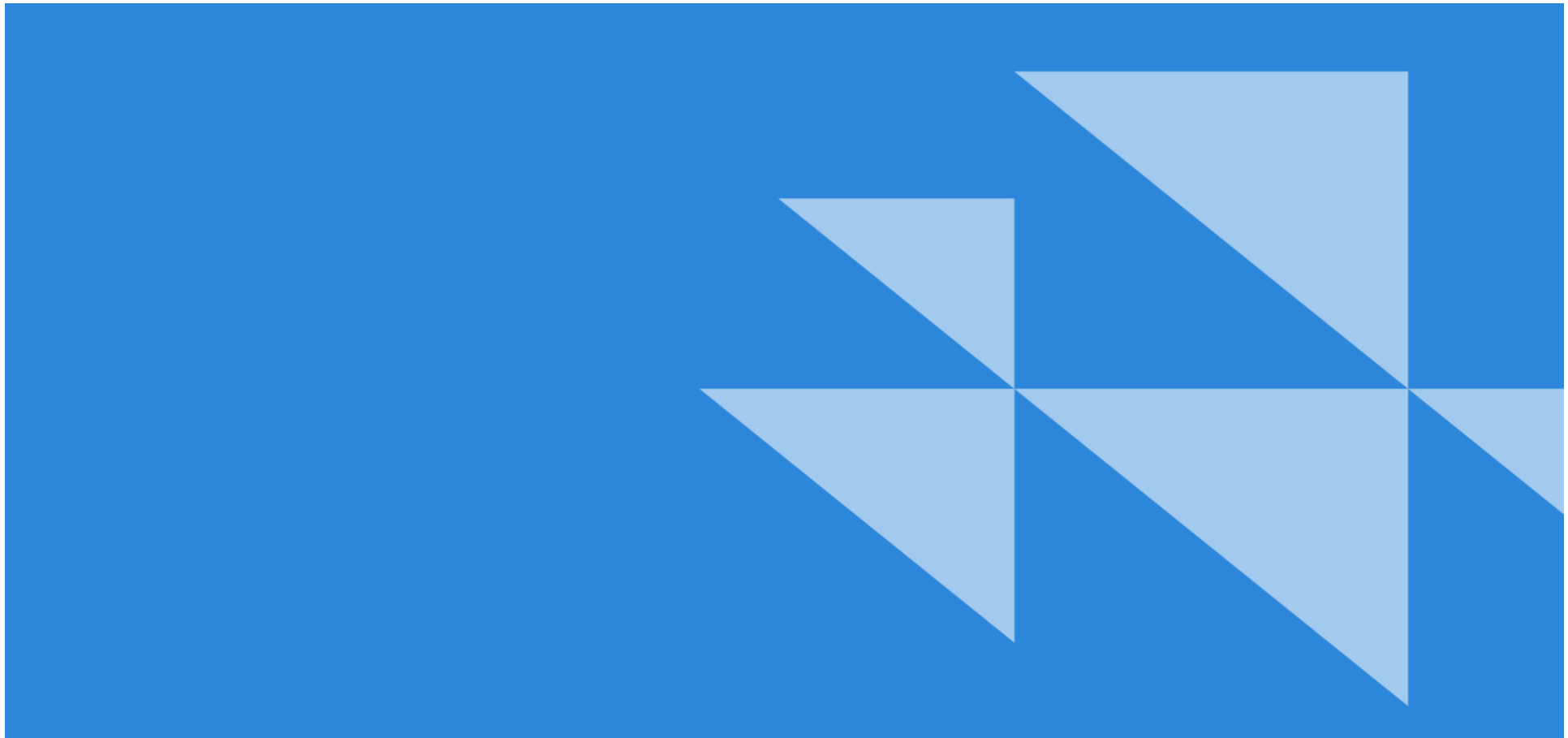

CDP Water Security 2023 Questionnaire



W0 Introduction

(W0.1) Give a general description of and introduction to your organization.

“Health for all, hunger for none” – putting an end to hunger and helping everyone lead a healthy life, while at the same protecting ecosystems. That’s what we aspire to achieve, guided by our corporate purpose “Science for a better life.” The major issues of our time can only be addressed if we work together. Our campaigns #voranbringen in Germany and “This is why we science” in the United States underscore our approach. We are a life science company and a global leader in health care and nutrition. Our innovative products support efforts to overcome the major challenges presented by a growing and aging global population. We help prevent, alleviate and treat diseases. We also aim to ensure the world has a reliable supply of high-quality food, feed and plant-based raw materials. As part of this endeavor, the responsible use of natural resources is always a top priority.

We aim to enhance our company’s earning power and create value for customers, patients, shareholders, employees and society. Growth and sustainability are integral parts of our strategy, guided by our corporate values of Leadership, Integrity, Flexibility and Efficiency, or LIFE for short.

This culture ensures a common identity throughout the Bayer Group.

The management structure of the Bayer Group comprises three divisions – Pharmaceuticals, Consumer Health and Crop Science – which are also our reporting segments. Our divisions together with our enabling functions represent all units and functions across the organization. We operate sites around the world, and some are used by multiple segments. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries.

We are reporting according to the financial control approach to provide an accurate picture of Bayer’s life science businesses.

Forward-Looking Statements

This report may contain forward-looking statements based on current assumptions and forecasts made by Bayer management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer’s public reports which are available on the Bayer website at www.bayer.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

(W0.2) State the start and end date of the year for which you are reporting data.

1	2
Start date	End date
January 1, 2022	December 31, 2022

(W0.3) Select the countries/areas in which you operate.

