integral elements of Bayer's commitment to sustainability in the supply chain. For further details, please refer to chapter 4.3 Sustainability in the Supply Chain.

We are continually streamlining our processes and guidelines in response to new regulations such as the Corporate Sustainability Reporting Directive (CSRD), the Corporate Sustainability Due Diligence Directive (CSDDD) and the German Supply Chain Due Diligence Act (SCDDA), which require companies to undergo a due diligence process on human rights and some environmental standards in the supply chain.

4.2 Procurement Activities

In 2024, we had a total of 87,893 (2023: 85,895) suppliers. Our procurement spend was €19.8 billion (2023: €22.7 billion).

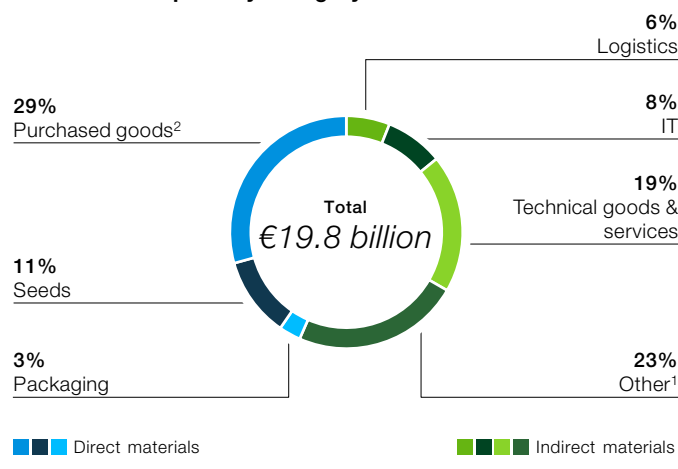
Procurement spend

Our procurement spend is managed in procurement categories and based on dedicated category strategies. The spend can be split into direct and indirect materials.

- // Direct materials include the categories of active ingredients, raw materials, intermediates, finished products and seeds.
- // Important components of our indirect purchasing portfolio include services for research and development (R&D), marketing & distribution, and administrative functions,

along with materials required for our technical teams such as technical, engineering and infrastructural goods and services.

Procurement Spend by Category 2024



¹ Incl. services for Marketing & Sales, R&D, HR, Legal

² Incl. active ingredients, raw materials and intermediates, finished goods, medical devices

At 79%, most of our purchasing volume is attributable to companies from Organisation for Economic Cooperation and Development (OECD) countries, particularly the United States and Germany.

Procurement Activities per Country in € Billion

| | 2022 | 2023 | 2024 |
|-----------------------------|------|------|------|
| Procurement spend | 23.3 | 22.7 | 19.8 |
| Spend in OECD countries | 17.7 | 17.6 | 15.6 |
| USA | 8.1 | 8.0 | 7.0 |
| Germany | 4.5 | 4.4 | 4.0 |
| France | 0.6 | 0.6 | 0.6 |
| UK | 0.7 | 0.5 | 0.5 |
| Other | 4.5 | 4.7 | 3.6 |
| Spend in non-OECD countries | 5.6 | 5.1 | 4.2 |
| Brazil | 1.6 | 1.5 | 1.1 |
| China | 1.4 | 1.1 | 0.8 |
| India | 0.9 | 0.9 | 0.8 |
| Argentina | 0.5 | 0.5 | 0.5 |
| Other | 1.6 | 1.6 | 1.0 |

Bayer purchases locally wherever feasible in order to respond promptly to the requirements of our sites and simultaneously strengthen local economies. In 2024, this applied to 83% (2023: 82%) of our procurement spend at our [significant locations of operation](#), and to 77% (2023: 77%) of procurement spend worldwide.

We procure various petroleum-based chemicals, but these account for 19% of our overall procurement volume at most.

Alternative raw materials

Seed is a renewable raw material that is in turn used by our customers in agriculture to grow plants.

Renewable raw materials for the manufacture of our products account for a minor proportion of our chemical and pharmaceutical procurement volume. These materials are primarily used when it makes technical, economic and ecological sense to do so. For more information, please see our [website](#).

We support value chains with the focus on sustainable production, transparency, traceability and certification. Bayer's commitment to net-zero deforestation (please see also chapter 3. Product Stewardship) includes the ambition to source sustainable palm (kernel) oil derivatives and soy derivatives. Our activities are aligned with the elements of the [Accountability Framework](#) and cover the products that we directly purchase. As part of our initial assessment, we have conducted a risk assessment and due diligence. In our current response to the [CDP questionnaire](#), we have included further information.

Palm oil

Compared to our overall procurement spend, Bayer only sources a small number of palm (kernel) oil derivatives for our businesses (less than 1% of our procurement spend). A detailed and comprehensive traceability of the origin of these already processed products is generally not possible.

Bayer has participated in the [Roundtable for Sustainable Palm Oil](#) (RSPO) since 2004. We started to transition our supply chain to RSPO mass balance certified sustainable palm oil in 2021. Though there are various challenges, including the availability of products, we aim for at least 90% of palm oil derivatives purchased by 2027 to be covered with RSPO mass balance.

Roundtable for Responsible Palm Oil (RSPO)

| | 2022 | 2023 | 2024 |
|--|--------|--------|-------|
| Volumes of palm oil derivatives purchased ¹ | 10,947 | 11,467 | 7,277 |
| of which RSPO mass balance certified | 18% | 28% | 36% |

¹ Metric tons

For more information, please visit our [website](#).

Soy

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 of the RTRS board since 2017, and 99% of our purchases of soy derivatives are covered by RTRS credits.

Since 2022, we have also significantly increased our efforts to gain more insights into the value chain, with the result that we can trace approximately 80% of our purchases of soy derivatives to a jurisdictional area.

Suppliers

Conducting business with a diverse supplier portfolio enhances Bayer's competitive advantage, enabling us to provide innovative and cost-effective products to customers. When selecting suppliers, we therefore consider all types of suppliers.

Number of Suppliers per Country

| | 2022 | 2023 | 2024 |
|----------------------------------|--------|--------|--------|
| Number of suppliers | 91,149 | 85,895 | 87,893 |
| of which from OECD countries | 47,689 | 45,558 | 43,361 |
| USA | 12,606 | 11,883 | 11,245 |
| Germany | 7,131 | 6,790 | 6,317 |
| France | 3,341 | 3,354 | 3,118 |
| UK | 1,331 | 1,188 | 1,091 |
| Other | 26,623 | 25,704 | 21,590 |
| of which from non-OECD countries | 43,463 | 40,355 | 44,532 |
| India | 10,014 | 10,430 | 11,230 |
| Brazil | 7,449 | 7,411 | 7,335 |
| Argentina | 2,792 | 2,372 | 2,317 |
| China | 1,931 | 1,808 | 1,825 |
| Other | 24,071 | 20,722 | 21,825 |
| Number of countries | 148 | 147 | 143 |

Supplier Diversity Program

Bayer promotes diversity within the global supply chain by intentionally giving consideration to suppliers owned and operated by underrepresented groups and those that might not be noticed if we were not seeking them out when purchasing goods and services. Underrepresented groups include women, members of ethnic minorities, people with a disability and members of the LGBTQ+ community. Together with chambers of commerce and external organizations, we help these small and diverse suppliers to advance professionally and assist them in qualifying for tendering processes.

Bayer has partnered with [WEConnect International](#), a nongovernmental organization (NGO) that connects women-owned businesses to buyers around the world, on co-branded capacity-building programs for women entrepreneurs – in Mexico in 2022, in Brazil in 2023, and in Germany and Switzerland in 2024 – in addition to actively participating in other NGO-facilitated capacity-building programs. Since 2022, supplier diversity has been included in our targets for procurement. The procurement spend with certified women-owned enterprises, specifically, was €73.5 million in 2024.

In 2023, Bayer committed to disability-inclusive procurement by signing up to the [Disability:IN Procure Access initiative](#) that connects companies that recognize the importance of buying and selling technology that is accessible to people with disabilities. Please check our [website](#) for awards and recognition.

4.3 Sustainability in the Supply Chain

Clear, sustainability-oriented criteria and standards apply to our supply chain at both global and regional levels. In 2024, Procurement defined KPIs that are embedded in the Procurement Scorecard. Following the Diamond Scorecard Model (4C), it is focused on Cost, Cash, Carbon (Carbon Budget and Advanced Decarbonization Supplier Spend) and Community (Supplier Inclusion & Diversity).

Strategic sustainability focus areas

Bayer works continuously to strategically evolve sustainability topics in procurement, particularly in relation to environmental and human rights issues and in connection with the Supplier Diversity Program. We developed indicators to monitor progress in various sustainability focus areas (e.g. supplier diversity) and define suitable targets. We also continued to ensure that all suppliers of strategic importance had to present an EcoVadis rating of at least 45 out of 100 points ("green" assessment) or a comparable audit result. Furthermore, potential new suppliers with a high inherent sustainability risk and procurement spend of more than €250,000 are examined in advance regarding sustainability aspects.

The focus in 2024 stayed on developing strategic and operational approaches for ensuring respect for human rights and the reduction of the carbon footprint in the supply chain.

Human rights in the supply chain

In our [Sustainability Statement in the Annual Report 2024](#) we report on S2 Workers in the Value Chain.

Respect for human rights along the supply chain is firmly anchored in Bayer's sustainability strategy, and Procurement plays a key role in implementing all necessary measures. In 2024, we continued to provide training (e.g. on the subjects of human trafficking and modern slavery) to our procurement employees and our suppliers to help them respect human

rights in the supply chain. We sustained our efforts to reinforce our procurement category strategies, embedding responsible purchasing practices among other measures, to enhance our procurement processes to comply with the requirements of the German Supply Chain Due Diligence Act (SCDDA).

In the agriculture industry, seed producers are subject to particular risks, especially as regards respecting human rights. We continue to implement measures to prevent and mitigate such risks. In 2025, we plan to continue improving our procurement processes and take additional measures in relation to respecting human rights in our supply chain. For more information, please see chapter 5. Human Rights.

Scope 3 greenhouse gas (GHG) emissions

As part of our decarbonization strategy (please see the [Sustainability Statement in the Annual Report 2024](#)), we have committed to achieve a reduction target in accordance with the requirements of the Science Based Targets initiative (SBTi) in line with the Paris Agreement. In the future we want to achieve a 25% reduction in Scope 3 greenhouse gas emissions by 2029 (compared to the base year 2019). This updated target for reducing Scope 3 greenhouse gas emissions was validated by the SBTi at the end of 2024. This reduction will be based on a different number of relevant Scope 3 categories including the upstream and downstream value chain, thus going beyond the five categories we were using in the last years. We will publish more details on this over the course of 2025. The majority of Scope 3 emissions fall into category 3.1 Purchased goods and services.

To effectively steer and reduce these emissions, we continue to drive supply chain decarbonization through our program (Scope 3 Decarbonization Accelerator), involving experts from all divisions and relevant Enabling Functions (for more details, please see the [Sustainability Statement in the Annual Report 2024](#) E1 Climate Change). With our Scope 3 Decarbonization Accelerator program, we are driving four key

priorities – developing our suppliers on their decarbonization journey, sourcing from decarbonizing suppliers, improving our process and reporting capabilities and engaging with value chain partners. Bayer experts were invited to several external community events (e.g. Reuters webinar, Climate Week New York City, Scope 3 peer group, Together for Sustainability [TfS] Talks webinar, Procurement Leaders Sustainability cohort) to share our learnings on our decarbonization journey. Recognizing our decarbonization efforts, we were shortlisted for the World Sustainability Leaders in Carbon Reduction category in 2024.

Together with other companies, we cooperated in various initiatives, such as the Partnership for Carbon Transparency (PACT) of the World Business Council for Sustainable Development (WBCSD), the Pharmaceutical Supply Chain Initiative (PSCI) Decarbonization Team and TfS. In this context, TfS launched SiGREEN in 2024, a Product Carbon Footprint (PCF) Data Exchange solution to support PCF-related data exchange across the chemical industry, which can be considered as a crucial tool for decarbonizing this industry. We also use CDP's supply chain module to evaluate the goals, strategies and performance of our suppliers. For more information, please see the [Sustainability Statement in the Annual Report 2024](#).

Training for procurement employees

To enable our employees to understand the importance of sustainability aspects in our supply chain and to effectively manage our processes, we use dedicated training measures to instruct our procurement employees in our sustainability requirements. In 2024, we continued to offer a comprehensive sustainability training package (training programs via the GoLearn platform) to our procurement employees covering the focus topics.

After embedding a revised version of Bayer's Supplier Code of Conduct in 2022, a web-based training was rolled out in 2023 that focuses on the main principles as well as implementation

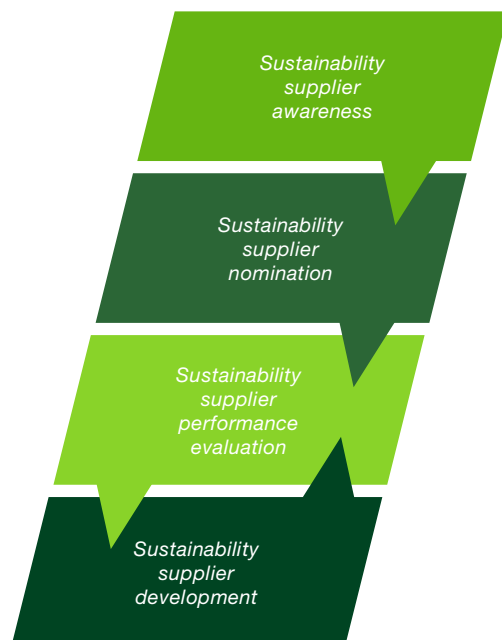
and monitoring processes. We also conducted advanced and in-depth training courses on selected focus topics. Procurement employees take part in EcoVadis webinars, and all Bayer employees also have free access to the [TfS Academy](#) and the [PSCI resource library](#) and the Learnster training platform.

In an open series of dialogues on sustainability topics, we invite our procurement employees to grow their knowledge, ask questions and interact on topics related to sustainability.

Process to improve sustainability in the supply chain

We have established a four-step process throughout the Group to improve sustainability practices in the supply chain. This process is implemented through cross-functional cooperation between the Procurement and Public Affairs,

Four-Step Management Process to Improve Sustainability Practices in the Supply Chain



Sustainability & Safety (PASS) (inclusive of health, safety and environmental protection [HSE] departments) Enabling Functions.

Step 1: Sustainability supplier awareness

The core principles of our sustainability requirements are established in Bayer's [Supplier Code of Conduct](#) (SCoC), which is based on our [Bayer Human Rights Policy](#), our [Legal, Compliance and Insurance Policy](#), the principles of the [UN Global Compact](#) and the core labor standards of the [International Labour Organization](#) (ILO). The Supplier Code of Conduct is available in 21 languages and covers the areas of ethics, relations with employees and other stakeholders (including human rights), health, safety, environmental protection and quality, and corporate governance and management systems. The Bayer SCoC is frequently reviewed and updated. It includes the legal requirements of the German SCDDA. In our SCoC, we state that grievances and (compliance) violations can be reported – anonymously if desired – via a central, globally available Speak Up Channel set up by Bayer (for more information, please see chapter 2. Corporate Governance). Additionally, we expect our suppliers to make an adequate grievance mechanism available to their stakeholders.

The SCoC is applied in the selection and evaluation of our suppliers and is integrated into electronic ordering systems throughout the Bayer Group. Our SCoC is supplemented by a global guidance document ([Supplier Code of Conduct Guidance](#)), which, like the SCoC, is available on our [website](#).

Furthermore, our standard supply contracts generally contain a clause that authorizes us to verify suppliers' compliance with our sustainability requirements. This clause has been integrated into our central contracting and purchase order systems and is included in contracts.

Bayer also takes a proactive approach in raising awareness of sustainability expectations toward our strategically

important suppliers. We leverage formats such as direct communication or supplier events such as our Supplier Day.

Step 2: Sustainability supplier nomination

All strategically important suppliers and all suppliers identified with a high sustainability risk are required to undergo a sustainability evaluation.

Bayer partners with [Business for Social Responsibility](#) (BSR) to draw up a detailed sustainability risk framework based on internationally recognized sources such as the World Bank and the United Nations. We updated the risk framework in 2024, which focuses on a supplier's sector of activity (category risk) and the country sustainability risk. Both risk factors are based on different risk dimensions, such as the environment (e.g. climate and energy), social standards (e.g. risk of child labor, abuse by security forces, living wage & living income) and corporate governance (e.g. data privacy risk). The combination of category and country risk, combined with the threshold of an annual spend of €500,000, enables identification of Bayer's high sustainability risk suppliers.

Bayer examines the suppliers identified in these two steps in order to request a sustainability assessment. In 2024, this process included 157 strategically important suppliers, making up around 33% of the total spend, and 326 suppliers with a high sustainability risk and a significant procurement spend (>€0.5 million p.a.) of nearly 11% of the total spend.

Furthermore, suppliers can be nominated for a sustainability evaluation by different functions, business areas or category managers, e.g. in the case of newly planned business cooperations, insufficient in-depth knowledge or outdated supplier data.

Also included in the nomination are selected suppliers from the sustainability development process (see Step 4) and suppliers for which evaluations were performed according to the TfS and the PSCI audit frameworks.

Step 3: Sustainability supplier performance evaluation

Bayer verifies the observance of the code requirements by the suppliers selected in Step 2 by means of EcoVadis online assessments and through audits conducted by both external and Bayer auditors. [EcoVadis](#) monitors sustainability in global supply chains through an online assessment. Using technology and sustainability expertise, EcoVadis engages with companies and helps them adopt sustainable practices.

The online assessment criteria of EcoVadis – broken down into the areas of environment, ethics, labor and human rights, and sustainable procurement – correspond to the requirements of our [SCoC](#), and also consider country- and industry-specific conditions and supplier size. In total, our service provider EcoVadis assessed 1,324 (1,118 in 2023) suppliers on our behalf in 2024.

The EcoVadis methodology is based on international sustainability standards (Global Reporting Initiative [GRI], United Nations Global Compact, ISO 26000), and supervised by a scientific committee of sustainability and supply chain experts, to ensure reliable third-party sustainability assessments.

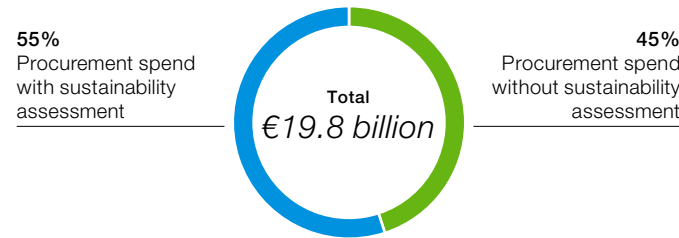
Bayer itself conducts EcoVadis assessments annually. In 2024, we updated our EcoVadis assessment, scoring 75 out of 100. We therefore belong to the top 2% of companies rated by EcoVadis in the industry group for manufacturers of basic pharmaceutical products and pharmaceutical preparations.

In 2024, 131 audits were conducted at our suppliers by external or internal auditors. The audit criteria included both the specifications of our Supplier Code of Conduct and the industry-specific requirements of industry initiatives such as TfS and PSCI. These audits provide the opportunity for further standardization of the sustainability requirements that suppliers in the chemical and pharmaceutical industries are expected to meet. The sharing and mutual recognition of assessment and audit results also create synergies between the members of the respective initiatives.

We use the specialized methodologies of EcoVadis, TfS and PSCI to assess the sustainability of companies. However, the seed supply chain is structured differently, which is why these approaches cannot currently be implemented in the same way by agricultural businesses. Suppliers in the seeds segment have a particular risk of human rights violations. Therefore, prevention and mitigation measures have been developed within the seed supply chain, which are explained in chapter 5. Human Rights.

In 2024, more than 55% of our purchasing volume (€11 billion) was attributable to suppliers with a sustainability rating (EcoVadis) or subject to a sustainability audit (TfS or PSCI).

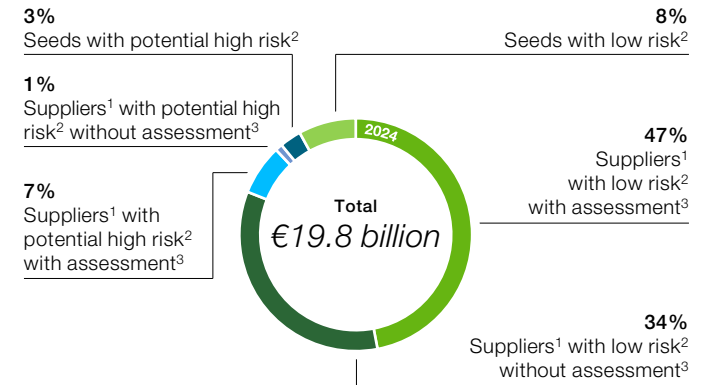
Evaluated Procurement Spend 2024¹



¹ Sustainability evaluation by EcoVadis, TfS or PSCI

Excluding seeds, around 8% (€1.6 billion) of our procurement spend in 2024 was attributable to companies with a potentially high sustainability risk. Of this, we covered a total of 82% of the procurement spend (€1.3 billion) with a sustainability rating (EcoVadis, TfS or PSCI).

Risk Analysis of Procurement Activities 2024



¹ Procurement spend for all categories excl. seeds

² Potential sustainability risk based on country and category risk

³ Sustainability evaluation by EcoVadis, TfS or PSCI

Bayer's HSE audit activities also contribute to our overall responsibility for a sustainable supply chain. HSE and sustainability audits complement each other, forming an efficient evaluation approach, depending on the individual risks. The results of all audits are factored into the supplier selection and management processes. In 2024, 339 (2023: 363) supplier audits were conducted, either as HSE audits or audits covering HSE topics (such as sustainability audits). For further details, please also see chapter 8. Health and Safety).

Assessments and Audits of Bayer Suppliers¹

| | 2021 | 2022 | 2023 | 2024 |
|---|------|-------|-------|-------|
| Sustainability assessments ² via the EcoVadis platform | 802 | 1,145 | 1,118 | 1,324 |
| Sustainability audits ³ by external or internal auditors | 77 | 113 | 134 | 131 |

¹ The online assessments of our suppliers that form part of a group generally take place at the parent-company level.

² Initial and reassessments of suppliers

³ Initial and follow-up audits of suppliers

Analyzing the EcoVadis assessments of our suppliers in 2024, the greatest need for improvement continued to be in the categories of ethics and sustainable procurement. For audited suppliers, most gaps were identified in the areas of health and safety and labor. Bayer provides relevant capability-building training to the suppliers. The main sources for training are the platforms from PSCI and TfS.

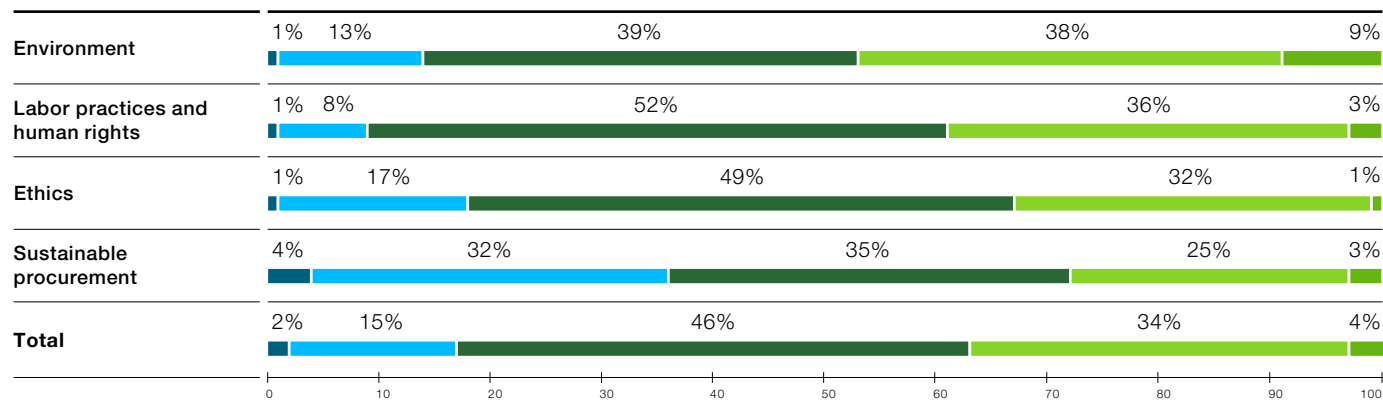
In addition, we have established verification processes for the fulfillment of further international regulations such as those requesting companies to disclose the origin of certain raw materials. This also applies to conflict minerals. When surveying our relevant suppliers, we use the internationally recognized Conflict Minerals Reporting Template to identify the use, sources and origin of certain minerals in our supply chain. In our [SCoC](#), we make clear that our suppliers have to ensure that products they supply to Bayer do not contain metals derived from minerals or their derivatives that originate from conflict regions in which the procurement of these could help – directly or indirectly – to finance or support armed groups and cause or foster human rights abuses. Suppliers who do not meet these requirements are immediately notified that these standards must be complied with and are requested to take corresponding action.

Step 4: Sustainability supplier development

Evaluated suppliers identified in the nomination step (Step 2) receive a corrective action plan based on their sustainability performance and are requested to verify their performance improvement via a re-evaluation after a reasonable period.

Additionally, we focus on improving suppliers that have a poor sustainability performance, and we established a new supplier sustainability development approach in 2023 that was continued in 2024. Suppliers are included in the development process based on their sustainability performance, their strategic importance for Bayer and their sustainability risk. The evaluation results are analyzed, specific improvement measures are jointly defined with the supplier, and

Evaluating the Sustainability Performance of Our Suppliers



Valuation according to EcoVadis (in points): 0-24 25-44 45-64 65-84 85-100
Number of suppliers assessed: 1,324 (as of December 31, 2024)

these are documented in an action plan. Bayer supports suppliers with capability-building activities and a monitoring process. The development cycle is rounded off by a re-evaluation to verify the implementation of improvements. Bayer retains the right to terminate a supplier relationship if no improvement is observed during a re-evaluation.

In 2024, 122 suppliers were added to the development process. Some 34 suppliers have already completed the development and conducted a re-evaluation with a 97% rate of successful improvement. Some of the suppliers showed minor improvements and will continue the development cycle to achieve better performance in the future.

If critical results are recorded as a result of a serious violation or several major shortcomings are identified during a supplier's sustainability performance evaluation, specific improvement measures are then jointly defined. In 2024, critical results were determined for 12 suppliers (less than 1% of all assessed and audited suppliers). In these cases, we request that the suppliers remedy the identified

weaknesses. We monitor the implementation of these activities through re-assessments or follow-up audits. In 2024, we were not prompted to end any supplier relationship solely due to sustainability performance.

In total, 858 (2023: 687) of the 1,455 (2023: 1,252) suppliers assessed via EcoVadis or audited via TfS or PSCI improved their sustainability performance in 2024.

Additionally, we established a development program for suppliers in the Conflict Minerals Verification Process in 2024. Our objective is to achieve a conflict-minerals-free supply chain. For this we have engaged and trained seven suppliers and are tracking improvements in their usage of metals originating from conflict regions. These are long-term efforts as the engagement goes far beyond our direct suppliers and we will continue the engagement throughout the upcoming years.

In 2024, a successful virtual supplier day, the Igniting Networks Live, was organized, highlighting Bayer's commitment to sustainability and Bayer's expectation of suppliers. The

event also served to maintain effective collaboration and communication, foster long-term partnerships with suppliers to drive continuous improvement, enhance suppliers' sustainability performance and achieve strategic goals. Additionally, we organized webinars on key topics for suppliers, such as a global decarbonization webinar and a Chinese supplier decarbonization webinar.

External partnerships

Bayer is a member of several industry initiatives of which the two most important are the [PSCI](#) and [TfS](#). Both initiatives are integral elements of Bayer's commitment to sustainability in the supply chain, providing sustainability-oriented up-skilling training for suppliers and supplier managers.