1
Country/Area
Dominican Rep., France, Saudi Arabia, Unit.Arab Emir., Argentina, Austria, Australia, Bangladesh, Belgium, Burkina Faso, Bulgaria, Bermuda, Bolivia, Brazil, Canada, Switzerland, Cote d'Ivoire, Chile, China, Colombia, Costa Rica, Curacao, Cyprus, Czech Republic, Germany, Denmark, Algeria, Ecuador, Egypt, Spain, Finland, United Kingdom, Greece, Guatemala, Hong Kong, Honduras, Croatia, Hungary, Indonesia, Ireland, Israel, India, Italy, Japan, Kenya, Republic Korea, Kasachstan, Lithuania, Luxembourg, Morocco, Malawi, Mexico, Malaysia, Nicaragua, Netherlands, Norway, New Zealand, Panama, Peru, Philippines, Pakistan, Poland, Puerto Rico, Portugal, Paraguay, Romania, Serbia, Russian Fed., Sweden, Singapore, Slovenia, Slovakia, El Salvador, Thailand, Turkey, Taiwan, Ukraine, United States, Uruguay, Brit.Virgin Is., Vietnam, South Africa, Zambia

(W0.4) Select the currency used for all financial information disclosed throughout your response.

1
Currency
<ul style="list-style-type: none"> EUR

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

- Companies, entities or groups over which financial control is exercised

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

- No

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

1	2
Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier*
<ul style="list-style-type: none"> Yes, an ISIN code 	DE000BAY0017

[Add Row]

W1 Current state

Dependence

*(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

1	2	3	4
Water quality and quantity	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	<ul style="list-style-type: none"> Vital 	<ul style="list-style-type: none"> Vital 	<p>DIRECT OPERATIONS:</p> <p>1) PRIMARY USE: The PRIMARY USE of FRESHWATER is for cooling purposes (~35% of water used), the production process (~45% of water used) and irrigation of field and greenhouses for seed production (~20% of water used).</p> <p>2) SELECTED IMPORTANCE: Clean water is a limiting factor for our production and THUS considered VITAL. E.g. if the water has a high concentration of salts, it will not be appropriate for cooling purposes due to its corrosive characteristics to pipes.</p> <p>3) FUTURE DEPENDENCY: We expect our FUTURE DEPENDENCY IN DIRECT OPERATIONS to remain the same BECAUSE freshwater will remain vital for our production and the irrigation of fields with our current strategy.</p> <p>INDIRECT OPERATIONS:</p> <p>1) PRIMARY USE: The PRIMARY USE IN THE SUPPLY CHAIN is for raw material/product supply, incl. seeds produced by contracted growers. Looking DOWNSTREAM, e.g. at Crop Science's customers, FRESHWATER is PRIMARILY USED for irrigation in agriculture.</p> <p>2) SELECTED IMPORTANCE: It is THUS considered VITAL since it could impede raw material/product supply and/or hamper the use of our Crop Science products.</p> <p>3) FUTURE DEPENDENCY: We expect our FUTURE DEPENDENCY IN INDIRECT OPERATIONS to remain the same BECAUSE freshwater will remain vital to ensure the provision of raw materials and products and the use of our products by our customers.</p>
Sufficient amounts of recycled, brackish and/or produced water available for use	<ul style="list-style-type: none"> Important 	<ul style="list-style-type: none"> Important 	<p>DIRECT OPERATIONS:</p> <p>1) PRIMARY USE: The PRIMARY USE of NON-FRESH WATER i.e. recycled water is for cooling purposes, through the reuse of treated wastewater or steam condensate recovery as process water and irrigation of fields and greenhouses for our seeds production. Moreover, brackish and produced water are not material for Bayer.</p> <p>2) SELECTED IMPORTANCE: In general, it has neutral importance for our direct use. However, we selected "IMPORTANT" BECAUSE some of our sites are located in water scarce regions: here the reuse of water is gaining importance. We also encourage our sites to efficiently utilize resources, including water. Through water recycling we reduced our water withdrawals in our operations. This is another reason WHY we consider the use of non-freshwater in direct operations as important.</p> <p>3) FUTURE DEPENDENCY: We expect our FUTURE DEPENDENCY IN DIRECT OPERATIONS to remain the same BECAUSE we are expecting a similar water availability situation across our sites as today based on current forecasts.</p> <p>INDIRECT OPERATIONS:</p>

			<p>1) PRIMARY USE: The PRIMARY USE IN THE VALUE CHAIN is identical to Bayer, i.e. recycled water is used for cooling purposes.</p> <p>2) SELECTED IMPORTANCE: In general, it has neutral importance for our value/supply chain. However, we selected "IMPORTANT" BECAUSE we encourage our supply chain to efficiently utilize resources, including water.</p> <p>3) FUTURE DEPENDENCY: We expect the FUTURE DEPENDENCY IN INDIRECT OPERATIONS to remain the same BECAUSE we expect our suppliers and customers to continue using non-fresh water in the current limited manner.</p>
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Company-wide water accounting

*(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

0	1	2	3	4
Water aspect	% of sites/facilities/operations	Frequency of measurement*	Method of measurement*	Please explain
Water withdrawals – total volume	<ul style="list-style-type: none"> 100% 	<ul style="list-style-type: none"> Continuously 	<p>Online monitoring.</p> <p>Water withdrawals are typically measured with flow meters, which are permanently installed and measure continuously. Alternatively, withdrawals are calculated from operational data of calibrated pumps.</p>	<p>1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities.</p> <p>2) CENTRAL: Total water withdrawals are monitored ANNUALLY via "BaySIS". See also W-FI. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.</p>
Water withdrawals – volumes by source	<ul style="list-style-type: none"> 100% 	<ul style="list-style-type: none"> Continuously 	<p>Online monitoring.</p> <p>Water withdrawals are typically measured with flow meters, which are permanently installed and measure continuously. Alternatively, withdrawals are calculated from operational data of calibrated pumps.</p>	<p>1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities.</p> <p>2) CENTRAL: Water withdrawal volumes by source are monitored ANNUALLY via "BaySIS". See also W-FI. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.</p>

Water withdrawals quality	<ul style="list-style-type: none"> • 76-99 % 	<ul style="list-style-type: none"> • Daily 	<p>Lab analysis. Essential quality parameters of withdrawals are determined by means of laboratory tests.</p>	<p>1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Parameters are measured to determine water quality as needed, e.g. to prevent unnoticed effects on plant breeding and to guarantee to high quality standards of health care products. Sites with own wells monitor groundwater salinization if relevant. When dependent on third party supply, we rely on the contractually agreed quality controls by them. As we are not able to guarantee 100% coverage, we selected 76-99 % of sites. Adherence to legal regulations is checked regularly e.g. through our internal (HSE) audits. 2) CENTRAL: We do not monitor this aspect via “BaySIS”, due to local specifics of the topic.</p>
Water discharges – total volume	<ul style="list-style-type: none"> • 100% 	<ul style="list-style-type: none"> • Continuously 	<p>Online monitoring. Water discharges are typically measured with flow meters, which are permanently installed and measure continuously.</p>	<p>1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities. 2) CENTRAL: Total water discharges are monitored ANNUALLY via “BaySIS”. See also W-FI. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.</p>
Water discharges – volumes by destination	<ul style="list-style-type: none"> • 100% 	<ul style="list-style-type: none"> • Continuously 	<p>Online monitoring. Water discharges are typically measured with flow meters, which are permanently installed and measure continuously.</p>	<p>1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities. 2) CENTRAL: Water discharges by destination are monitored ANNUALLY via “BaySIS”. See also W-FI. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.</p>
Water discharges – volumes by treatment method	<ul style="list-style-type: none"> • 100% 	<ul style="list-style-type: none"> • Continuously 	<p>Online monitoring. Water discharges are typically measured with flow meters, which are permanently installed and measure continuously.</p>	<p>1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities.</p>

				2) CENTRAL: Water discharges by treatment method are monitored ANNUALLY via "BaySIS". See also W-FI. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.
Water discharge quality – by standard effluent parameters	<ul style="list-style-type: none"> • 100% 	<ul style="list-style-type: none"> • Daily 	Lab analysis. Essential quality parameters of discharges are determined by means of laboratory tests.	<p>1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities. Standard effluent parameters are typically monitored daily to comply with discharge permits.</p> <p>2) CENTRAL: Water discharge quality is monitored ANNUALLY via "BaySIS". See also W-FI. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.</p>
Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)	<ul style="list-style-type: none"> • 100% 	<ul style="list-style-type: none"> • Daily 	Lab analysis. Essential quality parameters of discharges are determined by means of laboratory tests.	<p>1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities. Emissions to water are typically monitored daily to comply with discharge permits.</p> <p>2) CENTRAL: Water discharge quality is monitored ANNUALLY via "BaySIS". See also W-FI. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.</p>
Water discharge quality – temperature	<ul style="list-style-type: none"> • 100% 	<ul style="list-style-type: none"> • Continuously 	Online monitoring. Temperature measuring devices are typically permanently installed and measure continuously.	<p>1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Discharge temperatures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING each time that water is discharged. Often, our online monitoring system is directly connected to monitoring systems of local authorities. Control measurements are conducted by the local authorities at least TWICE PER YEAR. Internally, adherence to legal regulations is checked regularly in our internal (HSE) audits which take place every 3 years.</p> <p>2) CENTRAL: We do not monitor this aspect via "BaySIS", due to local specifics of the topic.</p>
Water consumption – total volume	<ul style="list-style-type: none"> • 100% 	<ul style="list-style-type: none"> • Continuously 	Online monitoring Water consumptions are typically measured with flow meters, which are permanently installed and measure continuously.	<p>1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity).</p>

				<p>Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site.</p> <p>Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities.</p> <p>2) CENTRAL: Total water consumption is monitored ANNUALLY via “BaySIS”. See also W-FI. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.</p>
Water recycled/reused	<ul style="list-style-type: none"> • 100% 	<ul style="list-style-type: none"> • Continuously 	<p>Online monitoring</p> <p>Water recycles are typically measured with flow meters, which are permanently installed and measure continuously.</p>	<p>1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). .</p> <p>Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the key performance indicator and type of site.</p> <p>Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities.</p> <p>2) CENTRAL: Water recycled or reused is monitored ANNUALLY via “BaySIS”. See W-FI. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.</p>
The provision of fully-functioning, safely managed WASH services to all workers	<ul style="list-style-type: none"> • 76-99% 	<ul style="list-style-type: none"> • Daily 	<p>Assessment.</p> <p>As part of our standard procedures, the provisioning of fully-functioning WASH services is regularly checked.</p>	<p>Health and safety of employees are very important aspects for Bayer. As highlighted in our Water Position, we use our local presence to support projects providing access to clean water and sanitation to our employees and the communities in which we operate. Bayer is committed to the UN CEO Water Mandate and in 2021 actively participated in the Human Rights and WASH Working Group.</p> <p>1) SITES: All our production sites provide fully-functioning WASH services to all workers, and we estimate these sites to represent over 95% of Bayer’s total water usage. Since our operations include many small Crop Science farming sites worldwide and audits are conducted on a random basis, we are not able to guarantee 100% coverage.</p> <p>2) CENTRAL: We constantly monitor and assess our HSE performance including the existence of fully-functioning WASH services through our audits worldwide, according to ANNUAL HSE audit programs as defined on a risk-based approach.</p>