TfS is an initiative of chemical companies committed to making sustainability improvements within their own – and their suppliers' – operations. This is designed to build global standards for the environmental, social and governance performance of chemical supply chains. TfS members are chemical companies that represented a global annual turnover of over €800 billion and a global spend of more than €500 billion in the chemical industry in 2023.

The [TfS Academy](#) is a practical-oriented learning environment for suppliers and Bayer procurement employees. It covers topics such as ethical aspects, conflict minerals, waste management and anti-corruption measures. In 2024, Bayer selected around 160 suppliers to participate in TfS training courses based on their sustainability performance and Bayer's assessment plan. The training courses dealt with labor and human rights guidelines, whistleblower procedures, environmental reporting and sustainable procurement guidelines.

The purpose of the PSCI is to define, establish and promote responsible supply chain practices, human rights, environmental sustainability and responsible business along the pharmaceutical supply chain, using the [PSCI Principles for](#)

[Responsible Supply Chain Management](#) as a blueprint for responsible practice.

The PSCI organized more than 50 training sessions and webinars for suppliers on various human rights, ethics and HSE topics in 2024. A global supplier conference and two face-to-face supplier capability-building conferences in China and India took place in 2024. These conferences were attended by more than 1,100 supplier representatives. Through the [PSCI online resource library](#), our suppliers can use additional training materials, which are supplemented every year.

Besides the information provided in the PSCI resource library and in webinars, training courses on Human Rights, Ethics as well as Health, Safety and Environmental are provided on the e-learning platform Learnster, which allows organizations to create their own interactive and engaging courses. Via Learnster, both PSCI members and their suppliers have access to the PSCI catalogue of courses and can track progress against the PSCI maturity framework.

Bayer is also a member of the [Sustainability Procurement Pledge's](#) (SPP) League of Champions, which provides access to a wide range of capability-building resources and engagement opportunities – developed for Procurement, by Procurement – across all regions, sectors and issues. SPP is an international organization for procurement professionals, academics and practitioners, driving awareness and knowledge about responsible sourcing practices and empowering people working in procurement.

5. Human Rights

Bayer is a founding member of the UN Global Compact and respects the Universal Declaration of Human Rights and the International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights of the United Nations. Our human rights due diligence is based on the related principles described in the [UN Guiding Principles on Business and Human Rights \(UNGPs\)](#) and the [Organisation for Economic Cooperation and Development \(OECD\) Guidelines for Multinational Enterprises](#). The UNGPs are considered to be among the most important international standards for preventing and combating possible human rights violations in connection with business activities. We are engaged in meeting this responsibility along the entire value chain and within our scope of influence worldwide. We also support the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy of the International Labour Organization (ILO), and the latter's core labor standards.

5.1 Management Approach

In our [Sustainability Statement in the Annual Report 2024](#) we report on S1 Own Workforce, S2 Workers in the Value Chain, S3 Affected Communities and S4 Consumers and End-Users.

Human rights are among the responsibilities of the Chairman of the Board of Management (CEO). In his role as Chief Sustainability Officer, he is supported in the topic of human rights by the Public Affairs, Sustainability & Safety (PASS) Enabling Function. Bayer also has a Human Rights Officer who oversees risk management in regard to human rights and reports to the Board of Management about their work. The implementation of our human rights standards in business operations is regulated by Group regulations, processes, and management and monitoring systems.

Bayer is fully committed to upholding human rights and has documented its stance in a globally binding [Bayer Human Rights Policy](#), which defines the human rights requirements within the company and obligates us to respect and foster human rights within our own business activities and in business relations. This policy was adopted by the Board of Management and is publicly available on the company's [website](#). It applies to all Bayer employees worldwide and the entire value chain, i.e. vis-à-vis suppliers, business partners, customers, consumers and local communities alike. In accordance with international human rights standards, we are always mindful to respect the rights of disadvantaged or vulnerable groups throughout our value chain – from indigenous peoples to individuals and groups who can benefit from Bayer's innovations.

Guided by our Code of Conduct and supplementary to our Human Rights Policy, we substantiate specific standards and responsibilities for respecting human rights in existing rules and Group regulations. These include regulations on data privacy, fairness & respect at work, "[HSE Management and HSE Key Requirements](#)", security and crisis management. Our [Supplier Code of Conduct](#) specifies what we expect of our suppliers and obligates them to fully respect human rights. The Supplier Code of Conduct is based on the principles of the UN Global Compact and the core labor standards of the ILO.

We have put in place management systems to meet our product stewardship responsibility with regard to human rights, too. For us, product stewardship means that our products meet the highest quality standards and that neither their development and manufacture nor their disposal should cause damage to people or the environment. For more information, please see chapter 3. Product Stewardship.

As a central element of Bayer's corporate strategy, "SDG 5 Gender equality" is anchored in our work on behalf of inclusion and diversity. For more information on the topic of women's empowerment and gender balance and our targets for our own business activities, please see chapter 6. Employees. For more information on how we perform due diligence with respect to human rights within our own workforce, please see also chapters 6. Employees and 8. Health and Safety.

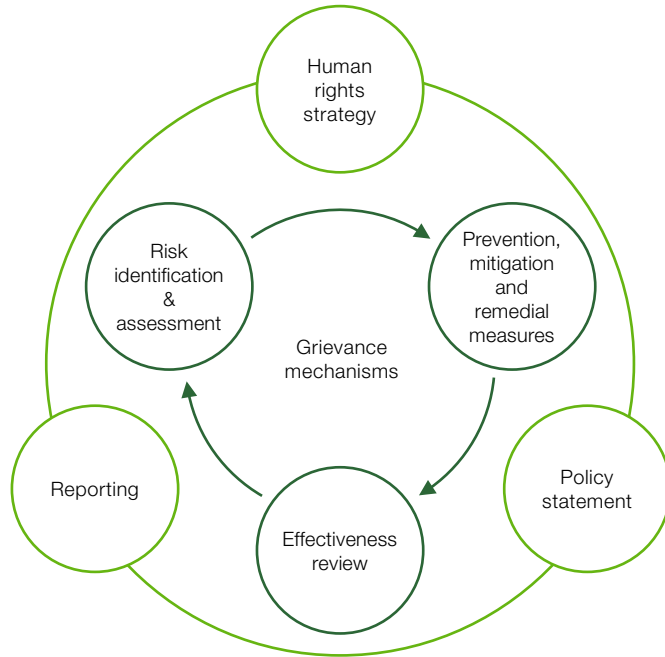
5.2 Implementing Human Rights Due Diligence

We implement measures to respect human rights both within our own company and along our entire value chain. Group regulations and processes, as well as management and monitoring systems, govern the implementation of human rights standards.

We are aware that the implementation of human rights due diligence is a continuous process that must be constantly adapted and improved. To ensure respect for human rights in the value chain in a targeted manner, Bayer operates according to a due diligence approach that is based on the UNGPs and OECD Guidelines for Multinational Enterprises.

Guided by our human rights strategy and Group-wide management systems, our due diligence process comprises a policy statement, risk identification and assessment processes, prevention and mitigation measures, the implementation of remedial measures, and measures for determining effectiveness and reporting, along with access to grievance mechanisms.

Human Rights Due Diligence in Accordance with UNGPs and OECD Guidelines at Bayer



Human rights strategy

By 2030, we want to be industry-leading in our approach to human rights, based on our human rights strategy, which comprises three interlinking phases:

- 1. Definition of the framework:** derivation of the human rights strategy based on an analysis of the status and risks in accordance with the UNGPs and OECD Guidelines, our mission “Health for all, Hunger for none” and the legal requirements such as those stemming from the German Supply Chain Due Diligence Act (SCDDA)
- 2. Operationalization and full integration:** expansion of existing due diligence processes to address human rights risks

- 3. Strategic positive contribution:** support for the respect of human rights in areas that concern our business

The issue of human rights is among the responsibilities of the Chairman of the Board of Management (CEO), who consults regularly with the Human Rights Officer. In 2024, the Board of Management was briefed three times by the Human Rights Officer on the officer’s work and developments in this regard.

Our external Sustainability Council advises the Board of Management of Bayer and other functions in sustainability matters, including business and human rights.

The implementation of our human rights strategy is also overseen by the ESG Committee of the Supervisory Board. The board met twice in 2024.

For more information on the ESG Committee and the Sustainability Council, please see chapter 2. Corporate Governance.

Policy statement

Our commitment to human rights is documented in a globally binding Group regulation, the Bayer Human Rights Policy. This commitment includes internationally recognized human rights in accordance with the International Bill of Human Rights and the Declaration on Fundamental Principles and Rights at Work of the ILO. This commitment was directly approved by the Board of Management and is available on our [website](#).

This Group regulation is regularly reviewed and updated as needed. In 2024, the policy was updated to reflect organizational changes and continues to include all obligations stemming from the German Supply Chain Due Diligence Act. The updated Human Rights Policy took immediate effect for all Bayer employees in April 2024. It applies both internally and when dealing with external business partners of Bayer, (direct and indirect) suppliers, contractors, customers,

consumers, members of local communities and government officials. In addition to the German and English version, it was translated into Chinese, French, Italian, Japanese, Spanish, Portuguese and Russian.

New employees are made aware of Bayer’s human rights obligations during their onboarding activities.

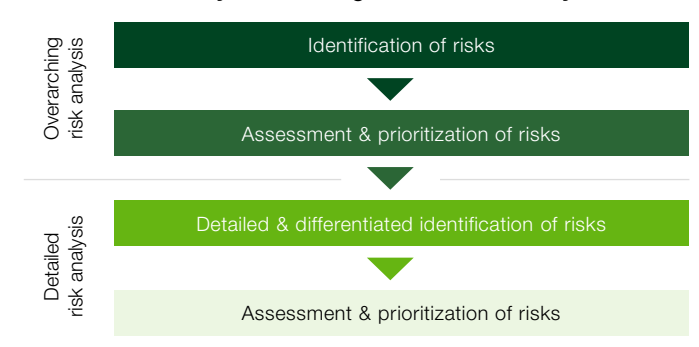
Reporting

We regularly inform the public in this annually published Impact Report about our strategy, approaches and results in connection with human rights due diligence. Furthermore, we report explicitly on our measures to combat modern slavery in our annually updated [Modern Slavery Statement](#). In 2024, we published the first report under the SCDDA and are publishing the first Sustainability Statement under the EU Corporate Sustainability Reporting Directive (CSRD) in 2025 as part of our [2024 Annual Report](#).

Risk identification and assessment

We use a risk analysis to identify potentially adverse impacts of our business activity on human rights. In doing so, human rights risks are identified, evaluated and prioritized, from an overarching risk analysis for the entire company to detailed analyses in selected areas. Our risk analysis is aligned to the [Chemie³ industry standard](#):

Levels of Risk Analysis according to Chemie³ Industry Standard



The analyses are conducted at least once per year and on an ad hoc basis. The results of this human rights risk analysis are communicated to relevant internal decision-makers and incorporated into the Bayer risk portfolio of our Group-wide, integrated risk management system in cases where the threshold values are exceeded. There, decisions on risk mitigation measures are also documented. The risk portfolio is regularly reviewed by the Bayer Assurance Committee, please see chapter 2. Corporate Governance.

We have identified six priority issues:

- // Right to health
- // Responsible use of natural resources
- // Protection against child labor
- // Right to freedom from slavery, servitude and forced labor
- // Right to fair and favorable working conditions
- // Right to freedom of association

Risks are identified and assessed at a superordinate level in a two-step process:

- // The first step is to identify potential human rights risks that we could encounter, either through our business activities, products and services or in our value chain.
- // The second step is to assess these rights separately in terms of their risks with regard to their degree of severity (based on their scale, scope and irremediability), materiality and likelihood of occurrence.

Salience and materiality

Two dimensions must be accounted for when managing human rights risks:

- // The first comprises salient human rights issues, which refer to those human rights that can be

most severely impacted by our activities and business relationships.

- // The other concerns material human rights, which are those that are of great importance for our internal and external stakeholders.

In assessing human rights-related risks, we distinguish between gross and net risks. The gross risk refers to a risk a company can expect due to its business operations, the type and scope of its products and services along the value chain, excluding any governance measures (in other words, prevention and mitigation measures). The net risk describes the gross risk, taking account of prevention/mitigation measures that have already been established.

First, we assessed the respective gross risk and then the net risk, taking into account established prevention and mitigation measures.

This enabled us to identify and assess the human rights that could be negatively impacted most significantly through our activities and business relationships in the upstream and downstream value chains (salient human rights) or that are of particular importance for our company (material human rights).

For more information on the detailed risk analyses, please see chapters 4. Procurement, 6. Employees, 8. Environmental Protection and 9. Health and Safety.

Prevention/mitigation and remedial measures

We offer numerous ongoing training programs to enhance employees' awareness of the importance of human rights in their day-to-day activities and outside the organization. This includes a basic training course entitled "Respecting Human Rights at Bayer" to further anchor awareness about, and

respect for, human rights throughout the Bayer Group. The training course is available to employees in nine languages (English, Chinese, French, German, Italian, Japanese, Portuguese, Russian and Spanish).

In 2024, more than 74% of our employees received training on aspects of our Human Rights Policy in sessions totaling more than 144,000 hours. The topic of human rights is an integral element of training measures for the management teams of our country organizations.

In 2024, we conducted two learning sessions with an internationally renowned human rights expert along with our own internal expert about human rights in order to engage in a meaningful discussion with the interested employees who joined the session. The focus was on how effective human rights management is globally supported by national and international policies that are aimed at preventing human rights violations, and on the importance of companies making continuous efforts to respond to findings and to continuously improve their human rights management.

We continue to be members of the [Together for Sustainability \(TfS\)](#) industry initiative and the [Pharmaceutical Supply Chain Initiative \(PSCI\)](#) to successfully meet the wide-ranging challenges of a sustainable supply chain and work out synergies. This involves conducting audits and assessments and offering further education activities such as training and conferences.

We verify the observance of human rights at our sites partly by means of Bayer audits. Bayer Internal Audit regularly conducts audits following the standards of the Institute of Internal Auditors (IIA). The annual audit planning follows a risk-based approach. These audits include a verification of our human resources processes, particularly concerning labor contracts, compliance with hiring requirements (including a minimum age verification) of our permanent and temporary employees, and employees' working hours. Internal Audit

also examines whether employees are paid a living wage. Our procurement processes are audited as well, for example the commissioning of contractors. A total of 73 audit reports were compiled in 2024, of which ten were preventive compliance program audits or incident-related investigations.

If we determine that a human rights violation has occurred or is imminent within our own business activities or those of a supplier, we immediately take appropriate remedial measures to prevent or stop them or to minimize their scope.

We report in detail on human rights due diligence for our workforce and the local communities in the relevant chapters 3. Product Stewardship, 5.3 Respect for Human Rights in the Supply Chain, 6. Employees, 8. Environmental Protection and 9. Health and Safety.

Effectiveness review

We continue to develop the concept and individual measurement systems, taking into account established measurement systems, such as supply chain monitoring, social impact measurement for our smallholder projects or the safety culture program.

For more information, please see the Sustainability Strategy chapter, chapters 4. Procurement and 9. Health and Safety.

Grievance mechanisms

If there are indications of violations of our Human Rights Policy, employees and members of the general public can contact the worldwide [Speak Up Channel](#), which is operated by an independent, external provider. Reports can be filed by anyone either via webpage, Speak Up App or through a phone call made in the caller's preferred language. This can also be done anonymously, if desired. Alternatively, employees can also report suspected violations to the respective compliance functions or to the Internal Audit unit or submit information via an internal company email address (known as the Speak-Up Inbox) or in the form of an incident request

via a platform (also anonymously if desired and if permitted by respective national law).

The compliance function records and processes all compliance violations. This enables us to systematically register, track and sanction various types of human rights violations. The action taken depends on factors including the gravity of the violation and applicable law. All cases are recorded according to uniform criteria throughout the Bayer Group and dealt with under the rules set forth in Bayer's Group Regulation on Legal, Compliance & Insurance.

For more information on compliance management at Bayer, please see chapter 2. Corporate Governance.

5.3 Respect for Human Rights in the Supply Chain

In our [Sustainability Statement in the Annual Report 2024](#) we report on S2 Workers in the Value Chain.

Regarding the topic of human rights, we are focusing particularly on our supply chain as this connects us with several million rights holders – in other words, people who are directly or indirectly impacted by our activities. For this purpose, Bayer Procurement undertakes a classification of the sustainability risk of our suppliers. This risk classification encompasses all procurement countries and categories such as services and seed production, the latter also including seasonal workers. This enables us to identify and systematically address human rights risks by country and category.

Aspects of human rights (e.g. human trafficking, modern slavery and freedom of association) are also covered in the training offerings in connection with the Bayer [Supplier Code of Conduct Guidance document](#), which supplements our Supplier Code of Conduct and supports suppliers in implementing the requirements of the code.

Furthermore, we verify the observance of human rights by our suppliers, partly by means of on-site audits that include interviews with the suppliers' management and employees. In 2024, we actively worked together with suppliers in whose operations we had identified critical findings regarding human rights in the previous year. Where necessary, the suppliers were included in our Sustainability Supplier Development Program, follow-up audits were conducted in 2024 or further audits are planned. In this way, we attempt to improve the situation for suppliers' employees not just in the short term, but also in the long term. In 2024, audits of suppliers uncovered a very small number of critical findings regarding applicable wages, employee benefits, working hours, health and safety. In each of these cases, we also actively cooperated with our suppliers by agreeing on a time-bound corrective action plan to improve the situation for employees in a timely fashion. In 2023, we piloted a supplier questionnaire containing sustainability-related questions to identify the supplier in question's engagement and performance as part of our procurement activities where no supplier sustainability assessment was available. The focus in 2024 was on developing strategic and operational approaches for respecting human rights in the supply chain. For more information, please see chapter 4. Procurement.

Challenges in the seed supply chain

In general, the risk of human rights violations is a fundamental risk in seed supply chains and therefore also generally a risk for Bayer. In 2024, we again dealt in detail with human rights risks along our global seed supply chain and continued our risk prevention and mitigation measures. The risk of human rights violations in the seed supply chain is potentially higher in the following countries in which we are active:

Potentially High-Risk Countries for Human Rights Violations in the Seed Supply Chain

| Asia/Pacific | Europe/Middle East/Africa | Latin/Central America | North America |
|--------------|-----------------------------|-----------------------|---------------|
| India | Kenya | Honduras | – |
| Indonesia | Malawi | | |
| Philippines | Romania | | |
| Thailand | United Republic of Tanzania | | |
| Bangladesh | Ukraine | | |
| | Republic of Zambia | | |

Measures undertaken to mitigate risks included Bayer's Child Care Program to identify and prohibit child labor.

Tackling child labor in the seed supply chain

Bayer works to prevent child labor through the Child Care Program. The program is established in India, Bangladesh, the Philippines and Thailand.

Through our Child Care Program, we continuously raise awareness among our suppliers about the problem of child labor and clearly communicate our requirements, because our position on child labor is unambiguous: it is strictly prohibited at Bayer. We therefore oblige our suppliers to refrain from illegally employing children.

The goal of the Child Care Program is to take action against child labor in the seed supply chain. It therefore involves systematic and repeated inspections of individual seed producers in their fields by local Bayer employees during the growing season. Furthermore, a pilot of the program was run in Indonesia during the 2024/2025 growing season to find out how high the risk of child labor among local seed producers actually is. So far, we have not uncovered any concrete indications of child labor cases among our seed producers in that country.

Through the Child Care Program, we also conduct activities outside the growing season to prevent child labor. In the off season, Bayer employees visit schools to underscore the importance of a good education to schoolchildren and their teachers. Accompanied by medical personnel, they also emphasize the importance of good hygiene.

Graduated sanctions are applied to our suppliers for non-compliance with our prohibition on child labor. These range from written warnings to termination of the contract in the case of repeated noncompliance. Thanks to a stringent monitoring system and the support of local information and educational initiatives, no cases of child labor have been identified in India, Bangladesh, the Philippines or Thailand to date since the 2021/22 growing season.

Extraction of raw materials

Our upstream, indirect supply chain includes certain raw materials whose extraction poses a heightened risk of human rights violations. This applies to the supply chains of minerals, as well as palm and soybean oil and their derivatives. In addition to our clear expectation that our suppliers also implement the principles defined in our Supplier Code of Conduct in the upstream supply chain, we have established further measures to respect human rights.

Bayer's net-zero deforestation target and its commitment to respecting human rights throughout the supply chain also include the objective of sourcing sustainable palm (kernel) oil and sustainable soybean derivatives. For more information, please see chapter 4. Procurement.

Bayer strives for more sustainable value chains focused on more sustainable production, transparency, traceability and certification. Our activities are aligned with the elements of the Accountability Framework. We work with our partners and suppliers to further reduce our ecological footprint and to establish social and ethical standards.

We continue to advocate for the responsible procurement of conflict materials. As the procurement of minerals originating in unstable regions of the world can contribute to the financing of conflicts and the violation of human rights, our Supplier Code of Conduct communicates our explicit expectation that our suppliers ensure products supplied to Bayer do not contain metals derived from raw materials originating from conflict regions that directly or indirectly help to finance or support armed groups and cause or foster human rights abuses.

5.4 Stakeholder Engagement and Partnerships

We find it very important to consider the interests of people potentially impacted by our activities. Therefore, we also coordinate our human rights due diligence approach with Bayer's German and European works council as well as with various elected employee representatives.

We want to perform our due diligence for constructive stakeholder involvement and are working on a concept based on practical experience that incorporates the interests of affected parties.

Local Stakeholder Engagement 2023/2024 in Peru

We initiated local stakeholder engagement at our production site in Peru last year in response to concerns raised about working conditions. During an initial on-site visit in December 2023, which included regional Bayer Human Rights experts and our Human Rights expert member from the Sustainability Council, we implemented measures to enhance the local situation. These measures encompassed training for local employees, including site management, collaboration with

employees to strengthen the accessibility of our grievance channels, and strengthening engagement with external stakeholders.

In 2024, we continued our efforts with additional listening and training sessions, a review of the accessibility of our grievance mechanism, and multiple interactions with local stakeholders. We have reinforced our stakeholder engagement on site by fostering close communication and dialogue with the local trade union, nongovernmental organizations (NGOs) and other institutions such as the local Chamber of Commerce. This approach aims to strengthen relationships and collaboratively expand our local initiatives.

Dialogue with stakeholders

We regularly engage in dialogue with stakeholders on the topic of human rights and actively participate in committees and initiatives established to ensure their observance. We do this, for example, in the corresponding working groups of econsense, where we have overseen the themes of human rights and industry since 2022, and participate in the Business for Social Responsibility (BSR) initiative. The member companies from various industries discuss best practices, challenges and experiences in implementing human rights and the UN Guiding Principles on Business and Human Rights (UNGPs).

Bayer is also an active participant in the discussion on due diligence with respect to human rights at the EU level and on the implementation of the requirements stemming from the German Supply Chain Due Diligence Act (SCDDA) at the national level.

In June 2024, Bayer had the opportunity to send a delegate to the 112th International Labor Conference of the International Labour Organization (ILO) to represent both the technical and practical corporate perspective in the development of the first Biological Hazard standard.

Nurturing partnerships

Continuously raising awareness about child labor in the agriculture sector requires extensive measures and the involvement of various stakeholders. Against this background, Bayer joined with other seed companies back in 2019 to establish the Enabling Child and Human Rights with Seed Organizations (ECHO) initiative. ECHO is one of the biggest multi-stakeholder forums for the promotion of children's rights and decent work – which includes fair wages, as well as healthy and safe working conditions. In 2024, ECHO organized a walkathon to mark the World Day Against Child Labor with the goal of raising awareness about the issue.

6. Employees

Bayer's success is essentially built on the knowledge and commitment of its employees. At Bayer, employees can positively change the world through their work, in addition to developing themselves further. We want our company to be characterized by inclusion and diversity and to enable people of different backgrounds and skills to generate added value for our world. We offer attractive conditions and wide-ranging individual development opportunities for all employees, and bear responsibility all around the world.

In our [Sustainability Statement in the Annual Report 2024](#) we report on S1 Own Workforce.

6.1 Management Approach

Human Resources (HR) at Bayer assumes leadership of the HR organization and is responsible for the Group-wide regulations and standards for our employees. HR is headed directly by a member of the Board of Management, the Chief Talent Officer, who also assumes the function of Labor Director. HR is responsible for the operational design, implementation and steering of the global HR processes with the goal of accelerating the development and impact of our talent.

Corporate culture

The company aims to create a culture that is based on fairness and respect for all. As established in the [Bayer Human Rights Policy](#), we are committed to respecting the human rights of our employees and therefore to fair and equal treatment as a basic principle of our work environment. This includes observing Group-wide standards of conduct and protecting employees from discrimination, harassment and retaliation. These standards are set out in our Code of Conduct, which was signed by the Board of Management. Bayer

employees around the world are provided with guidance on how to comply with these standards.

Numerous external awards and surveys bear witness to our excellent reputation as an employer. In 2024, these included the Top Employer certification for Europe for the first time, with Bayer receiving recognition across Germany, the BeNe-Lux region, Spain and Portugal. Furthermore, Bayer continues to be one of the best employers in Germany, China, the United States and Brazil. More than half of the Bayer workforce is employed in these four countries.

In Africa, Bayer was recognized as a Top Employer in both Kenya and South Africa by the Top Employers Institute. We excelled in key evaluation areas, including Leadership Strategy, Organizational Change and Digital Human Resources, as well as with our employer branding and diversity initiatives. These recognitions underscore Bayer's dedication to high standards in human resources and our continued investment in employee support and development.

In India, Bayer has consistently been acknowledged for its workplace culture, especially within the chemical industry sector. We were recognized among India's Best Workplaces in Chemicals in 2024, emphasizing our commitment to health, safety and a collaborative work environment in the region.

In 2024, Bayer received multiple recognitions across various countries for our workplace environment and commitment to employee well-being. In the United States, Bayer was honored by Newsweek as one of America's Greatest Workplaces for Diversity, showcasing our dedication to creating an inclusive and diverse workplace. Additionally, Bayer's commitment to accessibility and inclusion is reflected in our

consistently high scores on the Disability Equality Index as a Best Place to Work for Disability Inclusion since 2019. Bayer also earned the 2024 Military Friendly Employer designation, supporting veterans in transitioning to the workforce.

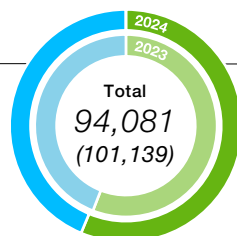
Digitalization

We see digitalization as a major opportunity for Bayer. In accordance with the applicable laws, robotic process automation and artificial intelligence are deployed in various HR processes in order to simplify them and increase efficiency. They also help improve user experience and reduce costs and manual activities. The company provides special training in the area of digitalization such as on how to use a Bayer internal chatbot.