***(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?**

0	1	2	3	4	5	6
Water aspect	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain

Total withdrawals	52,743	<ul style="list-style-type: none"> • About the same 	<ul style="list-style-type: none"> • Other, please specify: no significant changes in business activities and the number of sites remained unchanged 	<ul style="list-style-type: none"> • Lower 	<ul style="list-style-type: none"> • Increase/decrease in efficiency 	<p>In 2022, total water withdrawal was ABOUT THE SAME as last year DUE TO the fact that there were no significant changes in business activities and the number of sites remained unchanged.</p> <p>We are committed to set context-based reduction targets by 2025.</p> <p>Total withdrawals comprise groundwater, surface water, drinking water supply, rainwater, externally purified wastewater and third parties.</p> <p>Volumetric data have been compiled from our central BAYER SITE INFORMATION SYSTEM "BaySIS". BaySIS is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling.</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p> <p>Please note that differences between volumes of water withdrawn, consumed and discharged can be explained, for example, by quantities of water used as raw materials in products, unquantified losses due to evaporation, leaks and volumes of condensate generated through the use of steam as a source of energy. This is why total water consumption does not exactly equal total water withdrawals minus discharges (C (18,676) ≠ W (52,743) - D (33,974), the deviation is less than 0.2%.</p>
Total discharges	33,974	<ul style="list-style-type: none"> • Lower 	<ul style="list-style-type: none"> • Other, please specify: considered non-significant change in business activities, number of sites remained unchanged 	<ul style="list-style-type: none"> • Lower 	<ul style="list-style-type: none"> • Increase/decrease in efficiency 	<p>In 2022, total water discharges from production were LOWER as last year but still considered non-significant change in business activities and the number of sites remained unchanged.</p> <p>Please note: We further align our water reporting with CDP requirements and are reporting for 2022 once-through and circulation cooling water as discharge.</p> <p>Water discharges are expected to decrease IN THE FUTURE because Bayer works continuously on reducing the discharges. We are committed to set context-based reduction targets by 2025.</p> <p>Total discharges comprise process wastewater as well as once-through and circulation cooling water. All discharge categories are differentiated between with and without subsequent treatment.</p> <p>Volumetric data have been compiled from our central BAYER SITE INFORMATION SYSTEM "BaySIS". BaySIS is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling.</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>

						<p>Please note that differences between volumes of water withdrawn, consumed, and discharged can be explained, for example, by quantities of water used as raw materials in products, unquantified losses due to evaporation, leaks and volumes of condensate generated through the use of steam as a source of energy. This is why total water consumption does not exactly equal total water withdrawals minus discharges (C (18,676) ≠ W (52,743) - D (33,974), the deviation is less than 0.2%.</p>
Total consumption	18,676	<ul style="list-style-type: none"> About the same 	<ul style="list-style-type: none"> Other, please specify: no significant changes in business activities and the number of sites remained unchanged 	<ul style="list-style-type: none"> About the same 	<ul style="list-style-type: none"> Maximum potential volume reduction already achieved 	<p>In 2022, total water consumption was ABOUT THE SAME as last year DUE TO the fact that there were no significant changes in business activities and the number of sites remained unchanged.</p> <p>Please note: We further align our water reporting with CDP requirements and are reporting for 2022 once-through and circulation cooling water as discharge and include evaporation losses as consumption.</p> <p>Water consumption is expected to stay about the same IN THE FUTURE as no significant changes are expected.</p> <p>Total consumption comprises irrigation activities and water used in utility processes on site (e.g. evaporation loss in cooling tower, water for steam generation, water in product sold, blow down losses).</p> <p>Volumetric data have been compiled from our central BAYER SITE INFORMATION SYSTEM "BaySIS". BaySIS is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling.</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p> <p>Categories of consumption are mostly based on aggregation of local measurements or based on local calculations depending on individual infrastructure of reporting sites. All sites are required to report a water balance in equilibrium with a tolerance range of +/- 5 % in order to account for potential inaccuracy of measurement devices.</p> <p>Please note that differences between volumes of water withdrawn, consumed and discharged can be explained, for example, by quantities of water used as raw materials in products, unquantified losses due to evaporation, leaks and volumes of condensate generated through the use of steam as a source of energy and the above described tolerance range for reported water balances. This is why total water consumption does not exactly equal total water withdrawals minus discharges (C (18,676) ≠ W (52,743) - D (33,974), the deviation is less than 0.2%.</p>

*(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

1	2	3	4	5	6	7	8
Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Primary reason for comparison with previous reporting year*	Five-year forecast*	Primary reason for forecast*	Identification tool	Please explain
<ul style="list-style-type: none"> • Yes 	<ul style="list-style-type: none"> • 1-10 	<ul style="list-style-type: none"> • Lower 	<ul style="list-style-type: none"> • Increase/decrease in efficiency 	<ul style="list-style-type: none"> • Lower 	<ul style="list-style-type: none"> • Increase/decrease in efficiency 	<ul style="list-style-type: none"> • WRI Aqueduct 	<p>APPLICATION OF TOOL TO EVALUATE WHETHER WATER HAS BEEN WITHDRAWN FROM STRESSED AREAS:</p> <p>To identify the sites in water-scarce regions, we have applied the Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool (thresholds: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). We analyzed all sites worldwide which are considered environmentally relevant and thus monitored in our central BAYER SITE INFORMATION SYSTEM "BaySIS". From BaySIS, we mapped the total water use to each site that was located in a water-scarce region according to the WRI Aqueduct analysis and defined those sites as "large user", which used more than 0.1% of our total water use. In this process 15 Bayer sites were identified based on 2022 data which are located in a water-scarce region and are relevant for our water-risk analysis. These sites have the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator) and are defined as "large water users" (>0.1% of Bayer's total water use).</p> <p>REDUCTION OF WITHDRAWALS FROM AREAS WITH WATER STRESS:</p> <p>In 2022, water withdrawals of the five largest sites (as reported 2020) located in water-scarce regions DECREASED by 6.7%.</p> <p>We aim to identify potential for improvement particularly at sites located in water-scarce areas or in areas identified as being threatened by water scarcity, and use as little water there as possible.</p> <p>By the end of 2020, we had already established water management systems at all relevant sites in regions threatened by water scarcity. We are aware that climate change will further exacerbate the problem of water scarcity in the future. To avert future risks for our production capacities and the local communities, we will establish by 2023 suitable water management systems at all relevant sites that will be threatened by water scarcity by 2030.</p>

*(W1.2h) Provide total water withdrawal data by source.

0	1	2	3	4	5
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Source	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year*	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	<ul style="list-style-type: none"> Relevant 	11,349	<ul style="list-style-type: none"> Much lower 	<ul style="list-style-type: none"> Investment in water-smart technology/process 	<p>i) Water withdrawal from FRESH SURFACE WATER IS RELEVANT as it is VITAL for cooling purposes, production processes as well as irrigation of fields and greenhouses for seed production. Clean water is a limiting factor for our production and THUS considered essential. E.g. if the water has a high concentration of salts, it will not be appropriate for cooling purposes due to its corrosive characteristics to pipes.</p> <p>ii) In 2022, total water withdrawal from fresh surface water was MUCH LOWER compared to 2021. This is DUE TO the fact that significant water-saving measures were undertaken at one site in Mexico.</p> <p>iii) All volumes are measured and monitored in our central BAYER SITE INFORMATION SYSTEM "BaySIS". It is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>
Brackish surface water/Seawater	<ul style="list-style-type: none"> Not relevant 	N/A	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	<p>As in previous years, brackish surface water was NOT RELEVANT in 2022 BECAUSE we did not use brackish surface water in our operations. As described above, brackish water is not suitable for our production. E.g. if the water has a high concentration of salts, it will not be appropriate for cooling purposes due to its corrosive characteristics to pipes.</p> <p>This is also the reason WHY (non-) usage is consistent with the previous year and is expected to stay the same for our operations IN THE FUTURE.</p>
Groundwater – renewable	<ul style="list-style-type: none"> Relevant 	21,278	<ul style="list-style-type: none"> About the same 	<ul style="list-style-type: none"> Other, please specify: no significant changes of business activities and the number of sites remained unchanged 	<p>i) Groundwater is RELEVANT BECAUSE we have own wells in many sites for our own water supply.</p> <p>ii) In 2022, total water withdrawal from groundwater was ABOUT THE SAME compared to 2021. This is DUE TO the fact that there were no significant changes of business activities and the number of sites remained unchanged.</p> <p>iii) All volumes are measured and monitored in our central BAYER SITE INFORMATION SYSTEM "BaySIS". BaySIS is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>
Groundwater – non-renewable	<ul style="list-style-type: none"> Not relevant 	N/A	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	<p>As in previous years, non-renewable groundwater was NOT RELEVANT in 2022 BECAUSE we do not use non-renewable groundwater in our operations. We do not have any sites in regions with non-renewable groundwater aquifers. This is also the reason WHY (non-) usage is consistent with the previous year and is expected to stay the same for our operations IN THE FUTURE.</p>

Produced/Entrained water	<ul style="list-style-type: none"> Relevant 	724	<ul style="list-style-type: none"> About the same 	<ul style="list-style-type: none"> Other, please specify: no significant changes of business activities and the number of sites remained unchanged 	<p>i) Water from produced water / process water is RELEVANT BECAUSE we extract produced water from our raw materials and from production processes.</p> <p>ii) In 2022, total water withdrawal from produced water / process water ABOUT THE SAME compared to 2021 DUE TO the fact that there were no significant changes of business activities and the number of sites remained unchanged.</p> <p>iii) All volumes are measured and monitored in our central BAYER SITE INFORMATION SYSTEM "BaySIS". BaySIS is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>
Third party sources	<ul style="list-style-type: none"> Relevant 	19,391	<ul style="list-style-type: none"> Higher 	<ul style="list-style-type: none"> Other, please specify: compensation measures of reduced withdrawal of fresh water sources with public drinking water 	<p>i) Water from third party sources is RELEVANT BECAUSE we withdraw water from third parties for drinking water in most sites. In addition, water from third party sources is used for production.</p> <p>ii) In 2022, total water withdrawal from third party sources was HIGHER compared to 2021. This is DUE TO compensation measures, i.e. reduced withdrawal of fresh water was compensated by increased consumption of public drinking water.</p> <p>iii) All volumes are measured and monitored in our central BAYER SITE INFORMATION SYSTEM "BaySIS". BaySIS is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>