6.2 Employee Data¹

Total Employees 2024 (2023)

43.7% (44.1%)
Managerial
41,081 (44,613)

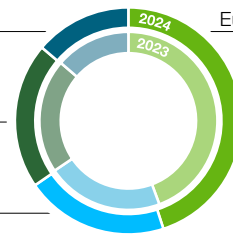


56.3% (55.9%)
Nonmanagerial
53,000 (56,526)

| | Women | | Men | |
|---------------|--------|--------|--------|--------|
| | 2023 | 2024 | 2023 | 2024 |
| Managerial | 19,449 | 18,093 | 25,164 | 22,988 |
| Nonmanagerial | 23,146 | 21,492 | 33,380 | 31,508 |
| Total | 42,595 | 39,585 | 58,544 | 54,496 |

Employees by Region 2024 (2023)

13.8% (13.7%)
Latin America
12,994 (13,896)



45.0% (44.3%)
Europe/Middle East/Africa
42,334 (44,850)

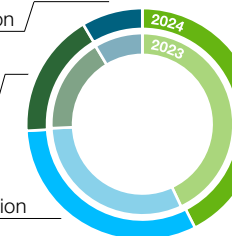
20.8% (20.7%)
Asia/Pacific
19,548 (20,981)

20.4% (21.2%)
North America
19,205 (21,421)

| | 2023 | 2024 | Change (%) |
|---------------------------|--------|--------|------------|
| Europe/Middle East/Africa | 44,850 | 42,334 | -5.6 |
| North America | 21,412 | 19,205 | -10.3 |
| Asia/Pacific | 20,981 | 19,548 | -6.8 |
| Latin America | 13,896 | 12,994 | -6.5 |

Employees by Function 2024 (2023)

8.5% (8.6%)
General administration
7,973 (8,693)



17.4% (17.1%)
R&D
16,336 (17,255)

31.6% (31.3%)
Marketing & distribution
29,751 (31,655)

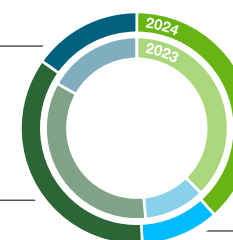
42.5% (43.0%)
Production
40,021 (43,536)

| | 2023 | 2024 | Change (%) |
|--------------------------|--------|--------|------------|
| Production | 43,536 | 40,021 | -8.1 |
| Marketing & distribution | 31,655 | 29,751 | -6.01 |
| R&D | 17,255 | 16,336 | -5.3 |
| General administration | 8,693 | 7,973 | -8.3 |

¹ As of 2024, the methodology for reporting has been changed over from FTE to HC, which leads to this change of numbers (incl. previous year). The figures in this report exclude casual employees such as students, apprentices and seasonal workers in our total employee population. For detailed figures on casual employees, please refer to the Sustainability Statement in the Annual Report 2024.

Employees by Division 2024 (2023)

15.2% (16.6%)
Enabling functions
14,256 (16,814)



38.4% (37.7%)
Pharmaceuticals
36,097 (38,088)

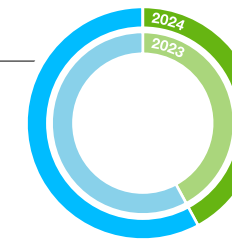
35.6% (34.8%)
Crop Science
33,472 (35,242)

10.9% (10.9%)
Consumer Health
10,256 (10,995)

| | 2023 | 2024 | Change (%) |
|--------------------|--------|--------|------------|
| Crop Science | 35,242 | 33,472 | -5.0 |
| Pharmaceuticals | 38,088 | 36,097 | -5.2 |
| Consumer Health | 10,995 | 10,256 | -6.7 |
| Enabling Functions | 16,814 | 14,256 | -15.2 |

Employees by Gender 2024 (2023)

57.9% (57.9%)
Men
54,496 (58,544)



42.1% (42.1%)
Women
39,585 (42,595)

| | Women | | Men | |
|---------------------------|--------|--------|--------|--------|
| | 2023 | 2024 | 2023 | 2024 |
| Europe/Middle East/Africa | 19,992 | 18,832 | 24,858 | 23,502 |
| North America | 8,276 | 7,464 | 13,136 | 11,741 |
| Asia/Pacific | 8,802 | 8,129 | 12,179 | 11,419 |
| Latin America | 5,526 | 5,160 | 8,370 | 7,834 |
| Total | 42,595 | 39,585 | 58,544 | 54,496 |

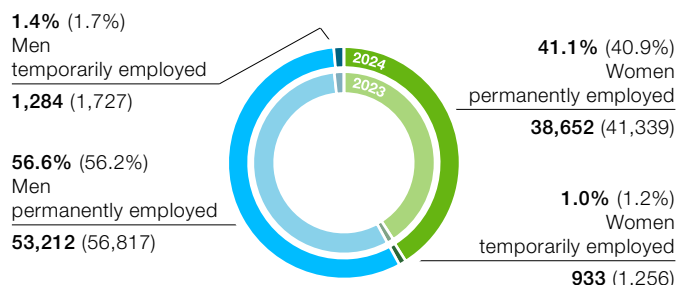
6.3 Employment in Detail

On December 31, 2024, Bayer employed 94,081 (2023: 101,139) people worldwide. In Germany, we had 21,824 (2023: 23,307) employees, which was 23.2% of the total Group workforce (2023: 23.0%). For further employee data, please see the [2024 Annual Report](#).

Employment status

Within Bayer's workforce, 2.4% of employees (1.0% women and 1.4% men) have temporary contracts. On the reporting date, our employees had worked for the Bayer Group for an average of 11 years (2023: 11 years; women: 10 years, men: 12 years).

Employees by Employment Status, Gender and Region 2024 (2023)



| | Permanently employed | | Temporarily employed | |
|---------------------------|----------------------|--------|----------------------|-------|
| | 2023 | 2024 | 2023 | 2024 |
| Europe/Middle East/Africa | 43,232 | 40,940 | 1,618 | 1,394 |
| North America | 21,341 | 19,161 | 71 | 44 |
| Asia/Pacific | 20,459 | 19,102 | 522 | 446 |
| Latin America | 13,124 | 12,661 | 772 | 333 |

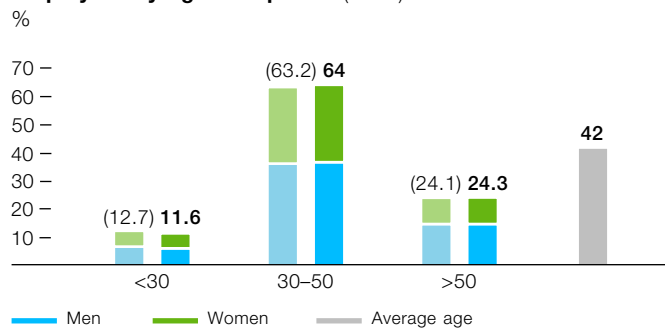
Demographics

We want to create an optimal environment for our employees in all life phases and thus safeguard the long-term availability of specialists and internal knowledge transfer. We take a range of steps to address the individual needs of our employees by offering jobs appropriate to different career stages along with health and sports programs, flexible working arrangements and active knowledge management.

Through the German Bayer Senior Experts Network (BaySEN) initiative, selected experts can continue to contribute their expertise even after retirement by temporarily working for Bayer on certain projects or for special tasks. In this way, BaySEN supports demographic diversity and helps different generations to work together and learn with and from one another.

The average age of our employees Group-wide is 42.

Employees by Age Group 2024 (2023)



The demographic situation differs greatly from one region to another.

Employees by Gender, Region and Age Group 2024

| | Total | Europe/ Middle East/Africa | North America | Asia/ Pacific | Latin America |
|--------------|---------------|----------------------------------|------------------|------------------|------------------|
| Women | 39,585 | 18,832 | 7,464 | 8,129 | 5,160 |
| <30 | | 1,649 | 706 | 1,661 | 944 |
| 30-50 | | 11,899 | 4,293 | 5,896 | 3,722 |
| >50 | | 5,284 | 2,465 | 572 | 494 |
| Men | 54,496 | 23,502 | 11,741 | 11,419 | 7,834 |
| <30 | | 2,230 | 1,089 | 1,618 | 1,029 |
| 30-50 | | 13,763 | 6,882 | 8,250 | 5,574 |
| >50 | | 7,509 | 3,770 | 1,551 | 1,231 |

In Germany, the General Works Agreements on lifetime working and demographic change and on addressing demographic change at the nonmanagerial level at Bayer are among the tools we use to help shape the working environment for all life phases. These General Works Agreements provide for a reduction in employee workloads that was extended to further age groups, as well as measures to ease the return to work of non-managerial employees after long-term illness, and an extensive health screening program for all employees. In 2024, 99% of those who were eligible took part in the program to reduce the workload of older employees. What's more, the BayZeit long-term account makes it possible for employees in Germany to convert part of their gross salary in the early years of their employment into free time that they can take off later.

Talent acquisition

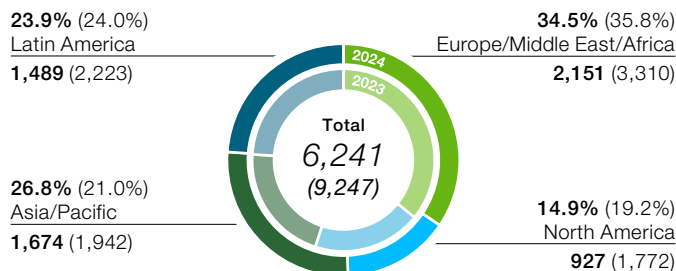
We pursue the overarching objective of attracting qualified employees and retaining them over the long term. In accordance with our Human Resources (HR) strategy, we ensure that new employees are well integrated into the company culture and manage talent acquisition through a continuous process. In line with our Group Regulation on Talent Attraction, the Human Resources function has provided mandatory guidelines for the process worldwide, which have been signed by the Board of Management.

To acquire and retain talent, we focus heavily on social media and our global careers page. Country-specific acquisition and awareness campaigns enable local configurations as well the measurement of how many talented candidates were reached and hired. We use our Talent Marketplace to match talented candidates with vacant positions based on their skills and experience, as well as to streamline the internal pre-selection process and reduce bias. The deployed technology was subjected to a thorough ethical examination.

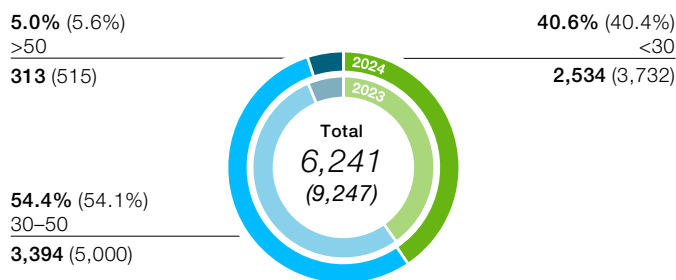
In total, the Bayer Group hired 6,241 new employees in 2024, accounting for 6.8% of the workforce.

New Hires 2024 (2023)

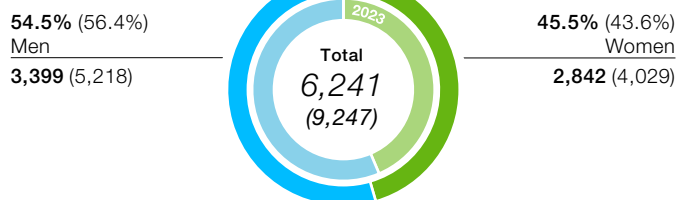
by Region



by Age Group



by Gender



Fluctuation

The overall fluctuation rate in 2024 was 14%, an increase of 2.7% compared to 2023. This figure includes all employer- and employee-driven terminations, termination agreements, retirements and deaths.

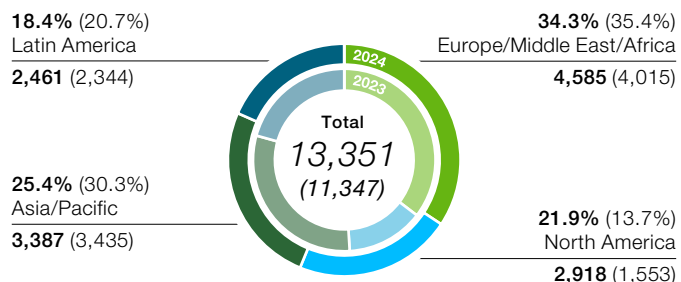
Fluctuation of employees

| % | | | Voluntary | | Total | |
|--------------|------------|------------|------------|-------------|-------------|-------------|
| | 2022 | 2023 | 2024 | 2022 | 2023 | 2024 |
| Women | 6.2 | 5.3 | 6.0 | 12.1 | 11.2 | 14.5 |
| Men | 5.7 | 5.2 | 5.1 | 12.2 | 11.4 | 13.6 |
| Total | 5.9 | 5.2 | 5.5 | 12.2 | 11.3 | 14.0 |

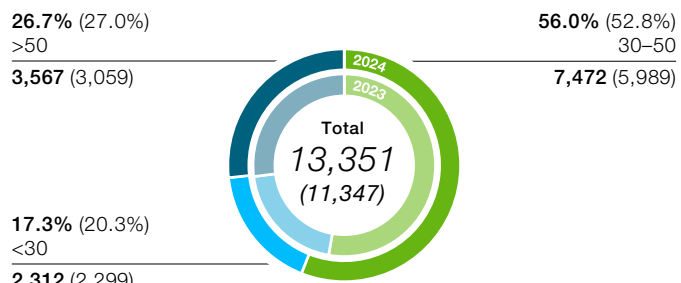
Bayer uses temporary employees from staffing agencies primarily in response to short-term personnel requirements, fluctuations in order levels, for temporary projects or as replacements for employees suffering a long-term illness. In some countries, staff are employed via agencies for seasonal work. On December 31, 2024, some 3,848 temporary employees from staffing agencies were working for Bayer at our significant locations of operation. In Germany, the proportion of such temporary employees from staffing agencies compared with the total for the core workforce was 0.6%.

Fluctuation of Employees 2024 (2023)

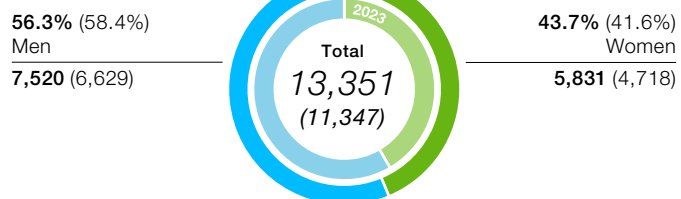
by Region



by Age Group



by Gender



Inclusion & Diversity

We employ people from 145 nations. The voluntary self-declaration of ethnic background is currently available in a selected number of countries. Of our employees in Brazil, 27% are Black, 3% are Asian and 1% of other ethnic origin. Of our employees in South Africa, 37% are Black, 6% are Asian and 4% are Colored (multi-ethnic). In the United States (incl. Puerto Rico), the workforce includes 13% Asian, 5% Black or African descent, 11% Hispanic or Latino and 3% other ethnic origin.

People with disabilities are an integral part of our workforce. Based on voluntary statements by employees, we employ around 2,128 people with disabilities in 43 countries, 45% of whom are women and 55% men. That represents 2.6% of our workforce in countries where self-declaration is possible. Most employees with disabilities work in Germany, where they made up 4.4% of the workforce in 2024.

Further information on the topic “Inclusion & Diversity” can be found in the [Sustainability Statement in the Annual Report 2024](#).

Restructuring measures

We act with social responsibility when changes and restructuring measures are necessary. In all countries, we aim to minimize the impact on employees and find mutually agreeable solutions in cases where job reductions are necessary. This is also the case in Germany, where agreements are in place with employee representatives that fundamentally rule out dismissals for operational reasons in the intercompany personnel network of Bayer AG until the end of 2026. We are at different stages of development regarding the acceleration of our transformation announced in 2020. We anticipate that all the major transformation measures announced in 2020 will be implemented by the end of this year. Flexible models with attractive conditions are offered to employees of various age groups. Employees can also receive counseling on career re-orientation and are supported through job application training measures.

Introduction of a new organizational model

We are currently working on better familiarizing our organization with the mission of “Health for all, Hunger for none,” and are therefore introducing a new system called Dynamic Shared Ownership (DSO). This new organizational model is more closely aligned to customer needs and empowers our teams to more effectively satisfy these needs and deploy our resources more efficiently in the future.

Our goal is for employees to work in small, self-administered teams. Activities are prioritized according to their contribution to fulfilling our mission, and their progress is measured in short 90-day cycles, which greatly increases our speed of action. This enables the number of coordination tasks and management levels to be reduced.

Fair Compensation

Bayer applies uniform standards to ensure that employees are fairly compensated throughout the Group. Our performance and responsibility-related compensation system combines a basic salary with performance-related elements, plus additional benefits. Adjustments based on continuous benchmarking make our compensation internationally competitive.

At Bayer, individual salaries are based on personal and professional abilities and the level of responsibility assigned, among other factors. One critical basis for this is a job evaluation independent of the individual. At managerial level, this is based on a uniform evaluation approach for all positions throughout the Group using the internationally recognized Korn Ferry method. Differences in pay based on gender are ruled out in areas of the Bayer Group and jobs covered by a binding collective bargaining agreement. In the emerging markets and developing countries, we exceed local market conditions with regard to compensation levels and pay at least a living wage.

In the majority of cases, full- and part-time employees at our [significant locations of operation](#) receive the same rates of fixed and variable pay. Our compensation concept also includes variable one-time payments to recognize outstanding performance. In many countries, employee stock programs enable the purchase of Bayer shares at a discount. Depending on statutory requirements, employees on temporary contracts may not be entitled to long-term compensation components such as pension plans in some countries. The long-term variable compensation (LTI) of our LTI-entitled managerial employees takes into account progress toward the Group's sustainability targets.

Gender pay equity is one of the key pillars of the global inclusion and diversity strategy at Bayer. One key supporting initiative is the Group-wide measurement and analysis of the "unadjusted" and "adjusted" gender pay gap.

The average global unadjusted gender pay gap was 3.46% in 2024 and was calculated according to the ESRS requirements. Further information on our approach to adequate wages can be found in the [Sustainability Statement in the Annual Report 2024](#), S1 Own workforce. We endeavor to achieve a Group-wide unadjusted gender pay gap of below 2% by 2030.

In addition, Bayer also reviews individual and collective employee compensation to identify any "adjusted gender pay gaps" using a machine-learning-based algorithmic methodology. Currently participating in this calculation are 22 Bayer country organizations that together account for 86% of the total workforce. The implementation status and associated measures are monitored using a central dashboard.

Further information on our approach to fair compensation can be found in the [Sustainability Statement in the Annual Report 2024](#).

Retirement benefits

In addition to providing attractive compensation for their work, Bayer contributes to the financial security of its current and former employees. Retirement benefit plans are available to 84% (2023: 79%, 2022: 79%) of Bayer employees worldwide including statutory pension programs. The benefits provided depend on the legal, fiscal and economic conditions in each country, employee compensation and individual years of service.

Availability of Retirement Benefit Plans¹

| % | 2022 | 2023 | 2024 |
|---------------------------|-----------|-----------|-----------|
| Europe/Middle East/Africa | 86 | 85 | 90 |
| North America | 99 | 99 | 100 |
| Asia/Pacific | 53 | 57 | 58 |
| Latin America | 69 | 65 | 82 |
| Overall Average | 79 | 79 | 84 |

¹ Bayer started to communicate both company pension plans and statutory plans in 2024.

6.4 Learning and Training

Our employees need a broad spectrum of competencies, skills and knowledge to fulfill our mission of "Health for all, Hunger for none." Successful careers at Bayer are the result of lifelong learning. We view it as a central task to offer our employees a broad range of continuing education options for their development.

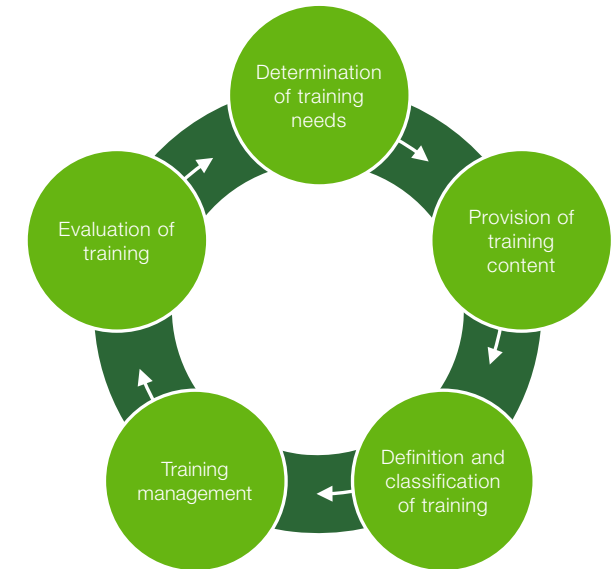
We provide access to high-quality learning and training opportunities that not only promote employees' career advancement, but also contribute to their personal development. We create a strong team by actively involving our employees in the development of their skills, knowledge and abilities.

Global training process

Bayer has introduced a global, good working practice (GxP)-validated training process that offers all organizational units

a framework for standardized training management throughout the company. It comprises five subprocesses and follows a learning life cycle:

Overview: Global Training Process



- // "Determination of training needs" describes the process for analyzing, reviewing and planning strategic and business-critical training needs based on the reports and evaluations available.
- // "Provision of training content" comprises the development and application of learning content depending on business-related and individual training requirements.
- // "Definition and classification of training" establishes which training measures are assigned to which target groups and in what form.
- // "Training management" describes the daily workflows such as the creation of a training offering on the learning platforms, logistical administration through to registration processes and completion, and the assessment of skills.

// “Evaluation of training” describes all forms of evaluation options. It serves to evaluate existing training offerings with the goal of providing content for identifying training needs to initiate a new learning life cycle.

The global training process is supported by two complementary systems – our learning management system and the learning experience platform. The learning management system is used for compulsory and GxP-relevant training courses, formal and internal learning content, tracking course completion, and the provision and assignment of training offerings. The learning experience platform enables access to various content providers and wide-ranging offerings, e.g. LinkedIn Learning: Bayer-internal content curation with more than 30,000 training contents, or Education First: customizable language training offerings in virtual classroom, 1:1 and group settings.

Individual learning

Through easily accessible learning opportunities, we enable our employees to learn according to their own needs and schedules. With the help of digital technologies, we offer the option of a personalized learning path. As part of our learning environment, customized content can specifically be selected from internal and external sources via the learning experience platform. We continuously update various learning materials such as videos, books, courses, podcasts and articles in the areas of digitalization, artificial intelligence, inclusion and diversity and leadership.

The top three skills most frequently named by our employees are leadership, project management and change management.

Digitalization and artificial intelligence (AI) represent a major opportunity for Bayer. Our focus lies on developing the skills of our employees, especially in these fields. Additionally, we provide learning offerings in IT and other business-critical areas such as production, sustainability and human resources.

Our leadership programs, mapped to Dynamic Shared Ownership (DSO) and Visionary, Architect, Catalyst and Coach (VACC) behaviors, serve as the foundation for shaping a company culture in which every employee is empowered to contribute to our common success, irrespective of his or her position.

Functional academies such as the Innovation Academy, IT Academy and R&D Academy offer advanced training in various disciplines.

Based on the company's Code of Conduct, full- and part-time employees and temporary employees from staffing agencies complete the obligatory compliance and ongoing vocational training, both through classroom-based courses and computer-assisted education measures. Their completion is verified (the monitoring of training completion for mandatory training units is performed by the responsible content owner in the business).

Learning and training time averaged around 22.2 hours per employee in 2024. The average cost of ongoing training per employee was €667.

Every Bayer employee is eligible to receive training. Of the total workforce, 88% completed at least one training offering.

Learning and Training Hours 2024

| | Women | Men | Total |
|------------------------|-------------|-------------|-------------|
| Category | | | |
| Top management | 8.3 | 7.6 | 7.9 |
| Management | 14.6 | 13.8 | 14.2 |
| Nonmanagerial | 23.3 | 31.4 | 28.0 |
| Overall average | 19.6 | 24.2 | 22.2 |

Vocational training

To meet the need for skilled employees, Bayer hires apprentices in more than 30 different occupations, primarily in

Germany. We employed 1,211 apprentices overall in 2024 (of whom 31% were women). Around the world, Bayer also offers trainee programs in various areas for those embarking on a career and internships for students.

6.5 Employee Development and Integration

Bayer promotes a culture of candid feedback and encourages feedback in all directions – from leaders to employees, between colleagues and from employees to leaders.

All our employees serve as role models and play an important part in promoting performance and further developing the feedback culture at Bayer. Employees continuously seek opportunities to ask and provide feedback by reaching out to people closest to their work. Likewise, leaders can collect input from former leaders, work team colleagues and other stakeholders.

Bayer's virtual mentoring approach is available to all full-time and part-time employees globally, allowing participants to independently leverage professional development opportunities, either for their own benefit as a mentee or for others as a mentor. The program is supported by an algorithm based on artificial intelligence that brings together mentors and mentees from throughout the Bayer Group. Since the launch, more than 4,624 employees have registered; 48% of participants are women and 52% are men.

Performance goals and development dialogues

Bayer pursues a globally standardized approach for performance evaluation and employee development. The performance evaluation procedure is available to 83% of our employees worldwide. Those excluded from this are primarily employees whose existing works agreements do not allow for individual performance assessments, for example in Germany.

Our employees and leaders can jointly set flexible annual goals. In consultation with their leaders, employees can select goals of relevance for themselves and their work areas and can also make flexible adjustments to the goals during the entire year. In line with the Dynamic Shared Ownership (DSO) operational model, we abolished the mandatory recording and tracking of goal setting and check-ins starting in 2024. We have made these changes to reduce the amount of data entry and give employees and leaders more time to focus on meaningful coaching conversations and connections.

Some 83% of our employees (70% of our nonmanagerials and 99% of our leaders) can participate in a year-end evaluation. At the end of 2024, 98% of the eligible employees (44% female and 56% male) received such an evaluation. In addition, employees can regularly and openly discuss their performance, challenges, ideas and well-being with their leaders during check-ins.

Managers throughout the Group have the option of presenting Top Performance Awards to incentivize outstanding individual and team successes. These involve a variable payment to reward special achievements directly in a timely fashion. Additional recognition programs are in place in some countries. In many countries, employees are recognized with years-of-service awards.

Employees can evaluate perspectives for their further career development together with their leaders. Such discussions, known as development dialogues, can identify a training need that can be thematically covered by the MyLearning management system and the GoLearn learning experience platform (please see chapter 6.4 Learning and Training).

Thanks to our wide-ranging business activities, employees throughout the Bayer Group can access various opportunities for development. Vacancies throughout the Bayer Group,

from nonmanagerial right up to upper management level, are advertised via a globally accessible platform.

Supporting scientists

To maintain an enthusiasm for Bayer among top researchers and scientists, we offer them special development opportunities that are tailored to their requirements. These include new scientific challenges, special advanced training offerings and a career path either as experts or as managers in various Bayer regions, functions or divisions. Through our Science Fellows Community, we talk to our scientific specialists about their own career development. Special mentoring programs are established to support employees' early development and their regular networking with experienced scientists and managers.

Promoting dialogue and exchange

Bayer offers employees numerous means of actively discussing company-specific topics and scope for optimization via various internal communication channels. We actively involve our employees in business processes by offering the opportunity for dialogue. Informing staff comprehensively and in good time about upcoming internal company changes, in compliance with the applicable national and international regulations, is very important to us.

We engage in open and trustful dialogue with employee representatives worldwide. The main dialogue formats are regular employee assemblies and information events for managers, as well as the European Forum, at which employee representatives from European sites engage in discussion with the Board of Management and other company managers on topics of overarching relevance to the company.

Our employees can submit Bayer-related questions through the internal crowdsourcing platform WeSolve to obtain innovative ideas on an interdisciplinary basis. These questions are then answered with the help of other employees with

whom the person asking the question does not normally have any contact.

Rewarding ideas

To promote a culture of innovation in the workplace, additional platforms for making work-related suggestions are available to employees in Germany, such as the Bayer Ideas Pool and the Ideas Forum. The suggestions made here by employees on improving processes, occupational safety and health protection are rewarded and utilized. Some 3,059 ideas were submitted in 2024, and 39% of the suggestions for improvement evaluated in 2024 were implemented. In the first year of implementation alone, those improvements that led to quantifiable benefits generated savings of some €4.5 million. In 2024, Bayer distributed bonuses of around €1.4 million for the implemented proposals.