***(W1.2i) Provide total water discharge data by destination.**

0	1	2	3	4	5
Destination	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year*	Please explain
Fresh surface water	<ul style="list-style-type: none"> Relevant 	24,298	<ul style="list-style-type: none"> Much lower 	<ul style="list-style-type: none"> Other, please specify: shifting measures which direct now more wastewater to 	<p>i) Discharges to fresh surface water are RELEVANT in sites where water can be directly returned to the natural water cycle after treatment in our own treatment plants or without treatment (after being carefully tested and categorized as environmentally safe according to official provisions). All wastewater is subject to strict controls before it is discharged. 32.9% of water discharged is cooling water that does not come into contact with products. It can be returned to the water cycle without further treatment in line with official permits.</p>

				third-party destinations	<p>ii) In 2022, total water discharges to fresh surface water were MUCH LOWER compared to 2021. This is DUE TO the fact that there were shifting measures which direct now more wastewater to third-party destinations. Note: We further align our water reporting with CDP requirements and are reporting for 2022 once-through and circulation cooling water as discharge to fresh surface water.</p> <p>iii) Monitoring and threshold definition see W-FI.</p>
Brackish surface water/ seawater	<ul style="list-style-type: none"> Relevant 	245	<ul style="list-style-type: none"> Lower 	<ul style="list-style-type: none"> Other, please specify: on a very low level and the change in absolute values is still considered to be insignificant 	<p>i) Discharges to brackish surface water/seawater are RELEVANT BECAUSE we have sites located at the coast which discharge some of their used water into the sea after treatment in our own water treatment plants or after careful analysis, during which it is categorized as environmentally safe according to official provisions and returned to the natural water cycle.</p> <p>ii) In 2022, total water discharges to brackish surface water/seawater were LOWER compared to 2021. This is DUE TO the fact that the share of release to brackish or sea surface water is consistently on a very low level and the change in absolute values is still considered to be insignificant. There were no significant changes of business activities and the number of sites remained unchanged.</p> <p>iii) Monitoring and threshold definition see W-FI.</p>
Groundwater	<ul style="list-style-type: none"> Relevant 	2,278	<ul style="list-style-type: none"> Higher 	<ul style="list-style-type: none"> Increase/decrease in business activity 	<p>i) Discharges to groundwater are RELEVANT because in some sites we operate absorption wells. After being carefully tested and categorized as environmentally safe according to official provisions, the water seeps into the ground, permeates the soil and finally refills the groundwater. For the sake of balanced reporting the stated volume of 2,278 megaliters/year includes other discharge categories that did not match any other listed category such as groundwater formations, absorption wells, seepage, and others.</p> <p>ii) In 2022, total water discharges to groundwater were HIGHER compared to 2021 DUE TO increase of activity of relevant sites.</p> <p>iii) Monitoring and threshold definition see W-FI.</p>
Third-party destinations	<ul style="list-style-type: none"> Relevant 	7,153	<ul style="list-style-type: none"> Much higher 	<ul style="list-style-type: none"> Other, please specify: shifting measures which direct now more wastewater to third-party destinations 	<p>i) Water discharges to third-party destinations are RELEVANT as the water is discharged to treatment plants before it can be led back to the environment. All wastewater is subject to strict controls before it is discharged into the various disposal channels. Discharges to third parties include wastewater that after treatment may be used in other organizations or is re-entering the water use in Bayer facilities.</p> <p>ii) In 2022, total water discharges to third party destinations were MUCH HIGHER compared to 2021 DUE TO the fact that there were shifting measures which direct now more wastewater from surface water discharges to third-party destinations.</p> <p>iii) Monitoring and threshold definition see W-FI.</p>

*(W1.2) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

0	1	2	3	4	5	6
Highest level of treatment within direct operations	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	Primary reason for comparison with previous reporting year*	% of your sites/facilities /operations this volume applies to	Please explain
Tertiary treatment	<ul style="list-style-type: none"> Relevant 	5,965	<ul style="list-style-type: none"> About the same 	<ul style="list-style-type: none"> Other, please specify: no significant changes of business activities and the number of sites remained unchanged and no major changes in the infrastructure of sites occurred 	<ul style="list-style-type: none"> 1-10 	<p>i) RATIONALE FOR TREATMENT LEVEL: Several Bayer facilities have to meet strict water quality targets, thus requiring tertiary treatment within Bayer operated water treatment plants. At all those sites, we apply biological denitrification/nitrification to remove nitrogen and phosphorus. Many sites apply additional treatment steps such as coagulation, sedimentation, activated carbon adsorption and ion exchange. All wastewater is subject to strict controls before it is discharged into the various disposal channels.</p> <p>ii) COMPLIANCE WITH REGULATORY AND/OR VOLUNTARY STANDARDS: Adherence to legal regulations is checked regularly e.g. through our internal HSE audits and internal audits from the site which take place every 1-3 years. Furthermore, in an ongoing project, Bayer has established voluntary internal standards for active ingredients (AI). Around 90% of the AI emissions already assessed are below these internal standards. We will work towards meeting the internal standards for all emissions in the next years.</p> <p>iii) Tertiary treatment is RELEVANT because our wastewater contains contaminants that have to be removed before discharge.</p> <p>iv) In 2022, tertiary treatment water discharges were ABOUT THE SAME compared to 2021. This is DUE TO the fact that there were no significant changes of business activities and the number of sites remained unchanged and no major changes in the infrastructure of sites occurred. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p> <p>v) Water discharges from tertiary treatment are expected to stay about the same IN THE FUTURE as no significant changes are expected in the production processes.</p>
Secondary treatment	<ul style="list-style-type: none"> Relevant 	8,050	<ul style="list-style-type: none"> Much lower 	<ul style="list-style-type: none"> Increase/decrease in business activity 	<ul style="list-style-type: none"> 11-20 	<p>i) RATIONALE FOR TREATMENT LEVEL: Several Bayer facilities have to meet strict water quality targets, thus requiring secondary treatment within Bayer operated water treatment plants. All wastewater is subject to strict controls before it is discharged into the various disposal channels.</p> <p>ii) COMPLIANCE WITH REGULATORY AND/OR VOLUNTARY STANDARDS: Adherence to legal regulations is checked regularly e.g. through our internal HSE Audits and internal audits from the site which take place every 1-3 years. Furthermore, in an ongoing project, Bayer has established voluntary internal standards for active ingredients (AI). Around 90% of the AI emissions already assessed are below these internal standards. We will work towards meeting the internal standards for all emissions in the next years.</p>

						<p>iii) Secondary treatment is RELEVANT because our wastewater contains contaminants that have to be removed before discharge.</p> <p>iv) In 2022, secondary treatment water discharges were MUCH LOWER compared to 2021. This is DUE TO the fact that sites with secondary treatment capability had lower business activities but no major changes in the infrastructure of sites occurred. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p> <p>v) Water discharges from secondary treatment are expected to increase IN THE FUTURE as return to previous years' activities is expected in the production processes.</p>
Primary treatment only	<ul style="list-style-type: none"> Relevant 	2,410	<ul style="list-style-type: none"> About the same 	<ul style="list-style-type: none"> Other, please specify: no significant changes of business activities and the number of sites remained unchanged and no major changes in the infrastructure of sites occurred 	<ul style="list-style-type: none"> 11-20 	<p>i) RATIONALE FOR TREATMENT LEVEL: Operations with primary treatment only represent a minor portion of Bayer sites because most wastewater streams are treated further.</p> <p>ii) COMPLIANCE WITH REGULATORY AND/OR VOLUNTARY STANDARDS: Adherence to legal regulations is checked regularly e.g. through our internal HSE Audits and internal audits from the site which take place every 1-3 years. Furthermore, in an ongoing project, Bayer has established voluntary internal standards for active ingredients (AI). Around 90% of the AI emissions already assessed are below these internal standards. We will work towards meeting the internal standards for all emissions in the next years.</p> <p>iii) Primary treatment is RELEVANT.</p> <p>iv) In 2022, primary treatment water discharges were ABOUT THE SAME compared to 2021. This is DUE TO the fact that there were no significant changes of business activities and the number of sites remained unchanged and no major changes in the infrastructure of sites occurred. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p> <p>v) Water discharges from primary treatment are expected to stay about the same IN THE FUTURE as no significant changes are expected in the production processes.</p>
Discharge to the natural environment without treatment	<ul style="list-style-type: none"> Relevant 	830	<ul style="list-style-type: none"> Much higher 	<ul style="list-style-type: none"> Change in accounting methodology 	<ul style="list-style-type: none"> 1-10 	<p>i) RATIONALE FOR TREATMENT LEVEL: All wastewater is subject to strict controls before it is discharged into the various disposal channels. Following careful analysis this volume was categorized as not environmentally hazardous according to official provisions and returned to the natural water cycle.</p> <p>ii) COMPLIANCE WITH REGULATORY AND/OR VOLUNTARY STANDARDS: Adherence to legal regulations is checked regularly e.g. through our internal HSE Audits and internal audits from the site which take place every 1-3 years. Furthermore, in an ongoing project, Bayer has established voluntary internal standards for active ingredients (AI). Around 90% of the AI emissions already assessed are</p>

						<p>below these internal standards. We will work towards meeting the internal standards for all emissions in the next years.</p> <p>iii) Water discharges to the natural environment without treatment are less RELEVANT.</p> <p>iv) In 2022, water discharges to the natural environment without treatment were MUCH HIGHER compared to 2021 DUE TO adjustments in our control and measurement systems in some sites, while operations remain the same. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p> <p>v) Water discharges to the natural environment without treatment are expected to stay about the same IN THE FUTURE as no significant changes are expected in the production processes.</p>
Discharge to a third party without treatment	<ul style="list-style-type: none"> • Relevant 	5,213	<ul style="list-style-type: none"> • Lower 	<ul style="list-style-type: none"> • Increase/decrease in business activity 	<ul style="list-style-type: none"> • 81-90 	<p>i) RATIONALE FOR TREATMENT LEVEL: Many sites do not have wastewater treatment within direct operations, but discharge their wastewater to third party facilities, e.g. wastewater treatment plants or incinerators. All wastewater is subject to strict controls before it is discharged into the various disposal channels.</p> <p>ii) COMPLIANCE WITH REGULATORY AND/OR VOLUNTARY STANDARDS: Adherence to legal regulations is checked regularly e.g. through our internal HSE Audits and internal audits from the site which take place every 1-3 years. Furthermore, in an ongoing project, Bayer has established voluntary internal standards for active ingredients (AI). Around 90% of the AI emissions already assessed are below these internal standards. We will work towards meeting the internal standards for all emissions in the next years.</p> <p>iii) Water discharges to third party destinations without treatment are RELEVANT.</p> <p>iv) In 2022, water discharges to third party destinations without treatment were LOWER compared to 2021. This is DUE TO the fact that there were minor changes in business activities but the number of sites remained unchanged and no major changes in the infrastructure of sites occurred. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p> <p>v) Water discharges to third parties without treatment are expected to stay about the same IN THE FUTURE as no significant changes are expected in the production processes.</p>
Other	<ul style="list-style-type: none"> • Relevant 	11,506	<ul style="list-style-type: none"> • Lower 	<ul style="list-style-type: none"> • Increase/decrease in business activity 	<ul style="list-style-type: none"> • 1-10% 	<p>i) RATIONALE FOR TREATMENT LEVEL: 32.9% of water discharged by Bayer is cooling water that does not come into contact with products. It can be returned to the water cycle without further treatment in line with official permits. Evaporation explains the difference between water withdrawn for cooling and cooling water returned as discharge.</p>