Volunteer work to support social projects and initiatives

Inspired by our purpose of "Science for a better life," our mission of "Health for all, Hunger for none" and our commitment to conserve and protect the environment, Bayer employees have long volunteered their own time on behalf of their communities. For example, our employees founded the Pro Social Initiatives (PROSI) in 2018, which networks employees worldwide for social volunteering initiatives. A Global Corporate Volunteering Procedure was introduced in 2023 with Germany as a first mover country, enabling employees to take one day off per year with pay for volunteering services with social organizations. Employees can use an online platform for volunteering services to search for organizations and events to actively support. The platform also enables participants to create volunteering offerings and share them with other Bayer employees. In total, 27 countries to date have introduced a

volunteering program based on the global guidelines and utilizing the global platform (approx. 51,000 employees have access to the portal). In parallel, already existing local volunteering programs (such as those in the United States) continue to be maintained and successfully managed locally. In total, over 450 volunteering projects were conducted in 2024 leading to over 27,800 of hours of company-sponsored volunteering leave for our employees.

Another example of employee engagement is the charitable donation program Helping Cents. Through this, our employees in Germany can donate the “spare cents” after the decimal point on their monthly payroll for charitable projects. Bayer then doubles these donations. In 2024, 7,649 employees took part in this and donated around €41,000.

6.6 Employee Rights

Employees at all Bayer sites around the world have the right to elect their own representatives. In 2024, the working conditions for around 53% of our employees worldwide were governed by collective or company agreements. At various country companies, the interests of the workforce are represented by elected employee representatives who have a right to be consulted on certain personnel-related decisions.

Proportion of Collective Agreements by Region¹

| % | 2022 | 2023 | 2024 |
|---------------------------|-----------|-----------|-----------|
| Europe/Middle East/Africa | 80 | 79 | 81 |
| North America | 1 | 1 | 1 |
| Asia/Pacific | 47 | 46 | 46 |
| Latin America | 51 | 51 | 50 |
| Total | 53 | 52 | 53 |

¹ Percentage of employees covered by collective bargaining agreements or company agreements, especially with respect to wages and working conditions

The contractually agreed working hours of our employees do not exceed 48 hours a week at any of our significant locations of operation.

Further information regarding freedom of association can be found in the Sustainability Statement in the Annual Report 2024.

6.7 Work-Life Integration

We help our employees to balance their work and private lives. Taking their individual situation into account, we give them flexibility in shaping their working hours and work locations and offer them parental leave and support with child-care and caring for close relatives. In many countries, our commitment in this area goes beyond the statutory requirements. An overview of the selected benefits for employees in each country can be found at the end of this chapter.

Hybrid working

Within the scope of our Next Normal Office and New Ways of Working concepts, we fundamentally give our employees the possibility to align with their supervisor whether and in which manner hybrid working is possible with a flexible mix of mobile work and presence at the workplace.

The increased use of flexible working models is part of our Next Normal Office Concept, in which our employees at all hierarchy levels (empowerment) are given more flexibility and responsibility. In line with the requirements of (labor) law and taking into account cultural differences, we want to meet the needs of our employees and customers and thus strengthen our business operations.

Bayer in Germany has agreed to uniform conditions for mobile working in a General Works Agreement with the Works Council. Through this, employees have the freedom to work remotely on certain days which is subject to alignment with and consent of their supervisor.

Health provision

“Health for all” is a core element of our corporate mission, which is why the health of our employees is of the utmost importance for us. We have established health provision programs and support access to reliable and high-quality healthcare. For information on our occupational health and safety measures, please see chapter 8. Health and Safety.

Our occupational health management activities include numerous additional preventive programs, ranging from ergonomic workplace and stress management initiatives to incentive systems to promote healthy behavior. Employees can access these programs through Bayer’s intranet and through internal and external company benefits platforms. Our employee representatives are included in occupational health management and are actively involved in its further development. The Bayer European Forum – which brings together management and employee representatives – has signed the Luxembourg Declaration on Workplace Health Promotion in the EU and is committed to the principles contained therein regarding the implementation of workplace health promotion. Health check-ups are an integral part of our global health promotion initiatives.

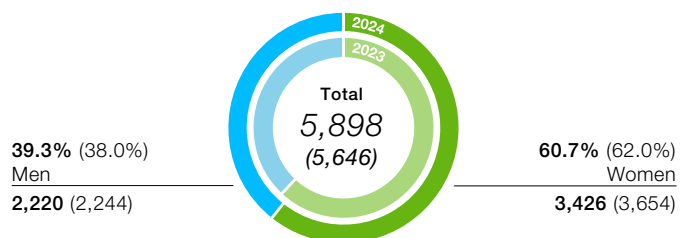
We want to provide employees in all countries with access to reliable and high-quality healthcare. Almost 99% of our employees worldwide have either statutory or private health insurance or can obtain health insurance through the company.

Health Insurance Coverage¹

| % | 2022 | 2023 | 2024 |
|---------------------------|-----------|-----------|-----------|
| Europe/Middle East/Africa | 99 | 99 | 100 |
| North America | 92 | 92 | 95 |
| Asia/Pacific | 96 | 97 | 100 |
| Latin America | 100 | 100 | 100 |
| Total | 97 | 97 | 99 |

¹ Financially supported by the employer

In 2024, part-time employees accounted for around 6.1% of the Bayer Group workforce (approximately 61% female and 39% male), primarily in Europe (97%). Some 2% of part-time employees were located in Asia and 1% in North America, with very few part-time employees in Latin America.

Part-Time Employees by Gender 2024 (2023)

Bayer enables both men and women to take parental leave, although national parental leave regulations vary widely from country to country. Some 1,195 women and 1,477 men took parental leave in 2024. Over the course of the year, 2,113 employees returned to work from parental leave.

The next table uses Germany as an example and shows the number of employees who have returned to work after opting for the standard statutory parental leave program of up to three years per child. By the end of 2024, 76% had returned to work. Some 64% of women and 89% of men who have taken parental leave since 2022 have returned to work.

Employees Returning from Parental Leave in Germany 2024

| | Women | | Men | | Total | |
|---|-------|----------|-----|----------|-------|----------|
| | % | absolute | % | absolute | % | absolute |
| Employees on parental leave since 2022 | 50 | 1,114 | 50 | 1,106 | 100 | 2,220 |
| of which still on parental leave/dormant contract | 29 | 325 | 4 | 44 | 17 | 369 |
| of which returned by 2024 | 64 | 714 | 89 | 980 | 76 | 1,694 |
| of which with terminated contract ¹ | 7 | 75 | 7 | 82 | 7 | 157 |

¹ This includes employer- and employee-driven terminations, severance agreements and departures following the expiration of employment contracts.

In addition, using the BayZeit long-term account, employees in Germany can convert part of their salary into free time, which they can later take off to care for children or dependents, or to take part in an advanced training course, for example. We also enable and support job sharing at Bayer (including in leadership positions).

The General Works Agreement on caring for close relatives helps Bayer employees in Germany to combine their work with their role as carers by utilizing adapted worktime models and taking temporary paid leaves.

Selected benefits for employees (by country)

As part of our Total Rewards Package, we offer our employees various benefits in respect to local market needs and conditions. The following overview highlights the most relevant

plans concerning leaves, health and insurances in countries with more than 590 employees; it is not a complete list of all benefit programs in place. Many local benefits reflect the cultural background in a country or the country's legal

requirements. Not every benefit is available in every location within a country or to every employee (e.g. working remotely is not available for employees working in production).

| Countries/ Benefits | HC (2024) | Maternity leave ¹ | Paternity leave ¹ | Childcare ² | Lactation options ³ | Elderly care ⁴ | Sabbatical (unpaid leave) | Education/ exam leave | Leave for social/ other volunteering | Other leaves ⁵ | Flexible working hours ⁶ | Working remotely ⁶ | Worktime reduction (full-/part-time) possible ⁷ | Health and well- being programs ⁸ | Sports and recreation ⁹ | Employee assis- tance programs ¹⁰ | Health insurance ¹¹ | Life/accident insurance | Disability insurance |
|------------------------|--------------|------------------------------|------------------------------|------------------------|--------------------------------|---------------------------|------------------------------|--------------------------|---|---------------------------|--|-------------------------------|--|---|---------------------------------------|---|--------------------------------|----------------------------|----------------------|
| Germany | 21,425 | X | X | X | - | X | X | X | X | X ¹² | X | X | X | X | X | X | X | X | - |
| USA | 16,783 | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X |
| China | 7,197 | X | X | X | X | X | X | - | X | X | X | X | - | X | X | X | X | X | X |
| India | 4,814 | X | X | X | - | - | - | - | X | X | X | X | - | X | X | X | X | X | - |
| Brazil | 4,607 | X | X | X | - | - | - | - | - | X | X | X | - | X | X | X | X | X | X |
| Mexico | 3,920 | X | X | X | X | - | - | - | - | X | X | X | - | X | X | X | X | X | - |
| France | 2,530 | X | X | X | X | X | X | X | - | X | X | X | X | X | X | X | X | X | X |
| Spain | 2,235 | X | X | X | X | - | X | X | X | X | X | X | X | X | X | X | X | X | X |
| Argentina | 1,852 | X | X | X | - | - | - | X | - | X | X | X | X | X | X | X | X | X | X |
| Japan | 1,834 | X | X | X | X | X | - | - | X | X | X | X | X | X | X | X | X | X | X |
| Philippines | 1,669 | X | X | - | X | - | X | X | - | X | X | X | - | X | X | X | X | X | X |
| Switzerland | 1,477 | X | X | X | X | X | X | X | - | X | X | X | X | X | X | X | X | X | X |
| Russia | 1,460 | X | X | - | X | - | - | X | X | X | X | X | X | X | X | X | X | X | X |
| Poland | 1,455 | X | X | - | X | - | X | X | X | X | X | X | X | X | X | X | X | X | X |
| Italy | 1,194 | X | X | - | - | - | X | X | X | X | X | X | X | X | X | X | X | X | X |
| Canada | 1,076 | X | X | X | - | X | X | X | X | X | X | X | X | X | X | X | X | X | X |
| Finland | 1,017 | X | X | - | - | - | - | - | - | X | X | X | X | X | X | X | X | X | X |
| Netherlands | 983 | X | X | - | X | - | X | X | X | X | X | X | X | X | X | X | X | X | X |
| Turkey | 968 | X | X | - | X | - | - | X | X | X | X | - | X | X | X | X | X | X | X |
| Belgium | 900 | X | X | - | X | - | X | X | X | X | X | X | X | X | X | X | X | X | X |
| Costa Rica | 876 | X | X | - | - | - | - | - | - | X | X | X | - | X | - | X | X | X | X |
| Indonesia | 868 | X | X | - | X | - | X | - | - | X | X | X | - | X | X | X | X | X | X |
| UK | 763 | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X |
| Thailand | 665 | X | X | - | - | - | - | - | - | X | X | X | - | X | - | X | X | X | X |
| Australia | 594 | X | X | - | X | - | X | - | X | X | X | X | X | X | X | X | X | X | X |

¹ Length of parental leave (maternity/primary or paternity/secondary) and financial support vary by country; fully paid, partly paid (company and/or government funded), unpaid leave (parental leave) or combination possible; at least in compliance with statutory requirements; in some countries adoption leaves or additional unpaid leave for childcare possible

² Details vary by country, may include company-owned childcare facilities (kindergarten), contracts with childcare facilities, discounted childcare, financial support for childcare, childcare during holidays/back-up childcare

³ Details vary by country, may include lactation rooms on-site, lactation/breastfeeding time

⁴ Details vary by country, may include leave for taking care of close relatives, back-up care

⁵ Details vary by country, may include paid or unpaid leave for family duties, marriage, military or civic duties, pilgrimages, emergency situations, compassionate leave

⁶ Details vary by country, may not be offered to employees in production facilities or field staff

⁷ Details vary by country, may include worktime reduction due to childcare or due to age

⁸ Details vary by country, may include health examinations, check-ups, personal health assessment, health coaching, free or subsidized vaccinations

⁹ Details vary by country, may include on-site sport facilities or classes, subsidized gym or gym classes, newsletter on health, fitness and mental health

¹⁰ Details vary by country, may include counseling service (personal or telephone) for employees who need assistance (e.g. personal issues, family, job-related, financial), in some countries also available for family members

¹¹ Details vary by country, includes basic health insurance where no public health insurance system is in place, additional topics may be covered, e.g. dental, vision, hospitalization, pharmacy; in some countries dependents are also covered

¹² Germany: various programs including: "Family and work": option to terminate contract for seven years with guarantee of re-employment; BayZeit: exemption from work for at least one month (care of children or close relatives or qualification measures); FreiZeit: option to use company bonus to buy up to a week of free time in addition to vacation (managerial employees)

7. Environment

Protecting the environment is one of our highest priorities. We work continuously to reduce the environmental impact of our business activities and develop product solutions that benefit the environment. In our [Sustainability Statement in the Annual Report 2024](#) we report on the material Environmental sustainability matters of E2 Pollution, E3 Water and Marine Resources, E4 Biodiversity and ecosystems and E5 Resources use and circular economy.

7.1 Management Approach

Responsibility for steering and monitoring environmental protection aspects, as well as health and safety, across the Group lies with the Public Affairs, Sustainability & Safety (PASS) Enabling Function. This function is assigned to the Chairman of the Board of Management (CEO), who also serves as Bayer's Chief Sustainability Officer. The PASS Enabling Function establishes responsibilities, targets, key performance indicators and framework conditions for the entire Group. These conditions include the provisions of the Group Regulation on [HSE Management and HSE Key Requirements](#), which forms an integral part of the global health, safety and environmental protection (HSE) management system and describes the approach for coordinating and monitoring environmental processes at Bayer and defines core environmental requirements that need to be implemented worldwide.

Management systems for environmental protection are in place, and these are integrated into the business processes throughout the Group. Operational responsibility for environmental protection lies with the individual sites and divisions, which steer HSE via management systems, committees and working groups at our sites. Incident and emergency preparedness is managed at site level, with a global notification procedure in place.

Environmental management at the sites also involves the development and implementation of site-specific environmental protection targets and programs to reduce our environmental impact. Environmental protection measures are identified, planned and implemented through cross-functional cooperation between the divisions and enabling functions. The following priorities apply:

- // Avoiding waste/emissions
- // Recycling in all cases where it is practicable to do so by reasonable means
- // Minimizing waste/emissions that cannot be avoided or recycled

We report all relevant environmental data of the Group, including for all fully consolidated companies in which we have a share of more than 50%, collect data on environmental incidents at all sites worldwide, and record environmental indicators at 219 environmentally relevant production, research and administration sites, compiling this in the Group-wide system. All sites where annual energy consumption exceeds 1.5 terajoules or annual water withdrawal is greater than or equal to 50 Tm³ to be environmentally relevant.

Ecological & Sustainability Assessments for capital expenditures

Our environmental commitment extends beyond the scope of legal requirements. We perform voluntary Ecological & Sustainability Assessments for capital expenditure projects exceeding €10 million. This includes an evaluation of direct and indirect greenhouse gas emissions. The goal is to adequately assess environmental impact and other sustainability dimensions and involve stakeholders at an early stage.

The Ecological & Sustainability Assessments ensure uniform environmental and sustainability standards worldwide, taking into account Bayer's internal standards and the best available technologies (BAT), according to EU standards. The assessments ensure that we safeguard our capital expenditures over the long term by anticipating and addressing future legislative changes at an early stage. Examples of the implementation of capital expenditure projects can be found in this chapter and in the [Sustainability Statement in the Annual Report 2024](#).

In the case of acquisitions, we examine compliance with the applicable environmental regulations as well as fundamental employee rights at the production sites in question. Through our HSE management systems, we also avoid damage and disruptions to work and production.

Environmental management systems

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 such as ISO 14001. We aim to cover 80% of our business activities (based on energy consumption at environmentally relevant sites) with certification to ISO 14001 or ISO 45001 by the end of 2025.

Standards and Certifications

| % of business activities based on energy consumption of environmentally relevant sites | 2021 | 2022 | 2023 | 2024 |
|--|------|------|------|------|
| ISO 14001 certification/EMAS validation | 61 | 81 | 79 | 79 |
| Degree of coverage with certification ¹ | 65 | 86 | 84 | 83 |

¹ ISO 14001/EMAS validation or ISO 45001/OHSAS 18001 (calculation has been adjusted based on the scope of commitment)

At the European level, we are required to comply with the EU Energy Efficiency Directive (2012/27/EU), which stipulates that companies must conduct regular energy audits or implement an ISO 50001-certified energy management system. The sites subject to these requirements are responsible for taking the necessary actions and are also subject to audits conducted by internal and external experts. In total, 18 sites have been certified in accordance with ISO 50001 in 2024.

Internal HSE audits

Audits are an integral component of our global HSE management system and include environmental aspects, such as emissions into the air, wastewater or waste handling. They assist in ensuring compliance with applicable environmentally relevant regulations and improve our environmental performance worldwide. HSE audits help to safeguard our license to operate through the identification and mitigation of possible environmental risks. Bayer's global HSE audit program is based on the international standard ISO 19011 and comprises both general HSE audits and process and plant safety audits. The Group Regulation on Health, Safety and Environmental (HSE) Audits defines the basic principles and methodology for selecting, planning, implementing and post-processing audits according to a risk-based approach.

Through the overarching HSE audit approach, we include all environmentally relevant sites and apply uniform standards worldwide. When selecting sites for audit, the focus is particularly on production sites, major Bayer warehouses, sites with research and development units and major seed treatment and processing units.

The frequency of audits is determined by considering the risk category (based partly on the size of the site or the type of production activity), the performance evaluation (based partly on past audit results, for example) and risk-mitigating measures (e.g. existing environmentally relevant certifications such as to ISO 14001), and ranges from every two to

every seven years. Incident-based audits can be carried out in addition to this. The audit criteria comprise all applicable environmental protection regulations and standards for the area being audited, including Bayer regulations, local HSE management system regulations, locally applicable legal requirements, permit requirements and international standards (e.g. ISO 14001). If deficiencies in compliance with legal regulations are identified, additional compliance audits can be planned. Within the scope of these audits, action plans and responsibilities are established to fix the issues identified.

The respective site management, the divisional management and the PASS Enabling Function are notified of the audit findings. Supplementary to the global HSE audits, sites and country organizations carry out their own internal HSE audits or self-inspections according to a site-specific, risk-based approach.

As per our global annual HSE audit program, a total of 44 global internal HSE and process and plant safety audits were conducted in 2024 (2023: 64).

HSE audits of suppliers

Within the scope of our responsibility, our audit activities also extend to our supply chain. HSE and sustainability audits combine to form an efficient evaluation approach, taking account of the various risks (see chapter 4. Procurement). Internal and external auditors evaluate selected new and existing suppliers. These audits include environmental aspects. Audits are performed, for example, on toll or contract manufacturers, active ingredient suppliers and warehouses with significant HSE risk potential, considering the type of materials, manufacturing processes and environmental impact.

Local, regional and global audits are designed to establish short and effective paths to the respective suppliers based on the respective risk. The results of these HSE audits are taken into consideration in the supplier selection and management processes. In 2024, 339 (2023: 363) supplier audits were

conducted, either as HSE audits or audits covering HSE topics (such as sustainability audits).

In case nonconformities are identified during an audit, corrective actions are agreed with the supplier and progress on completion is monitored, with a focus on major and critical findings.

Biodiversity

In our Sustainability Statement in the Annual Report 2024 we report on E4 Biodiversity and ecosystems.

Biodiversity is an interdisciplinary topic that is relevant for Bayer and our value chain in various respects. Activities at Bayer therefore focus on the responsible use of natural resources to conserve and protect ecosystems, species and genetic biodiversity. The drug discovery process and discovery of crop protection active ingredients can benefit from biodiversity, while biodiversity is vital for the development of new seed varieties. We have spelled out this stance in our Position on Conservation and Restoration of Biodiversity in Agriculture and Forestry.

Bayer supports the objectives of the United Nations' Convention on Biological Diversity (CBD), including the fair and equitable sharing of benefits arising from the utilization of genetic resources, as well as the goals of the International Treaty on Plant Genetic Resources for Food and Agriculture of the Food and Agriculture Organization (FAO) of the United Nations, which prescribes the balanced and fair division of use of plant genetic resources. Our Group Regulation on Access & Use of Genetic Resources defines the principles of how to manage access to and the use and transfer of genetic resources and/or traditional knowledge throughout the company.

Since 1993, Bayer has partnered with the [Wildlife Habitat Council](#) (WHC) to promote sustainability, wildlife preservation, biodiversity and environmental education at the company's

WHC-certified sites. There are currently 58 Bayer programs in total registered with the Wildlife Habitat Council. Some 29 of our sites are certified, three of which achieved Gold Certification and five Silver Certification. Sites seeking certification from WHC must demonstrate a high standard of achievement through observations, documentation and employee participation in protecting habitats. Programs at the certified sites include habitats such as grassland and forest, along with species such as pollinators and birds, and also focus on promoting awareness and community engagement. Through initiatives on our corporate grounds, we have established habitats at around 70 Bayer research and manufacturing sites across North America, Latin America and Europe.

7.2 Climate

Climate change affects us all and is one of the most important 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. We anticipate that our business areas of healthcare and agriculture will on the one hand be impacted by climate change, but on the other will also be part of the solution.

In our [Sustainability Statement in the Annual Report 2024](#) we report on the material Environmental sustainability matters of E1 Climate change. In addition, we provide a short summary here.

The Chairman of the Board of Management (CEO) holds direct responsibility for climate protection in his role as Chief Sustainability Officer. In keeping with their level of importance, climate-change-related topics and Bayer's climate strategy were discussed at a total of four meetings with the Board of Management, one meeting of the

Supervisory Board and both meetings of the ESG Committee of the Supervisory Board in 2024. The attainment of our Group targets to reduce greenhouse gases by 2029 is factored into the long-term compensation of the Board of Management and Bayer's long-term variable compensation (LTI)-entitled managerial employees. The compensation-relevant target is based on Bayer's necessary contribution to a Science Based Targets initiative (SBTi)-validated 1.5 °C scenario. Climate protection is also an integral element of annual variable compensation.

The Sustainability Council advises the Board of Management in all matters relating to sustainability – including climate protection. In 2024, climate change and the related impacts on and opportunities for Bayer were discussed at three meetings of the Sustainability Council. The CEO is supported in this by the Public Affairs, Sustainability & Safety (PASS) Enabling Function and the sustainability departments within the divisions. The divisions handle the operational implementation of the climate protection measures at their sites with the support of the Enabling Functions. We have formed Group-wide working groups for the strategic and operational implementation of climate-change-related measures and a special working group to analyze various climate scenarios and their impacts on our business.

As part of the Bayer Transition and Transformation Plan, we take active steps to address the challenges arising from climate change. We pursue an approach that is based on transition and transformation.

The transition part centers around reducing our own emissions in line with the Paris climate goals.

Targets for 2024

In 2020, we had set targets for 2024. We aimed

- // to achieve a 20% reduction of our combined Scope 1 and 2 greenhouse gas emissions (comprises direct emissions [Scope 1] and indirect [Scope 2, market-based] greenhouse gas emissions from Bayer sites with an annual energy consumption exceeding 1.5 terajoules) compared to the base year 2019; and
- // to reduce our Scope 3 greenhouse gas emissions by 6% (based on the five categories of Scope 3 greenhouse gas emissions according to the [GHG](#) Protocol that are relevant for us: (3.1) purchased goods and services, (3.2) capital goods, (3.3) fuel- and energy-related activities, (3.4) upstream transportation and distribution and (3.6) business travel) compared to the base year 2019.

Compared with the base year 2019, we reduced our combined Scope 1 and Scope 2 greenhouse gas emissions by 21.3% and our target-related Scope 3 greenhouse gas emissions by 12.7% in 2024.

Targets for 2029

In 2020, we set ourselves a target of achieving a 42% reduction in absolute combined Scope 1 and 2 greenhouse gas emissions (comprises direct emissions [Scope 1] and indirect [Scope 2, market-based] greenhouse gas emissions from Bayer sites with an annual energy consumption exceeding 1.5 terajoules) compared with the base year 2019 by the year 2029.

In 2020, we also set ourselves a target of achieving a 12.3% reduction in absolute Scope 3 greenhouse gas emissions compared with the base year 2019 by the year 2029. The reduction is based on the five categories of Scope 3 greenhouse gas emissions according to the [GHG](#) Protocol that are relevant for us: (3.1) purchased goods and services, (3.2) capital goods, (3.3) fuel- and energy-related activities,

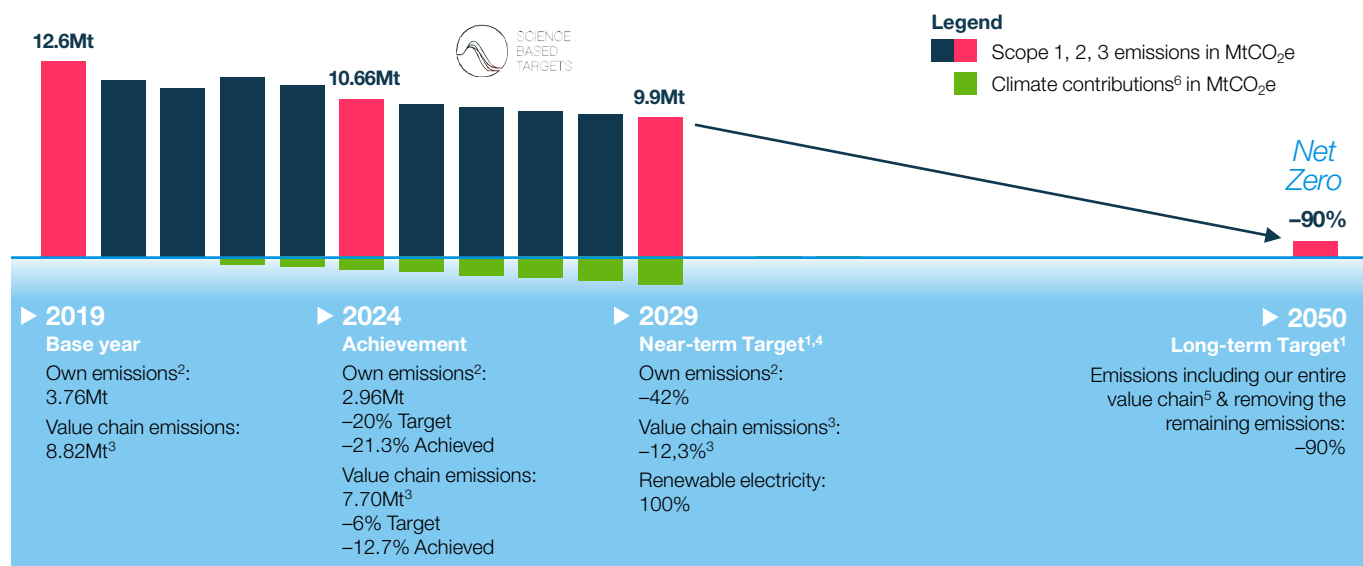
(3.4) upstream transportation and distribution and (3.6) business travel.

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

Net zero target 2050

Our goal is to achieve net zero greenhouse gas emissions including the entire value chain by 2050. This corresponds to a 90% reduction in absolute Scope 1, 2 and 3 greenhouse gas emissions compared with the base year 2019 (total Scope 1, Scope 2 and Scope 3 greenhouse gas emissions; comprises direct [Scope 1] and indirect [Scope 2, market-based] greenhouse gas emissions from Bayer sites with an annual energy consumption exceeding 1.5 terajoules; Scope 3 includes all Scope 3 categories defined in the GHG Protocol). We intend to offset the remaining greenhouse gas emissions (10%) through long-term carbon credits (the neutralization of the remaining emissions will be carried out in accordance with the standards of the Science Based Targets initiative [SBTi]). We will offset the residual emissions through certificates with long-term carbon capture. This target was validated in 2024 by the SBTi organization and is in line with the UN Sustainable Development Goals, the Paris Agreement to limit warming to 1.5 °C, and the Business Ambition for 1.5 °C of the UN Global Compact Initiative.

Greenhouse Gas Emissions Reduction Plan toward Net Zero¹



¹ We have received our target validation incl. the long-term target by the Science Based Target initiative (SBTi).

² Comprises direct (Scope 1) and indirect (Scope 2, market-based) greenhouse gas emissions from Bayer sites with an annual energy consumption exceeding 1.5 terajoules.

³ The reduction refers to the five Scope 3 greenhouse gas emissions categories relevant to us: (3.1) purchased goods and services, (3.2) capital goods, (3.3) fuel- and energy-related activities, (3.4) upstream transportation and distribution and (3.6) business travel.

⁴ In 2025 we want to update our target to achieve a 25% reduction in Scope 3 greenhouse gas emissions by 2029 (compared with the base year 2019). This reduction will be based on a modified number of relevant Scope 3 categories including the upstream and downstream value chain, thus going beyond the previous five categories. We will publish more details over the course of 2025.

⁵ Total Scope 1, Scope 2 and Scope 3 greenhouse gas emissions. Comprises direct greenhouse gas emissions (Scope 1) and indirect (Scope 2, market-based) emissions produced by Bayer sites with an annual energy consumption in excess of 1.5 terajoules. Scope 3 includes all Scope 3 categories defined in the GHG Protocol.

⁶ Actions taken to counterbalance or mitigate greenhouse gas emissions e.g., funding agriculture and forestry projects

Further climate-related publications:

- // [Bayer's Climate Commitment: Net Zero by 2050](#)
- // [Transition and Transformation Plan](#)
- // [Task Force on Climate Related Financial Disclosures \(TCFD\) Report](#)
- // [Carbon Disclosure Project \(CDP\)](#)
- // [Crop Science Progress Report](#)
- // [Bayer criteria for green energy procurement](#)
- // [Bayer's Offsetting Approach](#)
- // [Bayer's Just Transition Framework](#)
- // [Industry Association Climate Review](#)

7.3 Air Emissions

In our [Sustainability Statement in the Annual Report 2024](#) we report on the material Environmental sustainability matters of E2 Pollution.

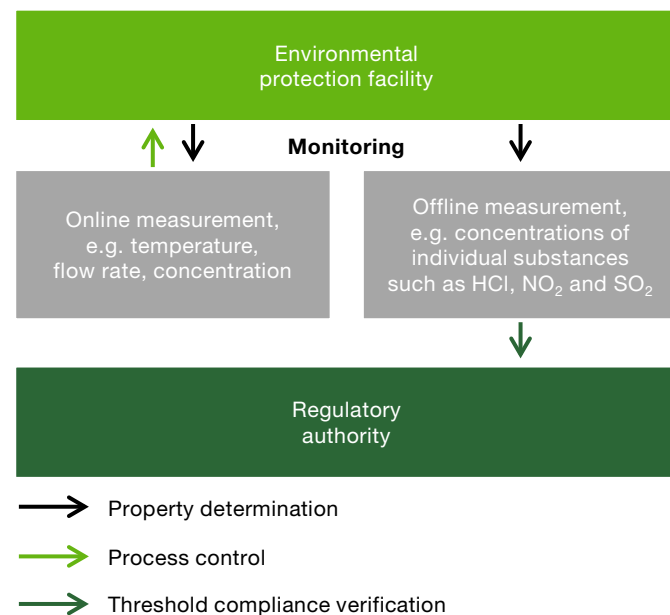
Environmental management at our sites includes the monitoring and reduction of air emissions including pollution. Our approach to the issue of air emissions, including pollution, is described in the Group Regulation on [HSE Management and HSE Key Requirements](#).

We use specialized off-gas treatment equipment at our production sites to reduce or eliminate pollutants in off-gas. Such equipment is generally tailored to the specific off-gas streams. This usually includes:

- // Thermal off-gas treatment systems to eliminate volatile organic compounds (VOCs)
- // Gas scrubbers to reduce VOCs and acid gases
- // Particulate collectors such as cyclones to reduce particulate emissions

The facilities are equipped with sensors for process control and continuous monitoring of the functions. In accordance with regulatory requirements, off-gas samples are also analyzed by certified laboratories to verify compliance with legal thresholds (see graphic).

Typical Monitoring Concept for Air Emissions



Redundant off-gas treatment facilities are available at sites with critical off-gas components. One example is an activated carbon facility at a site in Germany that serves as a redundancy measure for thermal off-gas treatment.

Bayer continued to implement or completed a number of capital expenditure projects in 2024 focusing on the construction of new exhaust air treatment facilities or the modernization of existing facilities. This includes, for example, three new off-gas treatment facilities featuring thermal oxidation at production sites in Germany.

Overall lower production led to a 7% total reduction in volatile organic compound (VOC) emissions.

Direct Air Emissions

| 1,000 metric tons | 2021 | 2022 | 2023 | 2024 |
|-----------------------------------|--------|--------|--------|--------|
| ODS ¹ | 0.0039 | 0.0042 | 0.0003 | 0.0002 |
| VOC ² | 0.43 | 0.46 | 0.44 | 0.41 |
| CO (carbon monoxide) | 2.66 | 2.62 | 2.43 | 2.53 |
| NO _x (nitrogen oxides) | 3.57 | 3.52 | 3.32 | 3.29 |
| SO _x (sulfur oxides) | 1.28 | 1.29 | 1.20 | 1.18 |
| Particulates ³ | 2.05 | 2.26 | 2.36 | 2.41 |

¹ Ozone-depleting substances (ODS) according to the Montreal Protocol, in CFC-11 equivalents

² Volatile organic compounds (VOCs) excluding methane

³ Fugitive total suspended particles (TSPs)

7.4 Water

In our [Sustainability Statement in the Annual Report 2024](#) we report on the material Environmental sustainability matters of E3 Water and marine resources.

Responsible water usage is a cornerstone of our commitment to sustainable development and is described in the Group Regulation on [HSE Management and HSE Key Requirements](#). Clean water in sufficient quantities is essential for the health of people, animals and plants. That is why it is crucial that industrial water usage does not lead to local problems, such as

water shortages for the people living in the catchment areas of our production sites in the future. To maximize impact, our activities go beyond our own sites and comprise measures throughout the value chain – from our suppliers through internal operational procedures to the farmers we supply.

Water strategy

Our comprehensive water strategy covers potential water-related risks along our value chain. We want to deploy Bayer's innovation capability to generate value added for society while also creating new business opportunities.

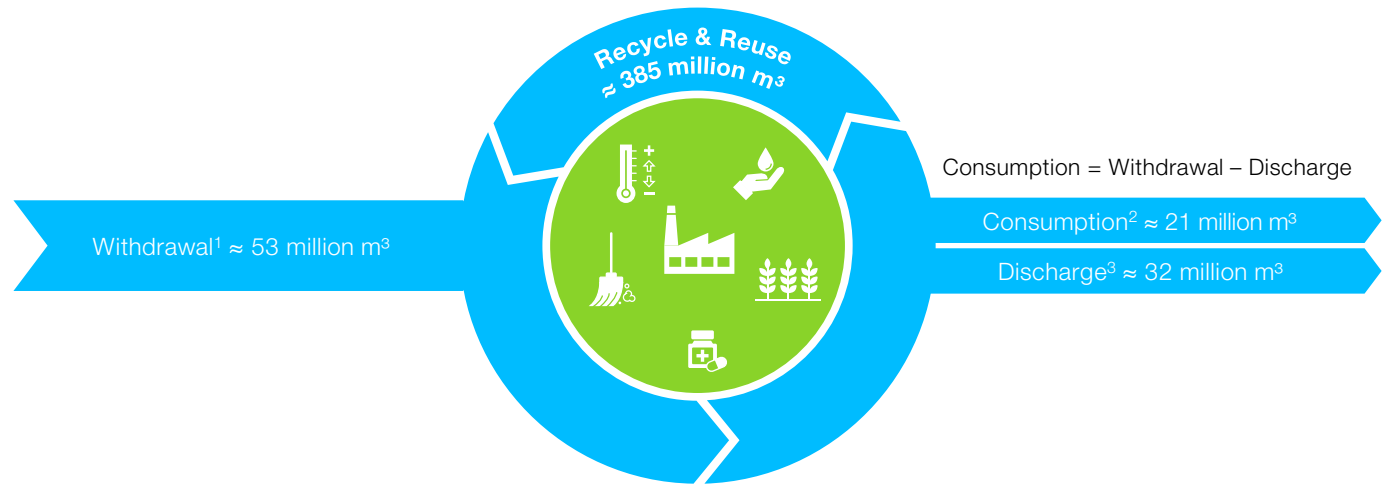
Cornerstones of our water strategy are:

- // Resilient agriculture: Bayer aims to help increase water productivity in farming. Our top priority is rice-growing, for which irrigation accounts for up to 43% of global water extraction. We have set a target to support our smallholder customers to increase water productivity by 25% by 2030 against a 2019–2021 average baseline by transforming rice cropping in the relevant geographies where Bayer operates, starting in India. Water productivity is defined as kilogram of crop yield per volume of water applied (kg/m³). The baseline validation is still ongoing. Our water target is currently focusing on the DirectAcres Initiative, which aims at supporting farmers shift successfully from transplanted puddled rice to mechanized direct seeded rice.
- // As we consider water a scarce and essential resource for life, we incorporate water quality and quantity into business and investment decisions to mitigate climate risks. As part of Bayer's Ecological & Sustainability Assessments for new investments, all investments above € 10 million must be evaluated regarding their environmental impact. This assessment includes both a product and a process evaluation. The process evaluation assesses the site-specific impacts of the new investment projects on the local environment and organisms. The outcome is an improved risk assessment at site level to secure safe handling and use of substances as well as

the prevention of incidents and emissions into air, water and soil.

- // When evaluating water-related risks, we consider factors such as the proximity to water-scarce regions, flood-prone areas, and our own consumption and discharge practices. These factors are integral to our decision-making process.
- // We value water at our own sites through water checks with detailed flow analyses, monitoring of drought and flood risks, water management systems for sites in water scarce areas and assessment of Predicted No Effect Concentrations (PNECs).
- // Suppliers: Bayer included specific aspects relating to water and wastewater in the Supplier Code of Conduct updated in 2022, and in our evaluation of the suppliers' sustainability risk and in supplier audits.
- // Our sites and facilities: Bayer is committed to providing clean drinking water and sanitary facilities for all employees at our sites (WASH). We also want to continue reducing emissions into wastewater at our sites worldwide. Furthermore, we have voluntarily established very strict limits for the discharge of active ingredients into wastewater for the sites where they are produced. To reduce our impact and dependency on water resources at relevant sites in water-scarce regions, we want to build on our existing water management systems and expand them to sites located in regions that will be subjected to water stress by 2030. This includes a risk evaluation that covers accessibility, availability and quality. We want to establish context-related water targets for our own operations by 2025 that we plan to achieve by 2030.
- // Bayer as an ambassador and partner: It will take broad action by many supporters to deal with the water crisis. Bayer has a strong network through its participation in various initiatives. These include the World Meteorological Organization for Water and Climate Leaders and the Water Resilience Coalition (WRC), International Drought Resilience Alliance (IDRA), an initiative forged during COP29 at the ministers' meeting of the United Nations

Global Water Balance



¹ Mainly from groundwater, rivers, rainwater, 3rd party

² Lost from local water bodies to irrigation, evaporation, products & waste

³ Recharge of local water bodies (esp. rivers)

Convention to Combat Desertification (UNCCD). We support these strong partnerships to ensure the engagement of the private sector in the actual 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 [WRC](#), which concretizes and complements the ambitions of the CEO Water Mandate at a private-sector level.

In our [Water Position](#), we commit to complying with international, national and local legislation, and thus to protecting water resources, using them as sparingly as possible and to further reducing emissions into water.

In our annual response to the [CDP Questionnaire](#), we report in detail on our handling of water. This equates to a progress

report for the CEO Water Mandate. We received an A rating from CDP in 2024.

Water target:

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

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

** Baseline validation still ongoing

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

Water withdrawal and recycling

Water is used at our sites for many different purposes, including cooling, heating, cleaning, sanitation, irrigation and product manufacturing. Our water recycling and reuse of 385 million m³ (2023: 381 million m³) is supplemented by freshwater withdrawals of 53 million m³, which results in a theoretical recycling rate of 720% (2023: 715%).

Recycling measures include closure of cooling cycles, reuse of treated wastewater and recirculation of steam condensates as process water or to irrigate fields. Our production sites for crop protection products (Crop Science Division) account for the greatest share of water recycling. Water is currently recycled by various means at 53 sites, which are responsible for 46% of the water withdrawn by Bayer. Water recycling is almost impossible in seed production, where water is mainly used to irrigate farmland. In pharmaceutical production, the water recycling rate is low due to stringent legal requirements (Pharmaceuticals and Consumer Health divisions).

Water Withdrawals & Recycling by Division

| Million m ³ | Withdrawals | | | Recycling | | |
|------------------------|-------------|------|-----------|-----------|------|--------------|
| | 2022 | 2023 | 2024 | 2022 | 2023 | 2024 |
| Total | 53 | 53 | 53 | 399 | 381 | 385 |
| Crop Science | 43 | 44 | 44 | 399 | 381 | 385 |
| Pharmaceuticals | 6 | 6 | 6 | <1 | <1 | <1 |
| Consumer Health | 2 | 2 | 2 | <1 | <1 | <1 |
| Other ¹ | <1 | 2 | 2 | <1 | <1 | <1 |

¹ Including the Enabling Functions

Major sources for our water withdrawals are extraction of ground- and surface water, collection of rainwater and purchase of drinking water.

Water Withdrawals by Source

| Million m ³ | 2021 | 2022 | 2023 | 2024 |
|---|------|------|------|-------------|
| Total water withdrawals | 55 | 53 | 53 | 53 |
| of which from groundwater | 20.6 | 21.3 | 21.3 | 20.9 |
| of which from surface water | 10.1 | 8.5 | 8.9 | 9.6 |
| of which rainwater | 6.0 | 2.8 | 2.3 | 3.4 |
| of which drinking water from third parties | 15.2 | 16.7 | 18.4 | 17.7 |
| of which recycled wastewater from third parties | 0.7 | 0.6 | 0.5 | 0.3 |
| of which other ¹ from third parties | 1.6 | 2.1 | 1.1 | 0.7 |
| of which water content of raw materials ² from third parties | 0.7 | 0.7 | 0.7 | 0.9 |

¹ Treated water such as distilled water, ultrapure water, and mineral water

² Partly released by chemical reaction

Water consumption

Water consumption refers to the amount of water withdrawn, but not discharged back to the water environment or a third party. In 2024, our water consumption was 21 million m³, mainly used for agricultural irrigation and evaporated from cooling towers.

Water Consumption

| Million m ³ | 2021 | 2022 | 2023 | 2024 |
|--------------------------------------|------|------|------|-------------|
| Total water consumption | 20 | 21 | 21 | 21 |
| of which through evaporation losses | 7.4 | 7.7 | 7.8 | 7.3 |
| of which for irrigation ¹ | 10.8 | 10.4 | 10.6 | 11.2 |
| of which other ² | 2.3 | 2.4 | 2.4 | 2.5 |

¹ Particularly agricultural irrigation

² Including evaporation and seepage

We aim to identify potentials for improvement, particularly in areas at water risk, including areas of high-water stress. The information on the topic “total water consumption in m³ in areas at water risk, including areas of high-water stress” is described in the [Sustainability Statement in the Annual Report 2024](#).

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.

Water discharge (including wastewater emissions)

Water discharge refers to the water released to surface water, groundwater or third parties. The total volume of water discharged was 32 million m³ in 2024. This includes around nine million m³ (27%) of noncontact cooling water that is only heated in the course of the cooling process and does not come into contact with products. It is returned to the water cycle without further treatment, in line with the relevant official permits. In 2024, we discharged 0.8 million m³ of sanitary wastewater and 23.1 million m³ of industrial and mixed wastewater. Following careful analysis according to official provisions, 4.6 million m³ (20% of the industrial and mixed wastewater) were categorized as being not environmentally hazardous and returned to the natural water cycle. The remaining 18.5 million m³ wastewater (80% of the industrial and mixed wastewater) was purified in wastewater treatment plants (Bayer-owned or third-party facilities), usually through biological wastewater treatment in combination with upstream and/or downstream treatment steps. Suitable treatment processes such as adsorption, precipitation or Fenton oxidation are used, depending on the wastewater composition, flow rate and required separation efficiency.

Water Discharge by Destination

| Million m ³ | 2021 | 2022 | 2023 | 2024 |
|--|-------|-------|-------|-------|
| Total water discharge | 35 | 32 | 33 | 32 |
| of which clean non-contact cooling water | 12.2 | 9.8 | 9.5 | 8.7 |
| of which sanitary wastewater | 0.53 | 0.55 | 0.58 | 0.75 |
| of which industrial and mixed wastewater | 22.2 | 21.8 | 22.5 | 23.1 |
| of which into groundwater | 0.006 | 0.019 | 0.004 | 0.005 |
| of which into surface water | 16.5 | 14.5 | 15.4 | 16.4 |
| of which into seawater | 0.27 | 0.25 | 0.17 | 0.15 |
| of which into external wastewater treatment plants | 5.5 | 7.0 | 6.9 | 6.5 |

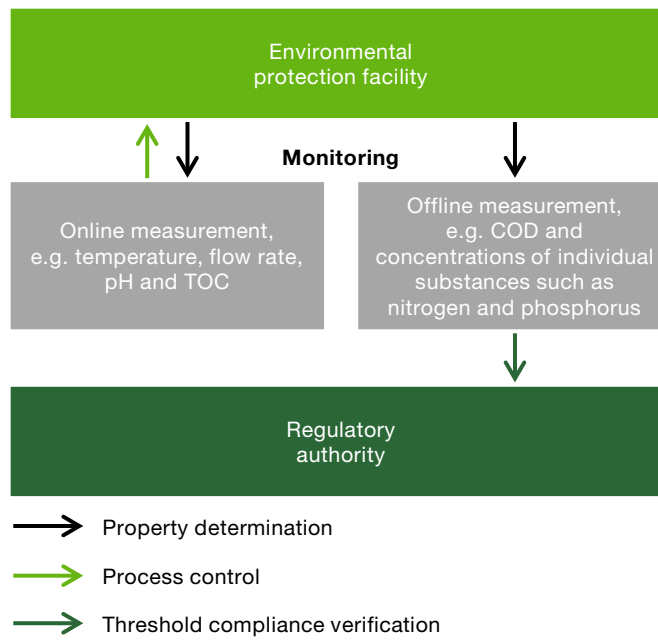
Our wastewater treatment facilities are equipped with sensors for continuous monitoring and process control. In accordance with regulatory requirements, samples are also analyzed by certified laboratories to verify compliance with legal thresholds; see the graphic on the right.

We aim to minimize emissions at our sites worldwide, including emissions into wastewater. Environmental management at our sites therefore includes the monitoring and reduction of emissions into wastewater. Our approach to this issue is described in the Group Regulation on HSE Management and HSE Key Requirements. For active (pharmaceutical) ingredients we specify internal thresholds that are based on risk assessments and often go beyond legal requirements. The approach is described in our Group Regulation on Management of Active Ingredients in Wastewater, which applies to all production sites at which active ingredients are produced or processed.

Wastewater at our sites is subject to strict monitoring before it is discharged into the various disposal channels. Compliance with internal and external thresholds is regularly monitored, overseen by supervisory authorities and regulatory

authorities, and reviewed at regular intervals during on-site audits by internal experts.

Typical Monitoring Concept for Wastewater



For example, a number of sites in India have 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.

Emissions into Water

| 1,000 metric tons | 2021 | 2022 | 2023 | 2024 |
|-------------------|--------|--------|--------|--------|
| Phosphorus | 0.51 | 0.61 | 0.30 | 0.43 |
| Nitrogen | 0.36 | 0.24 | 0.32 | 0.39 |
| TOC ¹ | 1.28 | 1.11 | 1.50 | 2.0 |
| Heavy metals | 0.0032 | 0.0035 | 0.0026 | 0.0030 |
| Inorganic salts | 172.1 | 176.4 | 165.4 | 175.9 |
| COD ² | 3.83 | 3.33 | 4.49 | 6.0 |

¹ Total organic carbon (TOC)

² Chemical oxygen demand (COD); calculated value based on TOC figures (COD = TOC x 3)

Bayer continued to implement or completed a number of capital expenditure projects in 2024 focusing on reducing our water withdrawals and modernizing our wastewater treatment facilities. Key initiatives included:

- // Process improvements at a facility in Germany that resulted in a reduction of water withdrawals by 500 m³ per year while simultaneously increasing production by 37%
- // A series of smaller projects aimed at reducing water withdrawals at a site in the United States by 15% by 2028
- // The development of a new precipitation unit in Germany designed to remove heavy metals from wastewater, with a planned investment of €4 million
- // The establishment of a new unit for phosphorus removal at a production site in Brazil
- // The conceptualization of a new wastewater treatment plant in Mexico

Remediation and safeguarding of soil and groundwater contamination

In line with the Group Regulation on HSE Management and HSE Key Requirements, Bayer ensures the implementation of measures to prevent the contamination of soil and groundwater. These include inspecting facilities for leaks, installation of effective secondary

retention measures for storage tanks, and maintenance and inspection programs. The measures also encompass applying suitable leak identification devices for tanks, containers and pipes containing hazardous materials as well as the installation of sealed surfaces with a sufficient retention volume, for example in tank loading and unloading areas.

Bayer also actively performs remediation activities to mitigate historical environmental damage, e.g. resulting from unnoticed releases, noncompliant waste management or application of past environmental standards that were less stringent. Dedicated processes have been established for this purpose that stipulate comprehensive investigation of sites and, where necessary, one or more of the following measures:

- // Remediation activities to clean up the impacted environment
- // Safeguarding contaminated sites so that they no longer constitute a danger
- // Monitoring the remediation and safeguarding activities conducted

These are implemented based on statutory requirements and the latest technological standards. Such activities are also designed to avert possible financial damage or reputational risks to the company.

To manage contamination, we have established uniform standards worldwide in our Group regulation for the investigation and remediation of such sites. Our specialized teams work systematically with external experts to support all affected sites in the planning, implementation and monitoring of remediation processes and measures, assess their progress, and

execute and conclude these cases with a positive effect for people and nature.

- // To enable the implementation of environmental protection measures and the mitigation of contamination, provisions are established for the expected costs of the remediation of contaminated sites, the recultivation of landfills, the clean-up of environmental pollution at existing production or storage sites and similar measures. For more information on provisions, please see the [2024 Annual Report](#).

7.5 Waste and Recycling

We aim to minimize material consumption and disposal volumes as much as possible through systematic waste management. Waste separation, safe disposal channels and reasonable recycling processes contribute to this. In accordance with our Group regulations, all production sites are obliged to prevent, reduce and recycle waste and to dispose of it safely and in line with good environmental practices.

Each of our sites must have an up-to-date waste register that includes the following details for each waste stream: the name and description of the waste, its source and volume and sufficient information on its composition, hazard classification and final treatment and disposal. Bayer ensures that waste is properly disposed of, including audits of external disposal facilities.

Volume of waste generated

Waste volumes and recycling paths are impacted not just by production fluctuations but also by building refurbishment and land remediation work. The total volume of waste generated decreased by around 12% in 2024 compared to 2023. This was mainly attributed to a decrease in corn production and therefore biomass waste in several South America sites.

The total volume of hazardous waste decreased by 9% to 288,000 metric tons (2023: 316,000 metric tons) owing to decreased production at various active ingredient manufacturing sites.

Waste Generated

| 1,000 metric tons | 2021 | 2022 | 2023 | 2024 |
|--|------------|--------------|--------------|--------------|
| Total volume of waste generated | 998 | 1,038 | 1,164 | 1,021 |
| of which hazardous waste ¹ | 316 | 276 | 316 | 288 |
| of which from production | 303 | 273 | 312 | 287 |
| of which from construction | 13 | 3 | 4 | 1 |
| of which nonhazardous waste | 682 | 762 | 848 | 734 |
| of which from production | 601 | 709 | 772 | 685 |
| of which from construction | 81 | 53 | 76 | 49 |

¹ Definition of hazardous waste in accordance with the local laws

Volume of waste disposed of

Waste can be stored at sites as an intermediate step. For this reason, the volume of waste disposed of can differ slightly from the volume of waste generated by Bayer.

In our [Sustainability Statement in the Annual Report 2024](#) we report on waste directed to disposal according to ESRS in E5 Circular Economy.

Disposal, recycling and processing

Some 55% (2023: 54%) of total waste was successfully reused or recycled. The proportion of hazardous waste recycled was around 12%.

Bayer's finished products, such as pharmaceuticals, crop protection products and seeds, are used almost exclusively as consumable materials for which reuse through recycling or recovery processes, as outlined in approaches to a circular economy, is not possible. The recovery of products from pharmaceutical and chemical production waste occurs only in individual cases due to significant regulatory and technical hurdles.

The disposal of pharmaceutical products is subject to strict safety criteria. Packaging materials for crop protection products are recycled in line with national regulations and according to country-specific infrastructures for waste disposal. In many countries with no legal regulation, the industry has set up a returns system in collaboration with other providers (for more information, please see chapter 3. Product Stewardship).

Whenever possible within the framework of legal regulations, we make use of the opportunities in our divisions to recycle solvents, catalysts and intermediates and return them to the production process after treatment. Recycling plays an especially important role in our production of crop protection products and is therefore a key criterion at the process development stage of active ingredient production.

In all divisions, production- and material-based recycling is aligned to the individual requirements of the production processes at the sites. Here are some examples:

- // Material-based recycling of solvents from production is implemented at various active ingredient production sites.
- // Volumes of incineration waste are being reduced at a site in the United States using distillation. At the same time, occupational safety has improved because less manual intervention is required in the process.
- // At a site in Germany, a patented recycling process is employed to recover iodine and return it to the industrial supply chain. The iodine is recovered from leftover contrast agent collected at medical facilities through the re:contrast returns program or from our own production waste. Unused products are currently recovered through re:contrast from hospitals in eight countries, and it is planned to introduce this program in the UK in the future. We recycle contrast agent waste from an additional production site in Spain. In addition to iodine recycling, the re:contrast returns program also collects leftovers of gadolinium-based contrast agents and recycles them through

an external partner (please see also chapter 3. Product Stewardship).

- // Mirroring the re:contrast program, old injectors are taken back, refurbished or repaired and reused as spare parts through the re:device program.
- // Plant residues (such as corncobs or rice husks) from seed production are reused as animal feed, as raw material for various corn products, as natural fertilizers or as fuels at our seed production sites.
- // Employees and contractors at three sites in Argentina are being given extensive training that enables them to avoid disposal of waste products in landfills. The waste streams are either reused, recycled, composted or incinerated.
- // At a production site in Spain, the plan is to use gelatin waste for biogas production, which will enable a reduction in the volume of incinerated waste and associated carbon dioxide (CO₂) emissions.
- // Through the application of optimization techniques in the production process at a plant in Germany, significant achievements have been made beyond waste reduction, including substantial energy and water savings.
- // In our recent office project in Belgium, we have upheld our commitment to sustainable practices by significantly reducing our environmental footprint due to the rightsizing of the office. This has been achieved through careful, sustainable reuse of furniture and equipment and by using energy-efficient systems, reinforcing our dedication to environmentally conscious decision-making across all new office projects.

Recycling of business equipment

The purchase of new business equipment is associated not just with monetary costs, but also with the products' ecological footprint. The internal reutilization or sale of unused and/or unneeded business equipment is therefore cost-effective and supports more resource-friendly business practices.

Together with a service provider, Bayer has therefore established a transparent global platform to internally list unused production and laboratory equipment through which employees at various sites can view available items. The platform also supports the administration and possible sale of these items. The goal is to reuse equipment or individual parts that are no longer needed at one site elsewhere internally – or, if there is no need for it, to sell it externally, donate it or recycle it as a final step.

8. Health and Safety

Ensuring the safety of people working at and for Bayer and of those who live near our sites is our highest priority. We extend these ambitions to our supply chain, too. Bayer focuses on taking consistent precautions – to ensure healthy working conditions and safety in day-to-day work, in the operation of production facilities, and on work-related travel and transportation routes.

Safeguarding the occupational health and safety of our employees, and that of the employees of contractors (commissioned outside companies) who are under the direct supervision of Bayer, involves preventing occupational accidents and occupational illnesses, assessing potential hazards, ensuring comprehensive risk management and creating a healthy working environment.

In our Sustainability Statement in the Annual Report 2024 we report on health and safety as part of S1 Own Workforce.

8.1 Management Approach

Responsibility for steering and monitoring health and safety aspects across the Group lies with the Public Affairs, Sustainability & Safety (PASS) Enabling Function, which is assigned to the Chairman of the Board of Management (CEO), who also serves as Bayer's Chief Sustainability Officer. This Enabling Function establishes responsibilities, targets, key performance indicators and framework conditions for the entire Group. These conditions include the provisions of the Group Regulation on [HSE Management and HSE Key Requirements](#), which forms an integral part of the global health, safety and environmental protection (HSE) management system, which was approved by Public Affairs, Sustainability & Safety. The Group Regulation on HSE

Management and HSE Key Requirements describes the approach for coordinating and monitoring health and safety processes at Bayer and defines core health and safety requirements that need to be implemented worldwide.

More detailed requirements for individual health and safety aspects are established in addition to our Group Regulation on HSE Management and HSE Key Requirements. These are also binding.

Operational responsibility for health and safety lies with the individual sites and divisions, which steer HSE via management systems, committees and working groups at our sites. Incident and emergency preparedness is managed at site level, with a global notification procedure in place.

We collect and report data on occupational injuries/illnesses at all sites worldwide.

Management systems for health and safety

In accordance with the Group Regulation on HSE Management and HSE Key Requirements, our sites must have management systems for health and safety in place following recognized international standards (e.g. ISO 45001).

Standards and Certifications

| % of business activities based on energy consumption of environmentally relevant sites ¹ | 2021 | 2022 | 2023 | 2024 |
|---|------|------|------|------|
| ISO 45001/OHSAS 18001 certification ² | 50 | 48 | 46 | 44 |
| Degree of coverage with certification ³ | 65 | 86 | 84 | 82 |

¹ We consider all sites to be environmentally relevant whose annual energy consumption is greater than 1.5 terajoules.

² Around 54% of our employees (HC) are covered by ISO 45001/OHSAS 18001 certifications.

³ ISO 14001/EMAS validation or ISO 45001/OHSAS 18001 (calculation has been adjusted based on the scope of commitment).

We aim to cover 80% of our business activities (based on energy consumption of environmentally relevant sites) with certification to ISO 45001 or ISO 14001.

Internal HSE audits

Audits covering health and safety topics are an integral component of our global HSE management system. They help to ensure compliance with applicable health and safety regulations, and to improve our health and safety performance worldwide. By identifying and mitigating potential health and safety risks, HSE audits contribute to safeguarding our license to operate. Bayer's global HSE audit program is based on the international standard ISO 19011 and comprises both general HSE audits and process and plant safety audits. The Group Regulation on Health, Safety and Environmental (HSE) Audits defines the basic principles and methodology for selection, planning, execution and follow-up activities for these audits following a risk-based approach. The overarching HSE audit approach includes all units and ensures application of uniform standards worldwide. When selecting sites for audit, the focus is particularly on production sites, major Bayer warehouses, sites with research and development units, and major seed treatment and processing units.

The audit frequency is determined by the risk category (based on the size of the site and the type of production activity), the performance evaluation (based on the results of previous audits) and risk-mitigating measures (e.g. existing ISO certifications), and ranges from two to seven years. Event-driven audits can be carried out in addition to this. The audit criteria comprise all applicable health and safety regulations and standards for the area being audited, including Bayer regulations, local HSE management system regulations, locally applicable legal requirements, permit

requirements and international standards (e.g. ISO 45001). If deficiencies with respect to compliance with legal regulations are identified, additional compliance audits can be planned. Within the scope of these audits, action plans and responsibilities are established to correct the issues identified. As per our global annual HSE Audit program, a total of 44 global internal HSE and Process & Plant Safety (PPS) audits were conducted in 2024 (2023: 64).

The respective site management, divisional management and the respective management of the PASS Enabling Function as well as HSE are notified of the audit results.

In addition to the global HSE audits, sites and country organizations carry out their own internal HSE audits or self-inspections according to their own specific risk-based approach.

Supplier HSE audits

As part of our responsibilities, our HSE audit activities also extend to our supply chain. HSE and sustainability audits complement each other, forming an efficient evaluation approach, oriented to the specific risks (please see also chapter 4. Procurement). Internal and external auditors evaluate selected new and existing suppliers also with a focus on health and safety. Such audits are performed at, for example, toll and contract manufacturers, active ingredient suppliers and warehouses with significant HSE risk potential. They take account of the nature of materials, manufacturing processes used and their potential impacts on health and safety. Local, regional and global audits are in place to build short and effective pathways to the respective suppliers based on their respective HSE risk.

The results of these HSE audits are factored into the supplier selection and management processes. In 2024, 339 (2023: 363) suppliers were evaluated by means of HSE audits or audits covering HSE topics. In case nonconformities related to health and safety are identified during an

audit, corrective actions are agreed with the supplier and progress on completion is monitored, with a focus on major and critical findings. [The Supplier Code of Conduct](#) describes further details.

Engagement

Effective communication of occupational health and safety responsibilities, targets, priorities, key performance indicators, global offers and framework conditions for the entire Group is supported by Group-wide engagement activities in line with our motto of "Take care of what matters."

By creating general health and safety awareness, we support health and safety among the people working at and for Bayer.

The Board of Management, our managerial staff and our employees are furthermore regularly informed about occupational health and safety performance, including about safety indicators and incident KPIs and, if necessary, individual incidents.

Group-wide engagement activities include our global Health and Safety Day for all employees, underlining the fact that at Bayer, health and safety are indeed a priority and non-negotiable. This year, the goal was to remind everyone at Bayer that "Health for all" begins with each of us. Beyond that, as part of the Dynamic Shared Ownership (DSO) integration, a conscious choice has been made to let teams and business organizations own and evaluate the need for further activities based on business requirements and to set the focus required in their areas to support our overall health and safety goals at Bayer – under the motto of: "[Let's keep Bayer safe and healthy.](#)"

A global newsletter provides information about sustainability, health and safety performance, key initiatives, regulations, HSE audit and training updates, digital enablers and best practices. All key occupational health and safety topics are additionally posted on a central communication platform.

Health and safety training

Within the context of our occupational health and safety management, Bayer employees and employees of contractors receive appropriate training in the prevention of accidents and safety incidents and in taking care of their own health.

Due to different health and safety focuses and risks, and specific local laws and conditions, compliance-relevant mandatory training activities take place at country or site level.

A global training catalogue is in place to support countries and sites in fulfilling health and safety training requirements. This training catalogue includes over 1,000 web-based training units on a broad range of HSE-relevant topics in several languages, supporting the organization in maintaining a healthy and safe place to work. Driver safety courses such as "Fatigue Management" and "Driving Safely, Driving Smarter" were among the most popular training units.

8.2 Occupational Safety

Bayer's occupational safety systems are the central pillar for consistently driving forward improvements in the protection of personnel working in all the areas of the world in which the company operates. The company's safety program sets the expectations, and the foundations, for growing an organizational culture that strengthens activities and site operations to maintain compliance with the applicable internal and external safety regulations at a global, country and local level.

The Group Regulation on [HSE Management and HSE Key Requirements](#) is the binding and valid regulation that provides the foundation for the global occupational safety program. It covers the effective management of health and safety objectives, enabling the organization to extend safety beyond mere legal compliance. Health and safety management systems give leaders, and employees, in-depth tools

to use and grow their expertise to build good safety communication processes, identify and mitigate workplace safety risks, and share the knowledge of organizational safety issues broadly throughout the company. Bayer also has a Contractor Safety Program to ensure that companies that provide services, and specialized skilled workers, maintain similarly strong safety systems while working at Bayer sites. Bayer requires safety briefings and special training courses consistent with the relevant work activities in which employees are engaged to promote a healthy and safe place to work.

The central incident data collection platform for integrated accident management enables our sites to share accident analysis information with one another digitally and thus determine corrective measures quickly, making it easier for our occupational health and safety experts to exchange information about occupational illnesses and injuries experienced by our employees and contractors. Personnel, whether employees or personnel of contractors, are expected to immediately report work-related hazards, dangerous situations or injuries/illnesses to their supervisors. When workplace incidents involving injury/illness are reported, a review is performed. Where required for more complex incidents, a root cause incident analysis is conducted based on these reports to determine suitable measures for reducing the chances of future recurrence.

Safety culture

Our commitment to fostering a proactive approach to incident prevention and anticipation goes beyond our primary metrics such as the Recordable Incident Rate (RIR) and incident severity. To prevent severe incidents, understand the maturity of our safety programs and enhance overall employee engagement in occupational safety and health, we have introduced and are tracking a set of leading indicators at the operational level. While these indicators were initially presented as a score, our focus has now shifted toward analyzing trends rather than calculating a single score.

One of our key goals is to encourage active employee participation in hazard recognition and reporting. These reports are analyzed to identify conditions and behaviors that could lead to more serious workplace injuries or illnesses. In such cases, sites are encouraged to conduct incident investigations, identify root causes, take corrective actions and share lessons learned across the organization to prevent similar incidents in the future.

Hazard identification and assessment

The workplaces of our employees and those of contractors under the direct supervision of Bayer are regularly subjected to a comprehensive occupational health and safety (OHS) risk assessment and hazard analysis by Bayer experts. The OHS Risk Assessment is a systematic process of hazard identification, evaluation of the risks (i.e. probability and consequence) that the identified hazards create, risk treatment to reduce or eliminate risks, and risk monitoring through documentation and reviews to ensure controls are in place to maximize personnel safety. Details of this process are specified in the Group Regulation on HSE Management and HSE Key Requirements.

Bayer uses a proactive risk assessment approach to prevent workplace injury and illness that relies on the involvement of managers, supervisors, health and safety experts and employees to identify relevant work hazards, gauge the risks and develop solutions to collaboratively improve workplace safety. This approach also supports regulatory and internal policy compliance, personnel protection and the company's expectation of a culture that emphasizes a healthy and safe workplace.

Measures derived from risk assessments to protect the health and safety of our employees use the hierarchy of controls approach as follows: 1) eliminate the hazard, 2) substitute with less hazardous processes, operations, materials or equipment, 3) use engineering controls and reorganization of

work, 4) use administrative controls, including training, and 5) use adequate personal protective equipment.

Permit for hazardous work

A program is in place for work requiring a "permit for hazardous work" and the level of approval. A work permit is issued in all cases of work with potential exposure to hazardous substances, electricity, moving equipment, radiation, heat and cold, "hot work" (welding, grinding, etc.), work at height, or work in confined spaces, work on safety-related equipment, heavy or difficult lifting work. These work permits define the required safety measures in writing.

Road safety

The Bayer health, safety and environmental protection (HSE) program approach addresses the safety of employees on the road when traveling to meet our customers and external stakeholders. We implement a systematic program approach to reduce high-severity injuries and fatalities on the roads in the long term.

Our approach is to implement a risk-based approach by considering specific country risks and enforcement levels, local Bayer business factors, type of vehicle used and availability of reasonable external training and telematics resources. Local country teams incorporate these factors and are working to improve program maturity in the four pillars of 1) Safe Vehicles, 2) Safe Driving Skills, 3) Positive Management Culture and 4) Policy and Planning. Bayer successfully reduced road incidents by fostering strong collaboration among different divisions and key support functions such as HSE, fleet management and HR across countries. This teamwork helped everyone work together to improve road safety globally. Furthermore, senior regional representatives discuss road safety topics periodically and share best practices and lessons learned from collisions involving severe injuries with each other.

Behavioral safety

Bayer continues to promote safety-conscious behavior as an important element in the overall occupational health and safety program to reduce workplace incidents and illnesses. Our global behavioral safety program aims to develop and maintain a strong safety culture through positive reinforcement and accountability, emphasizing the importance of leader and employee involvement in safety practices. Leaders are required to establish programs to encourage safe behaviors and correct unsafe actions, while employees are encouraged to participate in safety observation programs.

Key behavior safety program aspects include improving hazard awareness, training for building and reinforcing safe habits and a method for addressing at-risk (unsafe) behaviors. Many sites have implemented the program and evaluate it periodically. As part of the incident management, the sites also use a globally available incident reporting tool to record behavior observations and take timely actions as per the hierarchy of controls approach.

Machinery safety

At Bayer, the objective of machinery safety is to ensure the safety of all machines and packaging units that are specified, designed, purchased, operated and maintained at Bayer over their entire lifecycle and to reduce the risks for our employees and the environment from the operation of this machinery.

This is addressed by our Group Regulation on HSE Management & Key Requirements applicable to our facilities or sites for new and existing machines that are operated by Bayer, or for which Bayer is legally liable.

Checklists and a web-based training unit are available to evaluate machines vis-a-vis their safety and to identify deficiencies. In addition to the training, we offer a regular open experience exchange between our experts on the subject of machinery safety, in which the processes are explained in more detail, as needed.

Biosafety

In accordance with the guidelines of the World Health Organization (WHO) on biorisk management, we consider biosafety to comprise the principles, technologies and processes implemented to prevent unintended exposure to biological materials that could pose a risk to people or the environment. Misuse or theft of biological materials is also prevented by corresponding measures.

Biological material must be handled with suitable care to ensure that employees, the local community and the environment are protected. This material includes organisms (in some cases genetically modified) such as microorganisms, invertebrates, vertebrates, plants, cell cultures or parts thereof, and toxins and allergens. An assessment of the biosafety risk is necessary before biological materials can be used, particularly in research and development (R&D) and production. These analyses are conducted by the employee responsible for biosafety in each case and verified together with an expert. When needed, we use a digital tool for systematic recording. Employees entrusted with biosafety matters possess the necessary expertise.

Processes for carrying out assessments and other necessary measures are established in a Group Regulation on Biosafety that is based on the specifications of the WHO, among others. Wherever local laws and regulations are more stringent than the standards laid out by the Group regulation, the more stringent variant takes precedence.

A group of biosafety experts from the divisions and regions cooperates within the Bayer Biosafety Panel. This global panel is responsible for developing, reviewing and implementing Bayer's biosafety rules throughout the Group. It also advises and supports the biosafety community, with which it maintains regular communication to ensure a uniform high standard of biosafety throughout the company.

The same rules on biosafety apply in amended form for the new cell and gene therapy technology platform as for the rest of the Bayer Group (please see chapter 2. Corporate Governance). The platform's partners have adopted the content of the Group Regulation on HSE Management and HSE Key Requirements and thus the issue of biosafety and have undertaken to compile risk assessments. The biosafety experts maintain a steady dialogue with one another.

The implementation of legal and Bayer Group guidelines on biosafety is also overseen by the HSE audit program.

Contractors on Bayer sites

Bayer is committed to ensuring the safety of its contractors at its own facilities. To integrate contractor safety into the safety management system and to establish a common approach for managing risks associated with contractors, we build on the Group Regulation on "Contractor & Guest: HSE Management of Non-Supervised Contractors and Guests on Bayer Premises". This regulation supports the Group Regulation on Management of Contingent Workforce.

The focus is on four elements:

- // Training of contractor management representatives, to ensure competent oversight
- // Selection and classification of contractors according to potential HSE risks
- // Pre-job activities, including site induction and on-site registration, risk assessments, compliance review and coordination/communication
- // Assessments during and after work, to assess and evaluate contractor adherence to Bayer's HSE processes

Transportation and storage safety

Logistics at Bayer involves not only the transportation and warehousing of goods, but also the steering and monitoring of flows of goods and logistics data for the Bayer Group. As an element of Bayer's [HSE management system](#),

transportation and storage safety is monitored through a risk-based audit system. It is also anchored in our rules for collaboration with service suppliers.

Our logistics processes ensure that materials are handled, transported and stored according to the relevant regulations and the materials' respective hazard potential. This also involves selecting suitable logistics and warehouse suppliers. The underlying standards include both internal Bayer guidelines, such as the Global Transport Requirements, and the rules of the international crop protection association CropLife International and the European Guidelines on Good Distribution Practice of Medicinal Products for Human Use.

Transportation safety plays a key role both in the transportation of our products on public routes and in their loading, unloading, classification, labeling and packaging, particularly in the case of hazardous goods. We use both internal capacities and external logistics partners for storage and transport services. Our Procurement unit selects logistics partners according to strict safety, environmental and quality criteria, e.g. as described in the Safety and Quality Assessment System (SQAS) of the European Chemical Industry Council (CEFIC).

In addition to the legally required training measures, we assign compulsory training courses to our employees from our extensive training portfolio as befits their respective field of activity.

Around 4.61 million consignments were transported in 2024. Despite our extensive safety precautions and training activities, transport incidents nonetheless occur. These are defined as accidents causing personal injury or significant damage to property, environmental impact resulting from the release of substances, or leakage of hazardous goods. Such accidents are recorded in detail and assessed on the basis of defined criteria.

In 2024, there were a total of 17 transport incidents, all of which were road transport accidents. Among these incidents:

- // Four involved the transportation of hazardous materials/dangerous goods.
- // Nine incidents were related to the transportation of (treated) seeds.
- // Two incidents resulted in severe personal injuries or fatalities.
- // Six incidents also resulted in a loss of product.
- // In all cases, the discharged substances were either cleaned up and properly disposed of or burned on site during the incident.
- // In addition, 15 of these transport incidents involved the participation of authorities.

Significant¹ Transport Incidents 2024

Crop Science, São Paulo, Brazil, May

A truck belonging to a transport company transporting Bayer products (crop protection products) caught fire. The driver was unharmed and no third parties were involved.

Crop Science, Beijing, China, October

A truck belonging to a transport company transporting crop protection products caught fire. The truck and all cargo were burned in the accident. Local firefighters extinguished the fire and cleaned up the scene.

Crop Science, Creve Coeur, USA, October

A truck belonging to a transport company transporting crop protection products was involved in an accident. Damaged containers were cleaned up and disposed via incineration.

Crop Science, São Paulo, Brazil, November

A truck belonging to a transport company transporting Bayer products (crop protection products) tipped over. The load was partly spilled next to the roadside.

Crop Science, Manoel Vitorino, Brazil, November

A truck belonging to a transport company transporting Bayer products collided head-on with another vehicle on the highway. The accident resulted in one fatality. A fire damaged the cargo, which was completely lost.

¹ In accordance with the definition and reporting criteria of the ICCA/Responsible Care agreement between the CEFIC and the ECTA, we have reported since 2022 on the significant transport and environmental incidents in connection with the transport of hazardous materials or dangerous goods or of chemicals.

8.3 Occupational Health

In today's rapidly evolving work landscape, the significance of occupational health cannot be overstated. With the average person spending a significant portion of their lives in the workplace, ensuring a safe and healthy environment is crucial not only for individual employees but also for the overall productivity and success of Bayer.

Occupational medicine

Occupational medicine and health is a people-centric science that focuses on the prevention, diagnosis and treatment of occupational illnesses, as well as on the promotion of a healthy work environment. By implementing comprehensive health and well-being programs, Bayer sites can significantly reduce the risk of occupational illnesses, while at the same time building and sustaining a healthy and productive workforce.

The Group Regulation on Occupational Medicine and Health sets minimum standards for employee health protection and promotion. It includes 12 sections that cover, for example, occupational medicine provisions, emergency medical care and health promotion and ensures compliance with legal and regulatory requirements. It helps our sites stay up to date with health and safety laws, ensuring that appropriate measures are in place to protect employees from workplace risks. In addition to meeting local laws, we consider it crucial to have our own requirements based on the necessary internal risk assessments to further mitigate to the lowest level possible the specific and unique risks at work and in Bayer's work settings.

Occupational hygiene

The primary goal of industrial hygiene, or occupational hygiene, is to predict, identify and manage chemical, physical and biological exposure risks.

To ensure the well-being of our employees, we employ appropriate control measures within our facilities. These strategies encompass elimination, substitution, engineering modifications, administrative protocols and the provision of personal protective equipment. By conducting meticulous process design and chemical hazard assessments, sometimes supplemented by chemical monitoring, appropriate controls and protective systems are maintained. Employees handling hazardous materials are informed before use about the physical, chemical, biological and toxicological properties of the materials handled. The latest HSE data is accessible for all handled materials ensuring that associated HSE hazards are addressed and evaluated and measures are taken to mitigate risks for employees and the environment.

When Bayer develops a new compound, whether a crop science active ingredient or an active pharmaceutical ingredient, a team of toxicologists assembles to evaluate data from a variety of animal and human studies (for details on the research and development [R&D] processes, please see also chapter 3. Product Stewardship). This data is then extrapolated to establish an occupational exposure limit, defining the maximum safe exposure for a healthy individual working 40 hours a week without experiencing adverse health effects. Teams across Bayer utilize these limits to ensure the implementation of appropriate control measures, to ensure that our employees are not exposed beyond acceptable levels.

The Global Industrial Hygiene Community at Bayer comprises a panel of industrial hygiene experts. This team is responsible for developing, reviewing and implementing Bayer's industrial hygiene rules. Additionally, they offer guidance and expert support to various teams worldwide.

Health promotion

We live and work in complex and unstable times with many crises and challenges – each of us individually, but also for our teams and the entire company. The answer to these challenges is individual and collective resilience, the strength that helps us successfully overcome crises and setbacks through learning and forward-looking action. Resilience promotes the health of employees and ensures the ability of teams and the company to act. That is why resilience is an integral and central part of our health strategy and health promotion.

Systematic health promotion is a prerequisite for creating a health culture and health processes that enable a sustainably matured level of health and well-being in the company. Bayer's health promotion programs aim to effectively engage and empower employees, teams and work organizations to choose healthy behaviors that reduce the risk of developing chronic diseases and other illnesses and improve their health conditions. The focus is on supporting the development of the health literacy of all employees – this requires attractive and targeted health offers that are derived from regular risk assessments. The global and regional health experts are in regular contact with external institutions (e.g. health networks and research institutions), provide the health framework for Bayer (e.g. health strategy, central platform MyHealth) and manage health for the company in close collaboration with the HR Enabling Function.

Health leadership

It has long been known that social support from people-leaders has a salutogenic influence on their team members. Health leadership is a fundamental and key component in the development and implementation of sustainable health promotion programs. With the introduction of our new Dynamic Shared Ownership (DSO) working model, we are strengthening a social and commitment-oriented VACC leadership role to foster the resilience of the teams. This role consists of four components:

- // **V:** Visionaries engage with their teams in defining a mission.
- // **A:** Architects unleash the passion and energy of their teams to deliver more value efficiently.
- // **C:** Catalysts empower teams and foster collaboration across the network.
- // **C:** Coaches help teams learn and evolve continuously.

To support the VACC people-leaders in their role, we made various global offerings available in the reporting year, e.g.:

- // A health and well-being toolbox for people-leaders including, for example, a guideline on challenging leadership situations, web-based training on mental health and leadership and ergonomics training
- // A detailed onboarding training for all VACC people-leaders with health-promoting content such as building trust, being an inclusive team, building psychological safety, dealing with conflict, and team wellbeing.

Prevention

Work environments should be designed in such a way that psychosocial risks can be minimized and that employees can be protected against suffering from mental and physical health problems. On our central platform MyHealth, we provide evidence-based information and disease prevention programs in the areas of physical, emotional, mental and spiritual health. These four areas of health are the content of the so-called Energy Workshop, which strengthens resilience at the team level. Over the past four years, more than 10,000 employees have taken part in these workshops. In 2024, by the end of September, there were more than 1,300 participants.

Support

We support employees with health conditions so that they can access work, continue working and thrive at work. In coordination with the HR Enabling Function, we have a process in place to provide support and assistance for employees

and their immediate family (spouse, parents and children) experiencing health and well-being challenges:

- // We offer our employees and their families employee assistance programs (EAPs) worldwide that focus particularly on psychosocial support from psychological or medical experts who can be consulted online or in person. We were able to offer EAPs to more than 98% of our employees and their families by the end of 2024.
- // We provide more than 1,100 different training courses, lectures and podcasts on maintaining good mental health, aimed at various target groups.
- // We have trained more than 500 health champions, health officers and health coordinators. These staff members facilitate regular health dialogues across all levels of Bayer's organization – global, regional, country and site – in both directions. In addition, they can act as health guides on site and, if necessary, direct employees seeking help toward existing internal and external support offers.

Occupational health and safety readiness for emerging and reemerging infectious diseases

With the end of the Public Health Emergency of International Concern (PHEIC) for COVID-19 declared by the World Health Organization (WHO) and the steady decline in reported cases during the reporting year, life went back to the pre-pandemic status.

With these considerations in mind, careful and gradual lifting of all restrictions across our sites took place in 2024, taking account of the local health guidance, enabling a safe transition to normalcy for Bayer's business operations.

Owing to the continuous evolution of new subvariants of Omicron that keep the SARS Cov-2 virus in circulation, we continue to monitor the epidemiological situation and follow the recommendations of the experts on possible scenarios with respect to our operational procedures. In the meantime, we have used the guidance documents and learnings on

COVID-19 pandemic management to update our Group Regulation on Pandemic Preparedness and Response.

The lessons learned from the COVID-19 pandemic have been applied to prepare for other emerging and re-emerging infectious disease outbreaks. A recent example is the Mpox Clade 1b outbreak. Following the WHO's declaration of Mpox Clade 1b as a public health emergency, Bayer Occupational Health (OH) experts convened to determine the immediate actions needed. An internal article was published to explain the issue to all employees and to assure them that the risk for most Bayer employees is low. It also reminded everyone that the OH team will monitor the situation as needed. In addition, a case management protocol was developed and the OH team members were trained on how to deal with possible occurrences in the workplace.

8.4 Process and Plant Safety

In our Sustainability Statement in the Annual Report 2024 we report on process and plant safety in E2 Pollution.

We aim to design and operate our processes and production facilities in such a way that they do not pose any inappropriate risks to our employees, the environment or neighboring communities. This is conditional on having an effective system in place to ensure plant safety that enables operational risks to be identified, remedied and reduced and their effects mitigated. We are continuously working to further develop the safety culture, the expertise of employees and the globally applicable Group Regulation on Process and Plant Safety, which also covers topics such as machine and laboratory safety.

Our Group regulations specify uniform procedures and standards for risk assessment and corresponding safety measures, and we implement the requisite training. In this way we ensure that a uniform safety level is in place at the 37 Bayer sites at which volumes of hazardous substances

significant for plant safety are stored or processed. This goes beyond the legal requirements in most countries.

Based on our Group Regulation on Process and Plant Safety, the comprehensive safety concept for a process or plant comprises the following elements:

- // An operating concept
- // A safety concept (to prevent incidents)
- // Damage mitigation concepts

Processes and plants at Bayer are run with a robust operating concept. This concept comprises instructions for safe operation, including start-up and shutdown, maintenance, retrofitting procedures and response to malfunctions. Site emergency response plans define the measures to be undertaken in cases of emergency. These encompass procedural instructions for internal and external communication and reporting, including notification of responsible authorities and surrounding communities. The sites regularly conduct emergency exercises to assess the effectiveness of the deployments and introduce improvements if necessary. Joint exercises are conducted in cases where external personnel are crucial for emergency preparedness. The frequency of these exercises is determined based on the existing risk.

Responsibilities and verification

To ensure a high safety level at our facilities, we have defined clear responsibilities in our company that are assumed internally by various organizational units. Responsibility for the safe operation of production facilities lies with plant management. Group-wide safety experts are jointly responsible with the plant operators for conducting risk analyses and drawing up safety concepts. Using systematic analytical methods, the process risks of our facilities are identified in interdisciplinary teams supervised by these experts. Based on this, the team develops robust protective concepts that take account of health, safety and environmental protection

aspects. Among the topics covered by these are the installation of safety valves, spill basins and collecting basins, and the development of emergency shutdown concepts. Everyone involved in this process completes a Group-wide plant safety training program. In addition, the safety experts must undergo a globally valid internal training and certification program that qualifies them to carry out risk analyses in the teams. The certification program ensures globally uniform quality standards in the development of safety concepts at our production facilities.

Ultimately, the Public Affairs, Sustainability & Safety (PASS) Enabling Function performs the necessary governance for process and plant safety in the Bayer Group. This function further develops the Group's safety management system and establishes the internal safety requirements, verifying their observance through special process and plant safety audits.

To maintain the high safety level of our facilities, the related safety concepts for each facility are examined every five years. Technical modifications are subject to a stringent change management process. In accordance with the Group Regulation on HSE Management and HSE Key Requirements, maintenance and inspection programs are also established for the safety facilities to ensure the necessary availability and functionality in case of need. Furthermore, all facilities and technical apparatus are serviced according to maintenance and inspection plans. Mitigation concepts are designed to mitigate the severity of consequences in case of a loss of containment. Mitigation concepts specific to a chemical process or unit operation comprise a broad spectrum of measures, including standard personal protective equipment, safety showers, removal or reduction of the number of people in the danger area during certain tasks, containment systems and perimeter monitoring with gas detection systems.

Plant safety is an integral component of the planning stages for capital expenditure projects. We carry out risk analyses during the various phases of a capital expenditure project. In accordance with our Group Regulation on Safe Design and Operation of Processes and Plants, we examine the applicability of the following principles of inherently safer design and the feasibility of a sound safety concept at a very early stage in the development of new production processes:

- // Removing or minimizing potential hazards (e.g. by avoiding particularly hazardous substances, selecting suitable process equipment, construction and design, and optimizing process parameters such as pressure, temperature and concentration)
- // Avoiding or minimizing potential interruptions (e.g. through quality assurance measures during the construction, installation and operation of the plant technology, the use of maintenance-friendly equipment or the definition of detailed and exact operational procedures that cover both start-up and shutdown processes and reactions to foreseeable deviations and malfunctions)
- // Designing error-tolerant processes and plants so that possible process deviations do not have any safety-relevant effects such as loss of primary containment (e.g. through sufficient temperature and pressure stability)

Finally, before a new production facility is brought on stream, our safety experts verify all defined safety measures and confirm their proper implementation by carrying out plant and equipment inspections.

Further development of plant safety

To maintain and strengthen safety awareness, we continuously update and improve the globally binding Top Performance in Process and Plant Safety (TOPPS) training program. Participation is compulsory for all Bayer employees who are able to influence process and plant safety at

production and auxiliary facilities and is documented in the training system. TOPPS training documentation is available in 15 languages.

We are further developing plant safety through our active participation in internal global and regional networks of experts and as a member of associations such as the European Process Safety Center (EPSC), the Center for Chemical Process Safety (CCPS), Dechema ProcessNet and the German Chemical Industry Association (VCI). We also drive progress in this regard worldwide within the framework of standards.

Since 2019, we have used the globally standardized KPI Process Safety Incident Rate (PSI-R) as an indicator for plant safety. This is integrated into the Group-wide reporting system. Reporting of this indicator is based on the requirements of the International Council of Chemical Associations (ICCA). Process safety incidents (PSIs) refer to incidents during which amounts of chemical substances or energy that exceed defined thresholds leak from their primary containment, such as pipelines, pumps, tanks or drums. The PSI-R indicates the number of process safety incidents per 200,000 hours worked. In 2024, the PSI-R was 0.12 (2023: 0.12). A total of 117 process safety incidents occurred in 2024 (Process Safety Incident Count [PSI-C]).

In addition, we also indicate the Process Safety Incident Severity Rate (PSI-SR). We report this according to the grading system of the ICCA.

Process Safety Incidents¹

| | 2021 | 2022 | 2023 | 2024 |
|---|------|------|------|------|
| Process Safety Incident Count (PSI-C) ¹ | 96 | 122 | 124 | 117 |
| Process Safety Incident Rate (PSI-R) ^{1,2} | 0.09 | 0.12 | 0.12 | 0.12 |
| Process Safety Incident Severity Rate (PSI-SR) ^{1,3} | 0.16 | 0.18 | 0.17 | 0.23 |

¹ According to ICCA (International Council of Chemical Associations)

² Number of PSI incidents per 200,000 hours worked

³ Degree of severity for all PSI incidents per 200,000 hours worked

To prevent substance and energy releases, the causes of PSIs are analyzed and relevant findings are communicated to potentially affected sites throughout the Bayer Group. The reporting thresholds are intentionally set at such a low level that even material and energy leaks that have no impact on employees, the local community or the environment are systematically recorded and reported. We pursue this preventive approach so that weaknesses can be identified and corrected before a more serious incident can occur.

8.5 Incidents and Performance

In our Sustainability Statement in the Annual Report 2024 we report on safety indicators in S1 Own Workforce.

Occupational injuries and occupational illnesses

The basis of our reporting on occupational injuries is the rate of recordable work-related accidents, which covers all occupational injuries and illnesses leading to medical treatment that goes beyond basic first aid that are suffered by Bayer employees and employees of contractors under the direct supervision of Bayer (named as nonemployees in ESRS definition). As a result, the recordable work-related accidents cover injuries and occupational illnesses both with and without lost workdays. We changed the calculation factor from 200,000 hours worked to 1,000,000 hours in accordance with the requirements from ESRS in 2024.

In 2024, it was at 2.20 cases per 1,000,000 hours worked, which is equivalent to 439 occupational injuries worldwide (2023: 459). In statistical terms, this means that one recordable incident occurred for more than every 450,000 hours worked. Recordable injuries with lost workdays constituted 243 of the total of 439 occupational injuries.

No Bayer employees lost their lives in work-related accidents in 2024.

Recordable Occupational Injuries and Illnesses

| | 2022 | 2023 | 2024 |
|--|------------|------------|------------|
| Recordable work-related accidents¹ | 416 | 459 | 439 |
| of which of Bayer employees | 367 | 419 | 397 |
| of which of nonemployees ² | 49 | 40 | 42 |
| Rate of recordable work-related accidents ^{1,3} | 2.00 | 2.24 | 2.20 |
| Rate of recordable work-related accidents of employees ³ | 1.82 | 2.10 | 2.05 |
| Rate of recordable work-related accidents of nonemployees ³ | 7.62 | 7.01 | 7.58 |
| Rate of occupational injuries with lost workdays (LTRIR) ^{1,4,5} | 0.20 | 0.23 | 0.24 |
| Total number of high severity injuries and illnesses (excluding fatalities)¹ | 11 | 13 | 9 |
| Bayer employees | 11 | 13 | 8 |
| Nonemployees ² | - | - | 1 |
| Rate of high severity incidents (excluding fatalities) ^{1,4} | 0.01 | 0.01 | 0.01 |
| Number of lost days ¹ | 5565 | 5,901 | 5,059 |
| Fatalities from work-related injuries and work-related ill health | 1 | 12 | 2 |
| of which fatalities of employees | 1 | 7 | - |
| of which fatalities of nonemployees ¹ | - | - | - |
| of which fatalities of value chain workers (not under Bayer supervision) | - | 5 | 2 |
| Rate of fatal occupational injuries ^{1,4} | 0.001 | 0.007 | - |

Previous years' figures restated

¹ Bayer employees and nonemployees

² Nonemployees refers to the definition of ESRS and equals our internal definition of directly supervised contractors

³ based on 1,000,000 of around 200,000,000 working hours in 2024

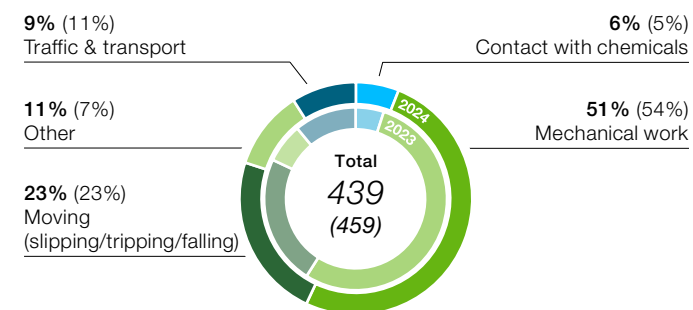
⁴ based on 200,000 of around 200,000,000 working hours in 2024

⁵ LTRIR = Lost Time Recordable Incident Rate; based on 200,000 working hours

In 2024, as in previous years, the number of injuries involving contact with chemicals was small (6%) in relation to the total number of occupational injuries.

A significant proportion of the accidents and injuries suffered by our employees have behavior-linked causes. For example, accidents can occur when employees use smartphones while walking.

Notification of work-related injuries and illnesses 2024 (2023)



2023 figures restated

Occupational illnesses are also included in the Rate of recordable work-related accidents and LTRIR, regardless of whether they are listed in national registers of occupational diseases. As lists of occupational diseases are not globally standardized – and in many countries do not exist at all – we document all occupational illnesses, provided they have been diagnosed and recognized by a physician.

In 2024, six new cases of occupational illnesses were reported throughout the Bayer Group, two of them with lost workdays. These were related to animal, insect and plant contact and repetitive work-related tasks. The number of cases corresponds to 0.03 occupational illnesses per one million hours worked.

In accordance with our Group Regulation on [HSE Management and HSE Key Requirements](#), all mandatory incidents (including Recordable Injuries and Illnesses), significant near misses, and nonconformities are reported in the global Incident Reporting Tool. In order to prevent their recurrence and to mitigate consequences, all of these incidents must be investigated to identify root causes. Corrective and/or preventive actions must be implemented.

9. Social Engagement

The commitment to science, society and the common good has a long tradition at Bayer. Like our business activities, our social engagement is guided by our purpose “Science for a better life” and our mission “Health for all, Hunger for none.” Together with our network of partner organizations and many of our employees, we support social projects around the world in the areas of health, nutrition and the environment and engage with communities to create long-lasting societal impact, increasingly by supporting social innovation and social enterprises.

9.1 Management Approach

Our social engagement takes the form of monetary contributions, product donations, our foundation activities and corporate volunteering. Close intra-Group cooperation between the Public Affairs, Sustainability & Safety (PASS) Enabling Function and our country organizations, as well as with the Bayer foundations, ensures a common strategic alignment. At the same time, this approach takes account of the different challenges and circumstances in each region where Bayer is active.

The Group Regulation on Corporate Giving establishes clear criteria for the eligibility of recipients and the selection of projects. It also sets out our strategy to create long-term impact in line with our purpose, mission and sustainability goals.

Our contributions are processed through a database that enables approval by responsible managers, compliance checks and full documentation – and thus ensures oversight of the contributions. It also offers a comprehensive and transparent overview of our social investment worldwide.

Through a global corporate volunteering framework, we want to increase the social impact around the world with our employees. Employees worldwide can take at least one working day off per year for voluntary work in the areas of nutrition, health and science and environment.

Through our social engagement, we support projects in the following focus areas:

Health for all, Hunger for none

- // Food security, reduction of food loss, increase in food quality, particularly for vulnerable groups in low- and middle-income countries ([LMICs](#))
- // Access to self-care and healthcare programs for vulnerable groups in [LMICs](#)
- // Maternal and child health, family planning
- // Public health

Science for a better life

- // Support for frontier research in life sciences, data science and environmental sciences
- // Development of science talents, supporting education programs in life sciences, data science and environmental sciences
- // Science and society: collaborations that enhance the impact of science for the benefit of society.

Environment

- // Climate change, biodiversity, and water and waste management

Community engagement

- // Social initiatives near communities where Bayer operates
- // Sports activities (local recreational, disabled and competitive sports)

- // Cultural programs (e.g. young artists)
- // Culture of remembrance

Disaster relief

- // Response to climate catastrophes and humanitarian crises for underserved groups and countries
- // Product donations
- // Interventions for health crises, e.g. pandemics

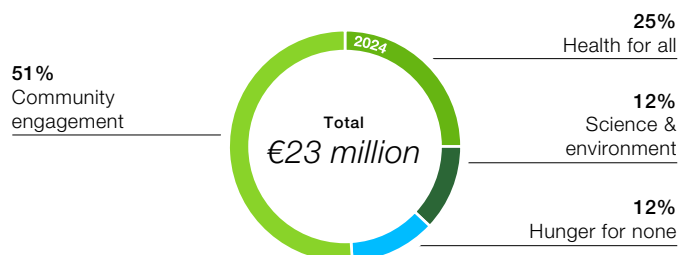
Through our engagement we promote the system-changing power of social innovation, be it through local initiatives or global partnerships. A central aspect of Bayer’s social engagement is therefore supporting innovative solutions and capacity-building projects of social enterprises aimed at establishing knowledge, abilities and structures.

[Bayer Foundation](#), the [Bayer Fund](#) (United States), [Bayer Foundation India](#) and the [Hans and Berthold Finkelstein Foundation](#) are the nonprofit arms of Bayer. Their objective is to generate social impact in line with our mission of “Health for all, Hunger for none” and our mission “Science for a better life” (for more background on the Foundation’s exemplary work please see chapter 10.3).

9.2 Our Engagement in 2024

In 2024, Bayer provided €32 million for social impact programs and partnerships worldwide. This includes product donations to the value of around €9 million (book value) to various nonprofit organizations in various countries. Most of the products donated are prescription drugs and over-the-counter (OTC) products from our Pharmaceuticals and Consumer Health divisions. Bayer’s monetary social contributions in 2024 were distributed around the different focus areas as follows:

Monetary Donations per Strategic Focus Area 2024



A major focus in the health area is providing access to health for underserved communities and people at risk. Public health, maternal and women's health as well as health capacity building have been strengthened in 2024 through some exemplary programs: Bayer and the United Nations Population Fund (UNFPA) Egypt embarked on a strategic partnership spanning five years (2021–2025), representing the collaborative efforts of both organizations to promote voluntary family planning and reproductive health services. The partnership is extending its support to the national family planning campaign "Your Right to Plan" aimed at enhancing family planning and reproductive health services for underserved communities in Egypt.

Since the partnership's inception in 2021, the outreach campaign has been implemented in 24 governorates across Egypt. This comprehensive endeavor has been further bolstered by the deployment of mobile clinics, which provide a range of essential services, including direct family planning support, gynaecological examinations, ultrasound diagnostics, prenatal care, and neonatal/pediatric care. The impact of the campaign has been substantial, as it has successfully reached out to more than 436,642 individuals to date. Of these, over 390,572 people have gained access to critical family planning information and services.

In the health area, we continue to support patients in underserved communities who are suffering from hemophilia. Bayer is a long-standing partner to the World Federation of Hemophilia and its Humanitarian Aid Program. The objective of the program is to make it possible for people with inherited bleeding disorders to reliably access safe and consistent treatment and care, regardless of their type of bleeding disorder, gender or location. More than 10,000 patients have been treated with Bayer products through the donation program.

Our commitment also helps in the fight against neglected tropical diseases such as African sleeping sickness, Chagas disease, infection with the pork tapeworm and river blindness (please see chapter Focus on: Access to Healthcare). Bayer partners with the World Health Organization (WHO) and supported the WHO road map 2030 with monetary and product contributions to the amount of €2.7 million in 2024.

Disaster relief

In 2024, we provided assistance to various countries exposed to natural disasters or humanitarian crises.

One focus, as in 2023, was on humanitarian support for Ukraine. Bayer continued to support with product donations providing the civilian population with medicines and healthcare products. The needs of women and children are at the center of Bayer's disaster response. We therefore co-sponsored the purchase of a dedicated Women's Health Ambulance car that serves as a mobile clinic for women on the frontlines. In addition, a significant number of hormonal contraception devices were delivered as well as various truckloads of special skin care products for adults and children. We also donated important industrial material for the repair of a water filtration facility in Charkiw as well as a heating power plant in Zaporizhzhia.

Toward the end of the year, Bayer sponsored a building project in a Ukrainian orphanage with professional kitchen equipment to improve the nutrition of over 100 children who are suffering from mental and physical disabilities.

To provide crucial support to those affected by the ongoing conflict in Israel and Gaza, we initiated an employee donation campaign. In addition, the company donated €25,000 to each of the two nongovernmental organizations (NGOs) we are partnering with. The effort underscores the company's support of innocent civilians suffering on account of the conflict. Furthermore, Bayer committed itself to support the civilian population in Gaza with much needed medication: one million products, including important nutritional supplements, have already been delivered or are on their way to the conflict zone to alleviate suffering. Another significant product donation of anticoagulants is allocated to Syria and Lebanon to support cardiovascular patients.

We also continued to provide assistance to various regions that were severely affected by floods during the second half of the year, including in the United States, Spain and Romania. These floodings have cost lives, affected many people and severely destroyed people's living environments. Bayer supported relief organizations and launched a fundraising campaign to provide people on the ground with the most urgently needed aid as quickly as possible, mobilizing quickly much needed in-kind support, e.g. providing safe water storage containers.

Employee volunteering and employee giving

Inspired by our purpose of "Science for a better life," our mission of "Health for all, Hunger for none" and our commitment to conserve and protect the environment, Bayer employees have long volunteered their own time on behalf of their communities. For example, our employees founded the Pro Social Initiatives (PROSI) in 2018, connecting employees worldwide for social volunteering initiatives. A global Group

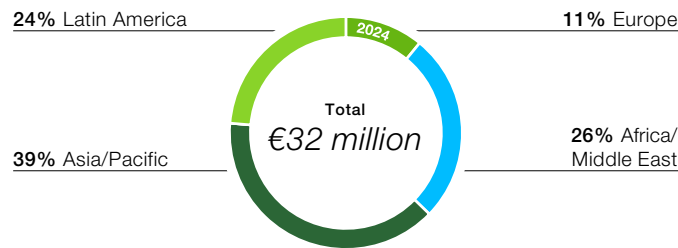
Regulation on Corporate Volunteering was introduced in 2023 with Germany as a first-mover country, enabling employees to take one day off per year with pay to perform volunteering services with social organizations. Employees can use an online platform for volunteering services to search for organizations and events to actively support. The platform also enables participants to create volunteering offerings and share them with other Bayer employees. In total, 27 countries have introduced a volunteering program based on the global guidelines and utilizing the global platform to date (approx. 51,000 employees have access to the portal). In parallel, already existing local volunteering programs (such as those in the United States) continue to be maintained and successfully managed locally. In total, 450 volunteering projects were conducted in 2024, leading to over 27,800 hours of company sponsored volunteering leave for our employees.

Alongside employee giving campaigns that we introduce in the case of large-scale disasters, Bayer also offers matching programs in different countries throughout the year. In Germany, for example, the Helping Cents program enables Bayer employees to donate the decimal places of their monthly salary. The total amount of the cents collected is doubled by Bayer and earmarked for charitable organizations and their projects. Since 2022, all Bayer employees in Germany have also had the opportunity to have a say in the allocation of money from Helping Cents and to vote for selected projects. In 2024, almost 8,000 employees took part and donated close to €41,000.

Summary

61% of our contributions (cash and products) went to low- and middle-income countries (LMICs) to strengthen the capacity of underserved communities and combat social inequality. Geographically, the split of our monetary and product contributions is as follows:

Monetary and Product Donations per Region 2024



9.3 Bayer Foundation

Bayer Foundation is the company's philanthropic arm. The organization makes an important contribution to society in line with our mission and purpose – especially in low- and middle-income countries (LMICs).

Science Program

The Science Program of Bayer Foundation aims to enhance the impact of science as the basis for societal progress in line with Bayer's mission. The foundation's activities are focused on two areas:

- // Advancing breakthrough science by honoring outstanding scientists as role models, fostering interdisciplinary exchange, and enhancing trust in science by inclusive science, technology, engineering and mathematics (STEM) education
- // Increasing equity in science by building scientific capacity in Africa and fostering gender equality

The foundation's activities encompass various programs including scientific awards, young talent scholarships, funding for scientific lectures and STEM education grants, along with global gender equality and scientific capacity-building programs.

A science council composed of five external scientists advises the foundation and selects the Foundation Science Award winners. The foundation's Board of Trustees is responsible for organizational measures, strategic decisions and financial issues.

The foundation has a worldwide science network of globally recognized academic institutions, start-ups, biotechs and larger companies, along with other foundations and non-profit and governmental organizations. The foundation's diverse offering ranges from programs with a focus on schools near Bayer's research and development (R&D) sites to global awards in African countries.

As the foundation strives for global equity in science, capacity building in African countries is a key component of its work. Within the partnership with the Alexander von Humboldt (AvH) Foundation established in 2021, three postdoctoral researchers and five PhD students from African countries were awarded fellowships in 2024. In the Humboldt Research Hub Center of Emerging and Re-emerging Infectious Diseases (CERID) in Nigeria, African AvH alumni, who now hold scientific leadership positions at African universities and research institutions, successfully initiated long-term research projects and training courses in 2024. These projects and courses focus on finding scientific solutions and developing scientific methods to cope with pandemics. The research projects will be carried out in close collaboration with selected research partners in Germany and across Africa.

In 2024, the foundation again supported 47 young talents – life science students, teachers and apprentices – with fellowships for projects they applied for within the annual Bayer Foundation Fellowship Program. By focusing on equity, the jury achieved a well-balanced selection of fellows regarding gender and origin from LMICs.

As part of the Science@School program for STEM education, Bayer Foundation supported 45 school projects in 2024 and through that opened the door to inclusive and innovative STEM education for children and teenagers in Germany.

Promoting gender equality in the field of science is a key focus of the foundation. As a result, the foundation supports a new award program in collaboration with the Congolese Foundation for Medical Research. This annual award program is intended for 15 women PhD students and women scientists with children originating from Central Africa, including the Democratic Republic of Congo, Cameroon, Gabon, Chad, the Central African Republic, the Republic of Gabon and Equatorial Guinea. In 2024, these awards were presented for the first time, honoring 11 PhD and four women scientists/mothers. Additionally, since 2021, Bayer Foundation has been a founding supporter of the Female Science Talents program, developed jointly with the Falling Walls Foundation. This program empowers early-career women in science to advance their development by offering a year-long intensive track for 20 talented women. Participants benefit from face-to-face meetings, workshops, career talks, peer exchanges and support aimed at helping them to achieve significant career breakthroughs.

Social Innovation Program

The Social Innovation Program at Bayer Foundation empowers impact innovators as enablers of long-lasting change. It promotes social innovation in the areas of health, food security and environmental protection. It fosters new business models and catalytic approaches to attract co-funding. The geographic focus has been extended since 2023 from Africa to LMICs in the Middle East, Asia and Latin America. Throughout the programs, Bayer Foundation has a strong gender focus by putting women empowerment at the center of the agenda. The strategic direction and financial decisions are determined by the foundation's independent Executive Committee and Board of Trustees.

The Social Innovation activities comprise three main programs:

- // The Social Impact Start-up Academy
- // The Women Empowerment Award
- // The Social Innovation Ecosystem Fund

To support initiatives at their development stage, the Social Impact Start-Up Academy offers an innovative learning program in collaboration with the Ingolstadt School of Management and Purdue University, while seeking to expand its university network to more higher education institutions around the globe. Supported by innovation methodologies and toolboxes, students analyze selected social entrepreneurs' business models and generate concrete ideas to boost their growth or enhance their product development as an integral part of their master's program. Since its launch in 2018, 97 projects have been successfully supported through this program, both in Germany and in the United States. Universities in Latin America and Asia will soon be part of the Social Impact Start-up Academy (SISTAC) scope.

Through its Women Empowerment Award and the associated accelerator and coaching program, Bayer Foundation highlights the high-impact innovations of female entrepreneurs active in Latin America, Africa and Asia. 2024 saw the award presented for the fourth time. More than 2,000 female entrepreneurs from more than 100 countries applied for the 2024 awards. Some 15 female entrepreneurs were chosen to receive prize money of €25,000 and a place on the associated accelerator program with mentoring and coaching elements.

Through its largest program – the Social Innovation Ecosystem Fund (SIEF) – Bayer Foundation supports mature social innovation solutions and ecosystems in LMICs. This fund targets pioneering technological and entrepreneurial solutions that have the power to create a world with zero hunger and good health and well-being (focusing on UN Sustainable Development Goals 2 and 3). In 2024, long-term programs with partners such as Project Echo, the Asian Venture

Philanthropy Network (AVPN) and The Pula Foundation were started, and successful programs were continued:

- // In Guatemala, Bayer Foundation supports Project Echo: in the 12-month project, Echo works with local health ministries to support and mentor Community Health Workers (CHW), enabling them to provide best-practice infectious disease and cancer care in conjunction with a wider range of women's health topics for women in rural and indigenous communities in Guatemala. The project serves as a timely intervention to advance national women's health priorities. 200 CHWs are to be trained, thereby reaching 200,000 patients with improved access to women's healthcare by the end of the performance period.
- // Climate change has a direct impact on public health, exacerbating existing health inequities and increasing the incidence of heat-related illness, infectious diseases, vector-borne diseases, climate-related disasters and other health threats such as noncommunicable diseases. To address these challenges, together with Asia's largest social investment network, Bayer Foundation started a Climate X Health Pathfinder Initiative in 2024. The 18-month project focuses on building a community of "pathfinders" of 10–15 funders to co-invest in the Asian Climate and Health intersection and on building an investable pipeline of scalable innovations that tackle emerging climate-related health threats. The initiative further developed into a Climate and Health Lighthouse Fund at the end of 2024, mobilizing additional funding to co-fund innovations at the intersection of climate and health.
- // In November, Bayer Foundation, supported by Bayer Crop Science, signed a grant agreement with The Pula Foundation to support the 10 million Resilient Farmer Initiative from 2025 through 2030. The initiative has the target of insuring 10 million smallholder farmers against climate risks in seven countries in Africa and Asia by 2030. The partnership was announced at the World Economic Forum in Davos in January 2025. More information can be found [here](#).

// Together with the Bill & Melinda Gates Foundation, Bayer Foundation funds the Digital Farmer II program of our partner Mercy Corps AgriFin. This leverages the spread of digital technologies to develop more efficient digital information and financial products and services for small-holder farmers. The program achieved its goal of serving up to five million registered users in Nigeria, Kenya and Ethiopia set for 2025 ahead of schedule.

// In addition, a three-year initiative called the Women Economic Empowerment Program has been initiated in rural Nigeria. In a combined approach, Bayer Foundation is improving women's health, stabilizing smallholder farmers' livelihoods and providing strategies for women's empowerment. In partnership with local enterprises and a Nigerian Foundation, we are exploring an innovative way of raising the income of Nigerian women by 30% and of establishing 2,500 Healthy Entrepreneurs community health worker jobs, reaching more than 500,000 families. Implementing partners in this program are Advantage Health Africa, Healthy Entrepreneurs, AFEX, Coamana and the Jennifer Etuh Foundation.

total of 170 participants). The Finkelstein Foundation also supports a project to make Jewish life more visible to future politicians and journalists (19 participants). A number of projects also focus on the links and continuities between past and present. For example, the foundation organized an educational trip for Bayer employees and external partners to the historical sites of Auschwitz with 26 participants.

Hans and Berthold Finkelstein Foundation

The Hans and Berthold Finkelstein Foundation strengthens the culture of remembrance at Bayer and supports research and remembrance projects that address the crimes of the National Socialist era, especially regarding Nazi forced labor and I.G. Farben. It also develops programs for a company culture characterized by historical and ethical responsibility, contemporary leadership and democratic action. For instance, the foundation initiated the Leaders for Democracy program, run in partnership with the Hertie Foundation and targeting young leaders (age 25 to 40) in Germany. The foundation promotes dialogue-oriented projects in Europe, Israel and the United States that seek to strengthen resilience in the face of hatred and discrimination – both today and in the future. To encourage discussion, the foundation has provided training on combating antisemitism, constructive communication and combating hate speech online (to a



*Further
Information*

2024

||||||| Health for all, Hunger for none

GRI Index

with the 10 Principles of the UN Global Compact

For fiscal 2024, we are again applying the GRI Standards. This report is oriented towards the GRI Standards. If there is insufficient information available for a GRI statement, we have explained this. The GRI Content Index also includes the corresponding principles of the UNGC.

| | |
|-----------------------------------|---|
| Statement of use | Bayer has reported oriented towards the GRI Standards for Fiscal Year 2024 in the period January 1, 2024, to December 31, 2024. |
| GRI 1 used | GRI 1: Foundation 2021 |
| Applicable GRI Sector Standard(s) | In 2024, we reviewed the application of the GRI Sector Standard "GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022" again and came to the conclusion that this is not applicable to Bayer on account of Bayer's business model. |

GRI Content Index

| UNGC Principles | GRI Standards | Page and/or link | Comment and reference to the Sustainability Statement |
|-----------------|---|------------------------------|---|
| | GRI 2: General Disclosures 2021 | | |
| | The Organization and its Reporting Standards | | |
| | GRI 2-1: Organizational details | 23, AR 25, 31 | |
| | GRI 2-2: Entities included in the organization's sustainability reporting | 4, AR 97 | Please find further information in the Sustainability Statement-BP-1 |
| | GRI 2-3: Reporting period, frequency and contact point | 4, 143 | |
| | GRI 2-4: Restatements of information | 4, 132 | |
| | GRI 2-5: External assurance | | This report was not external assured |
| | Activities and Workers | | |
| | GRI 2-6: Activities, value chain and other business relationships | 24/25, 44, 92-94; AR 105-107 | Please find further information in the Sustainability Statement SBM-1 |
| 6 | GRI 2-7: Employees | 99/100, 107; AR 105, 195 | Please find further information in the Sustainability Statement SBM-1, S1-6 |
| 6 | GRI 2-8: Workers who are not employees | 101 | |
| | Governance | | |
| | GRI 2-9: Governance structure and composition | 19, 25, 30; AR 99-102 | Please find further information in the Sustainability Statement GOV-1, G1.GOV-1 |
| | GRI 2-10: Nomination and selection of the highest governance body | AR 18, 242-244 | |
| | GRI 2-11: Chair of the highest governance body | 25; AR 22, 406 | |

GRI Content Index

| UNGC Principles | GRI Standards | Page and/or link | Comment and reference to the Sustainability Statement |
|---|---|--|--|
| | GRI 2-12: Role of the highest governance body in overseeing the management of impacts | 19, 25, 30, 92/93, 111; AR 101/2, 101-103 | Please find further information in the Sustainability Statement GOV-1, GOV-2, SBM-2, G1.GOV-1 |
| | GRI 2-13: Delegation of responsibility for managing impacts | 30; AR 101, 102/103, 231 | Please find further information in the Sustainability Statement GOV-1, GOV-2, G1-3 |
| | GRI 2-14: Role of the highest governance body in sustainability reporting | AR 105 | Please find further information in the Sustainability Statement IRO-1 |
| | GRI 2-15: Conflicts of interest | AR 242-247 | |
| | GRI 2-16: Communication of critical concerns | 19, 25, 30; AR 102/103, 231 | Please find further information in the Sustainability Statement GOV-2, G1-3 |
| | GRI 2-17: Collective knowledge of the highest governance body | AR 100-101 | Please find further information in the Sustainability Statement GOV-1 |
| | GRI 2-18: Evaluation of the performance of the highest governance body | AR 20 | |
| | GRI 2-19: Remuneration policies | 6, 19, 25-27, 30, 102/103, 111; AR 103/104 | Please find further information in the Sustainability Statement GOV-3 |
| | GRI 2-20: Process to determine remuneration | AR 103/104 | Please find further information in the Sustainability Statement GOV-3 |
| | GRI 2-21: Annual total compensation ratio | AR 198 | Please find further information in the Sustainability Statement S1-16 |
| Strategy, Policies and Practices | | | |
| 1-10 | GRI 2-22: Statement on sustainable development strategy | 3 | |
| 1-6, 7, 10 | GRI 2-23: Policy commitments | 25/26, 28, 84, 88, 95, 97; AR 104, 183/184, 200/201, 205/206, 211-214, 228/229 | Please find further information in the Sustainability Statement GOV-4, S1-1, S2-1, S3-1, S4-1, G1-1 |
| | GRI 2-24: Embedding policy commitments | 25-27, 30, 87/88, 92-96; AR 102/103, 228/229 | Please find further information in the Sustainability Statement GOV-2, S1-4, S2-4, S3-4, S4-4, G1-1 |
| | GRI 2-25: Processes to remediate negative impacts | 27, 84, 87, 89, 92, 94, AR 183/184, 184/185, 200-204, 205/206, 207, 208, 211-213, 217/218, 222/223, 223/224, 228/229 | Please find further information in the Sustainability Statement S1-1, S1-3, S2-1, S2-3, S2-4, S3-1, S3-3, S3-4, S4-1, S4-3, G1-1 |
| | GRI 2-26: Mechanisms for seeking advice and raising concerns | 27, 84, 87, 89, 92, 94; AR 184/185, 204, 208, 223/224, 228/229, 231 | Please find further information in the Sustainability Statement S1-3, S2-3, S3-3, S4-3, G1-1, G1-3 |
| | GRI 2-27: Compliance with laws and regulations | 66; AR 85, 93-95, 112, 198/199, 232, 272-274, 288, 318/319, 340-345 | Please find further information in the Sustainability Statement SBM-3, S1-17, G1-4 |
| | GRI 2-28: Membership associations | 29, 52, 112, 127 | |
| Stakeholder Engagement | | | |
| | GRI 2-29: Approach to stakeholder engagement | 19-21, 30-35, 96/97, 105; AR 108-111, 185/186, 200-202, 204, 205-207, 217/218, 222/223 | See for further information Sustainability Statement SBM-2, S1-2, S2-1, S2-2, S3-1, S3-2, S4-1, S4-2 |

GRI Content Index

| UNGC Principles | GRI Standards | Page and/or link | Comment and reference to the <u>Sustainability Statement</u> |
|-----------------|---|--|--|
| 3 | GRI 2-30: Collective bargaining agreements | 106; AR 196 | Please find further information in the Sustainability Statement S1-8 |
| | Material Topics | | |
| | GRI 3: Material Topics 2021 | | |
| | GRI 3-1: Process to determine material topics | 30; AR 97, 115/116 | Please find further information in the Sustainability Statement BP-1, IRO-1 |
| | GRI 3-2: List of material topics | 134–141 | |
| | Climate Protection | | |
| 7–9 | GRI 3-3: Management of material topics | 5–8, 16–18, 46–48, 87, 111/112; AR 108, 111–115, 121, 136–144 | Please find further information in the Sustainability Statement SBM-1, SBM-3, E1-2, E1-3, E1-4 |
| | GRI 201: Economic Performance 2016 | | |
| 7, 8, 9 | GRI 201-2: Financial implications and other risks and opportunities due to climate change | AR 111–113, 133–135 www.bayer.com/tcfd www.bayer.com/cdp | Please find further information in the Sustainability Statement SBM-3, E1.SBM-3 |
| | GRI 302: Energy 2016 | | |
| 7, 8 | GRI 302-1: Energy consumption within the organization | AR 145/146 | Please find further information in the Sustainability Statement E1-5 |
| 8 | GRI 302-3: Energy intensity | AR 146 | Please find further information in the Sustainability Statement E1-5 |
| 8 | GRI 302-4: Reduction of energy consumption | AR 136/137; www.bayer.com/CDP | Please find further information in the Sustainability Statement E1-3 |
| | GRI 305: Emissions 2016 | | |
| 7, 8 | GRI 305-1: Direct (Scope 1) GHG emissions | 112; AR 142–143, 148, 150 | Please find further information in the Sustainability Statement E1-4, E1-6 |
| 7, 8 | GRI 305-2: Energy indirect (Scope 2) GHG emissions | 112; AR 142–143, 148, 150 | Please find further information in the Sustainability Statement E1-4, E1-6 |
| 7, 8 | GRI 305-3: Other indirect (Scope 3) GHG emissions | 112; AR 142–144, 147–149 | Please find further information in the Sustainability Statement E1-4, E1-6 |
| 8 | GRI 305-4: GHG emissions intensity | AR 151 | Please find further information in the Sustainability Statement E1-6 |
| 8, 9 | GRI 305-5: Reduction of GHG emissions | 111/112; AR 136–140, 142–144 | Please find further information in the Sustainability Statement E1-3, E1-4 |
| | Environmental Protection | | |
| 7–9 | GRI 3-3: Management of material topics | 5–8, 15, 17/18, 41, 48–51, 61, 68–70, 112–118; AR 108, 111–115, 121, 153–156, 156/157, 161, 164/165, 166, 167, 168, 169/170, 170/171, 173/174, 176, 177, 179 | Please find further information in the Sustainability Statement SBM-1, SBM-3, E2-1, E2-2, E2-3; E3-1, E3-2, E3-3, E4-1, E4-2, E4-3, E4-4, E5-1, E5-2, E5-3 |
| | GRI 303: Water and Effluents 2018 | | |
| 7, 8 | GRI 303-1: Interactions of water as a shared resource | 40, 50/51, 113–117; AR 111–115, 117, 164/165, 166, 167 | Please find further information in the Sustainability Statement SBM-3, E3.IRO-1, E3-1, E3-2, E3-3 |
| 7, 8 | GRI 303-2: Management of water discharge-related impacts | 77, 114–116 | |

GRI Content Index

| UNGC Principles | GRI Standards | Page and/or link | Comment and reference to the Sustainability Statement |
|-----------------|--|---|---|
| 8 | GRI 303-3: Water withdrawal | 115 | See also Sustainability Statement E3-4 |
| 8 | GRI 303-4: Water discharge | 116 | See also Sustainability Statement E3-4 |
| 8 | GRI 303-5: Water consumption | 115 | See also Sustainability Statement E3-4 |
| | GRI 304: Biodiversity 2016 | | |
| 8 | GRI 304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | 111; AR 117/118 | Please find further information in the Sustainability Statement E4.IRO-1 |
| 7–9 | GRI 304-2: Significant impacts of activities, products and services on biodiversity | 40–43, 68–71; AR 174/175 | Please find further information in the Sustainability Statement E4-5 |
| | GRI 305: Emissions 2016 | | |
| 7, 8 | GRI 305-6: Emissions of ozone-depleting substances (ODS) | 113 | |
| 7, 8 | GRI 305-7: Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions | 113 | |
| | GRI 306: Waste 2020 | | |
| 8 | GRI 306-1: Waste generation and significant waste-related impacts | 70/71, 117/118; AR 118 | Please find further information in the Sustainability Statement E5.IRO-1 |
| 8 | GRI 306-2: Management of significant waste-related impacts | 70/71, 78, 117/118; AR 177/178 | Please find further information in the Sustainability Statement E5-2 |
| 8 | GRI 306-3: Waste generated | 117; AR 179/180 | Please find further information in the Sustainability Statement E5-5 |
| 8 | GRI 306-4: Waste diverted from disposal | 117; AR 179/180 | Please find further information in the Sustainability Statement E5-5 |
| 8 | GRI 306-5: Waste directed to disposal | AR 179/180 | Please find further information in the Sustainability Statement E5-5 |
| | Innovation | | |
| | GRI 3-3: Management of material topics | 5, 8, 15/16, AR 37–53 | |
| | Business Ethics | | |
| 10 | GRI 3-3: Management of material topics | 26–29, 37/38; AR 111–115, 228/229, 231, 232 | Please find further information in the Sustainability Statement SBM-3, G1-1, G1-3, G1-4 |
| | GRI 205: Anti-corruption 2016 | | |
| 10 | GRI 205-1: Operations assessed for risks related to corruption | 26/27; AR 231 | Complete coverage is crucial for compliance/anti-corruption in the first instance. Areas at risk are monitored more frequently than others. As major businesses and parts of companies are subject to shorter audit cycles and smaller units to longer cycles, we do not report at the business unit level. Nor do we report on the identified significant corruption risks, as such information would constitute a business secret. See also Sustainability Statement G1-3 |
| 10 | GRI 205-2: Communication and training about anti-corruption policies and procedures | 26–29; AR 231 | We do not report quantitatively on training for the Board of Management and Supervisory Board because data on this is not available in accordance with the requirements of the GRI. Anti-corruption training for employees is implemented globally. See also Sustainability Statement G1-3 |
| 10 | GRI 205-3: Confirmed incidents of corruption and actions taken | AR 232 | Please find further information in the Sustainability Statement G1-4 |
| | GRI 206: Anti-competitive Behavior 2016 | | |

GRI Content Index

| UNGC Principles | GRI Standards | Page and/or link | Comment and reference to the Sustainability Statement |
|----------------------------------|---|--|---|
| 10 | GRI 206-1: Legal actions for anti-competitive behavior, anti-trust and monopoly practices | AR 340–343 | |
| | GRI 207: Tax 2019 | | |
| | GRI 207-1: Approach to tax | 37/38 | |
| | GRI 207-2: Tax governance, control and risk management | 37/38 | |
| | GRI 207-3: Stakeholder engagement and management of concerns related to tax | 37/38 | |
| | GRI 207-4: Country-by-Country Reporting | | We do not report any country-by-country information, since this data is not available for 2024. |
| | GRI 415: Public Policy 2016 | | |
| 10 | GRI 415-1: Political contributions | 29/30 | |
| | GRI 418: Customer Privacy 2016 | | |
| | GRI 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data | | We do not report on the number of breaches of customer privacy and losses of customer data. We report on the total number of notifications registered with the compliance hotline and the percentage of confirmed compliance incidents. We publish the most frequently reported categories of compliance violations (including fairness and respect in the workplace), track the processing of these notifications and take corresponding measures in line with our Group regulation. More detailed information on this would constitute a business secret. |
| Product Responsibility | | | |
| 7 | GRI 3-3: Management of material topics | 52–78; AR 111–115, 208–227 | Please find further information in the Sustainability Statement SBM-1, SBM-3, S4.SBM-3, S4-1, S4-2, S4-4, S4-5 |
| | GRI 416: Customer Health and Safety 2016 | | |
| | GRI 416-1: Assessment of the health and safety impacts of product and service categories | 52–67, 71–78; AR 217–221 | Please find further information in the Sustainability Statement S4-1, S4-4 |
| | GRI 416-2: Incidents of noncompliance concerning the health and safety impacts of products and services | 64/65; AR 13–15, 340–343 | |
| 7 | GRI 417: Marketing and Labeling 2016 | | |
| 7 | GRI 417-1: Requirements for product and service information and labeling | 52–54, 56–59, 64–67, 74–78; AR 217–221 | Please find further information in the Sustainability Statement S4-1, S4-4 |
| | GRI 417-2: Incidents of noncompliance concerning product and service information and labeling | AR 13–15, 340–343 | |
| | GRI 417-3: Incidents of noncompliance concerning marketing communications | AR 13–15, 340–343 | |
| Sustainable Food Security | | | |
| | GRI 3-3: Management of material topics | 5–8, 13–18, 39–51 | |
| Access to Health Care | | | |
| | GRI 3-3: Management of material topics | 5–13, 18, 79–81 | |

GRI Content Index

| UNGC Principles | GRI Standards | Page and/or link | Comment and reference to the Sustainability Statement |
|-----------------|---|---|--|
| | Employees | | |
| 1, 3, 6 | GRI 3-3: Management of material topics | 5, 7/8, 98, 100–108; AR 111–115, 183–194, 198/199 | Please find further information in the Sustainability Statement SBM-3, S1-1, S1-2, S1-4, S1-5, S1-17 |
| | GRI 201: Economic Performance 2016 | | |
| | GRI 201-3: Defined benefit plan obligations and other retirement plans | 103; AR 309–317 | |
| | GRI 202: Market presence 2016 | | |
| 6 | GRI 202-1: Ratios of standard entry level wage by gender compared to local minimum wage | 102; AR 197 | We do not report on the margin between standard entry salary according to gender and local minimum wage because this data is not available to us. Nor do we plan to collect it. We compensate employees on both permanent and temporary employment contracts in excess of the statutory minimum wage in the respective countries, paying a living wage regardless of gender. Please find further information in the Sustainability Statement S1-10 |
| | GRI 401: Employment 2016 | | |
| 6 | GRI 401-1: New employee hires and employee turnover | 101/102 | |
| | GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees | 102/103, 108 | |
| 6 | GRI 401-3: Parental leave | 107 | |
| | GRI 402: Labor/Management Relations 2016 | | |
| 3 | GRI 402-1: Minimum notice periods regarding operational changes | 105/106; AR 185/186 | Please find further information in the Sustainability Statement S1-2 |
| | GRI 404: Training and Education 2016 | | |
| 6 | GRI 404-1: Average hours of training per year per employee | 104 | |
| | GRI 404-2: Programs for upgrading employee skills and transition assistance programs | 103–105; AR 189 | Please find further information in the Sustainability Statement S1-1, S1-4 |
| 6 | GRI 404-3: Percentage of employees receiving regular performance and career development reviews | 105 | |
| | GRI 405: Diversity and Equal Opportunity 2016 | | |
| 6 | GRI 405-1: Diversity in governance bodies and employees | 100, 102; AR 100, 195, 196/197 | Please find further information in the Sustainability Statement GOV-1, S1-6, S1-9 |
| 6 | GRI 405-2: Ratio of basic salary and remuneration of women to men | 103; AR 198 | Please find further information in the Sustainability Statement S1-16 |
| | GRI 406: Nondiscrimination 2016 | | |
| 6 | GRI 406-1: Incidents of discrimination and corrective actions taken | 27; AR 198/199 | We do not report on the number of incidents of discrimination. We report on the total number of notifications registered with the compliance hotline and the percentage of confirmed compliance incidents. We publish the most frequently reported categories of compliance violations (including fairness and respect in the workplace), track the processing of these notifications and take corresponding measures in line with our Group regulation. More detailed information on this would constitute a business secret. Please find further information in the Sustainability Statement S1-17 |

GRI Content Index

| UNGC Principles | GRI Standards | Page and/or link | Comment and reference to the Sustainability Statement |
|----------------------------|---|--|--|
| Supplier Management | | | |
| 1–8 | GRI 3-3: Management of material topics | 5–8, 84–91; AR 111–115, 229/230 | Please find further information in the Sustainability Statement SBM-3, G1-2 |
| | GRI 204: Procurement practices 2016 | | |
| | GRI 204-1: Proportion of spending on local suppliers | 85 | |
| | GRI 308: Supplier Environmental Assessment 2016 | | |
| 7, 8 | GRI 308-1: New suppliers that were screened using environmental criteria | 85, 87–90; AR 229/230 | As the reported procedure for evaluating our suppliers (including according to environmental criteria) includes the new suppliers, we do not report the percentage of new suppliers separately. Please find further information in the Sustainability Statement G1-2 |
| 7, 8 | GRI 308-2: Negative environmental impacts in the supply chain and actions taken | 87–91, 120, 122/123; AR 112–115 | Please find further information in the Sustainability Statement SBM-3 |
| | GRI 414: Supplier Social Assessment 2016 | | |
| 1–6 | GRI 414-1: New suppliers that were screened using social criteria | 85, 87–90; AR 229/230 | As the reported procedure for evaluating our suppliers (including according to social criteria) includes the new suppliers, we do not report the percentage of new suppliers separately. Please find further information in the Sustainability Statement G1-2 |
| 1–6 | GRI 414-2: Negative social impacts in the supply chain and actions taken | 87–91, 95/96, 122/123; AR 112–115 | Please find further information in the Sustainability Statement SBM-3 |
| Human Rights | | | |
| 2–5 | GRI 3-3: Management of material topics | 5–8, 19, 92–97; AR 111–115, 184/185, 185/186, 198/199, 199/200, 200/201, 202–204 | Please find further information in the Sustainability Statement SBM-3, S1-1, S1-2, S1-4, S1-17, S2.SBM-3, S2-1, S2-2, S2-4, S2-5 |
| | GRI 407: Freedom of Association and Collective Bargaining 2016 | | |
| 2, 3 | GRI 407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | 87–90, 92–96, 106; AR 185/186, 199–200 | Please find further information in the Sustainability Statement S1-2, S2.SBM-3 |
| | GRI 408: Child Labor 2016 | | |
| 2, 5 | GRI 408-1: Operations and suppliers at significant risk for incidents of child labor | 87–90, 92–96; AR 181/182, 183/184, 199–200 | Please find further information in the Sustainability Statement S1.SBM-3, S1-1, S2.SBM-3 |
| | GRI 409: Forced or Compulsory Labor 2016 | | |
| 2, 4 | GRI 409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor | 87–90, 92–96; AR 181/182, 183/184, 199/200 | Please find further information in the Sustainability Statement S1.SBM-3, S1-1, S2.SBM-3 |
| Safety | | | |
| 1 | GRI 3-3: Management of material topics | 106, 119–127; AR 111–115, 185/186, 191, 192/193 | Please find further information in the Sustainability Statement SBM-3, S1-1, S1-2, S1-4 |
| | GRI 403: Occupational Health and Safety 2018 | | |

GRI Content Index

| UNGC Principles | GRI Standards | Page and/or link | Comment and reference to the Sustainability Statement |
|---|--|---|--|
| | GRI 403-1: Occupational health and safety management system | 119; AR 192/193 | Please find further information in the Sustainability Statement S1-1 |
| | GRI 403-2: Hazard identification, risk assessment and incident investigation | 106, 119–121 | |
| | GRI 403-3: Occupational health services | 151 | |
| | GRI 403-4: Worker participation, consultation and communication on occupational health and safety | 106, 119–123; AR 191, 192/193 | Please find further information in the Sustainability Statement S1-1, S1-4 |
| | GRI 403-5: Worker training on occupational health and safety | 119–123 | |
| | GRI 403-6: Promotion of worker health | 106, 124; AR 191 | Please find further information in the Sustainability Statement S1-1, S1-4 |
| | GRI 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 65/66, 122/123, 125/126; AR 202 | Please find further information in the Sustainability Statement S2-1 |
| | GRI 403-8: Workers covered by an occupational health and safety management system | 119; AR 197/198 | The Group Regulation on HSE Management and HSE Key Requirements applies to all Bayer employees and all contractors directly supervised by Bayer. Our global HSE management system is audited internally. We do not report on the number and percentage of workers covered by a management system according to an internationally recognized standard since we use the energy consumption of environmentally relevant sites as a reference parameter. Please find further information in the Sustainability Statement S1-14 |
| | GRI 403-9: Work-related injuries | 127; AR 105/106 | We do not report separately on work-related injuries with serious consequences. These are included in the data. Please find further information in the Sustainability Statement S1-14 |
| | GRI 403-10: Work-related ill health | 127 | |
| | GRI 413: Local Communities 2016 | | |
| 1 | GRI 413-2: Operations with significant actual and potential negative impacts on local communities | 109, 119, 123, 125/126; AR 111–115, 205 | Please find further information in the Sustainability Statement SBM-3, S3.SBM-3 |
| Stakeholder and Community Engagement | | | |
| 1 | GRI 3-3: Management of material topics | 24, 79–83, 128–132; AR 15, 18–21 | Please find further information in the Sustainability Statement SBM-1, SBM-3, S3.SBM-3, S3-1, S3-2, S3-4, S3-5 |
| | GRI 201: Economic Performance 2016 | | |
| | GRI 201-1: Direct economic value generated and distributed | 24 | |
| | GRI 203: Indirect Economic Impacts 2016 | | |
| | GRI 203-1: Infrastructure investments and services supported | 79–83, 128–132 | |
| | GRI 203-2: Significant indirect economic impacts | 24, 37, 86 | |
| | GRI 413: Local Communities 2016 | | |
| 1 | GRI 413-1: Operations with local community engagement, impact assessments and development programs | 31, 34, 105/106, 128–130; AR 207/208 | Please find further information in the Sustainability Statement S3-2, S3-3, S3-4 |

AR = [Bayer Annual Report 2024](#)

Glossary

B

Bt (Bacillus thuringiensis) is a bacterium that can be found primarily in soil, as well as on plants and in insect cadavers. The Bt toxins produced by the bacterium are used for biological pest control in agriculture and forestry, as well as to control disease-transmitting mosquitoes.

C

Corruption Perceptions Index (CPI) is the world's most renowned corruption indicator. It is compiled by the International Secretariat of the NGO Transparency International and has listed countries according to their perceived levels of public sector corruption since 1995. The CPI 2024 comprises 180 countries.

CRISPR-Cas is a new molecular-biological method of specifically modifying genetic material. It enables individual DNA building blocks to be inserted, removed or modified. This process basically works with all organisms. It is used in animal and plant breeding, and in biotechnology.

E

Ecosystem Fund

The term "Ecosystem Fund" refers to a sum of grants or other funding opportunities created for organizations that address key global societal challenges. This includes incentivizing participation in expanding and shaping an ecosystem through cross-sector and multi-stakeholder collaboration, in order to enhance the positive impact of the provided funds, such as the Bayer Foundation's Social Innovation Ecosystem Fund.

Ecosystem services are the benefits people obtain from ecosystems. Ecosystem services upon which crop production depends include, for instance, soil fertility, soil erosion prevention, nutrient cycling, soil organic matter provision, pest control, water regulation and pollination.

G

GHG (Greenhouse Gas) Protocol

The Greenhouse Gas Protocol is an internationally recognized tool for recording, quantifying and reporting greenhouse gas emissions. Its standards cover all emissions along the value chain. Bayer aligns itself to the Corporate Standard for direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions and also to the Corporate Value Chain Accounting and Reporting Standard (Scope 3), which covers further indirect emissions along the value chain. Dual reporting was introduced for indirect (Scope 2) emissions. Indirect emissions have to be reported using both the location-based and the market-based methods. The location-based method uses regional or national average emissions factors, while the market-based method applies provider- or product-specific emissions factors based on contractual instruments.

GxP (Good x Practice) is the umbrella term covering all rules for "good working practice." The "x" in the middle is replaced by the relevant abbreviation for the field of application involved.

H

Herbicide-tolerant plants are resistant to the mechanism of action of a herbicide.

L

LMICs (low- and middle-income countries)

According to the World Bank, these include low- and middle-income economies (low/lower middle/upper middle) with a GNI per capita maximum income ranging from US\$1,036/4,035/to US\$12,535 (based on 2019 figures, calculated according to the World Bank Atlas method).

R

3Rs principle in animal welfare (replace, reduce, refine)

Replace: prior to each project, Bayer checks whether an approved method is available that does not rely on animal studies and then applies it. **Reduce:** in case no alternative method exists, only as many animals are used as are needed to achieve scientifically meaningful results based on statutory requirements. **Refine:** Bayer ensures that animal studies are performed in a way that minimizes any suffering to the animals.

S

Significant locations of operation

A selection of countries that accounted for more than 80% of total Bayer Group sales in 2024 (Argentina, Australia, Brazil, Canada, China, France, Germany, Italy, Japan, Mexico, Russia, Spain, Switzerland, the United Kingdom and the United States).



Masthead

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