					<p>ii) COMPLIANCE WITH REGULATORY AND/OR VOLUNTARY STANDARDS: Adherence to legal regulations is checked regularly e.g. through our internal HSE Audits and internal audits from the site which take place every 1-3 years. Furthermore, in an ongoing project, Bayer has established voluntary internal standards for active ingredients (AI). Around 90% of the AI emissions already assessed are below these internal standards. We will work towards meeting the internal standards for all emissions in the next years.</p> <p>iii) Other discharges are RELEVANT.</p> <p>iv) In 2022, other water discharges were LOWER compared to 2021. This is DUE TO reduction of activity of relevant sites. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p> <p>v) Other water discharges are expected to stay about the same IN THE FUTURE as no significant changes are expected in the production processes.</p>
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(W1.2k) Provide details of your organization’s emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

1	2	3	4
Emissions to water in the reporting year (metric tonnes)	Category(ies) of substances included	List the specific substances included*	Please explain
240	<ul style="list-style-type: none"> Nitrates 	Nitrogen	The nitrogen is a measure out of the complete nitrogen (nitrate (NO3-), nitrite (NO2-) and ammonia (NH3)) content expressed as Nitrogen (Ninorg).
608	<ul style="list-style-type: none"> Phosphates 	Phosphorus	Amount of phosphorus (inorganic + organic) in wastewater includes all phosphorous contained in inorganic and organic phosphorus compounds, dissolved, or bound to particles.
0.02	<ul style="list-style-type: none"> Priority substances listed under the EU Water Framework Directive 	Cadmium	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, is overseen by supervisory authorities and external assessors and is also reviewed at regular intervals during on-site audits by internal experts.
0.00	<ul style="list-style-type: none"> Priority substances listed under the EU Water Framework Directive 	Mercury	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, is overseen by supervisory authorities and external assessors and is also reviewed at regular intervals during on-site audits by internal experts. Emissions to water in the reporting year (metric tonnes): 0.00083 metric tonnes

0.48	<ul style="list-style-type: none"> Priority substances listed under the EU Water Framework Directive 	Nickel	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, is overseen by supervisory authorities and external assessors and is also reviewed at regular intervals during on-site audits by internal experts.
0.02	<ul style="list-style-type: none"> Priority substances listed under the EU Water Framework Directive 	Lead	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, is overseen by supervisory authorities and external assessors and is also reviewed at regular intervals during on-site audits by internal experts.

Water intensity

*(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

1	2	3	4
Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
50,739,000,000	52,743	962.004	Our withdrawal efficiency is expected to stay ABOUT THE SAME IN THE FUTURE as no significant changes are expected in our business activities.

Hazardous substances

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

1	2
Products contain hazardous substances	Comment
<ul style="list-style-type: none"> Yes 	Based on the classification of CLP some of our products (mainly pesticides) include classified substances, which are always handled in agreement with the regulatory requirements. In addition sectorial regulation (e.g. EU 1107) is taking this into consideration in a risk assessment. All of our plant protection products fulfill all regulatory obligations under PPP Regulation, and by extension under EU REACH Regulation considered to be the world's most stringent when it comes to the handling of chemicals.

(W1.4a) What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority?

1	2	3
Regulatory classification of hazardous substances	% of revenue associated with products containing substances in this list	Please explain
<ul style="list-style-type: none"> Annex XIV of UK REACH Regulation 	<ul style="list-style-type: none"> Less than 10% 	<p>Based on the classification of CLP some of our products (mainly pesticides) include classified substances, which are always handled in agreement with the regulatory requirements. All of our plant protection products fulfill all regulatory obligations.</p> <p>The vast majority of our products do not contain SVHC at all and this is similar with other regulations. Several substances have a classification under CLP. CLP provides the basis on a hazard profile and then specific authorization is taking place.</p>

[Add Row]

Value-chain engagement

(W1.5) Do you engage with your value chain on water-related issues?

0	1	2	3
Value chain stakeholder	Engagement	Primary reason for no engagement*	Please explain*
Suppliers	<ul style="list-style-type: none"> Yes 	N/A	N/A
Other value chain partners (e.g., customers)	<ul style="list-style-type: none"> Yes 	N/A	N/A

(W1.5a) Do you assess your suppliers according to their impact on water security?

1	2	3	4	5
Assessment of supplier impact	Considered in assessment*	Number of suppliers identified as having a substantive impact*	% of total suppliers identified as having a substantive impact*	Please explain
<ul style="list-style-type: none"> Yes, we assess the impact of our suppliers 	<ul style="list-style-type: none"> Basin status (e.g., water stress or access to WASH services) Supplier dependence on water Supplier impacts on water availability Procurement spend 	107	<ul style="list-style-type: none"> Less than 1% 	<p>APPROACH: We regularly evaluate our supplier base regarding its impact on water security. Further assessments of suppliers with a high risk in water are performed. The evaluation is based on the water risk of country and the suppliers' subcategory from our Sustainability Risk Framework.</p> <p>IMPACTS on water security are predominately associated with particular river basins.</p> <p>THRESHOLD FOR SUBSTANTIVE IMPACT: Suppliers with potential substantive water risks are identified by analyzing spend in subcategories with a water risk of 10 (0, 5, 10 are possible subcategory water risk levels) and in countries with a</p>

				<p>water risk of 9 or 10 (country water risk levels range from 1 to 10). By applying a spend threshold of EUR 500,000 we ensure a material impact.</p> <p>ASSESSMENT IN REPORTING YEAR: 107 suppliers (0.1% of total 91,000 suppliers) are identified with a high impact on water. 67 of 107 high water risk suppliers have a valid sustainability evaluation.</p>
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(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization’s purchasing process?

1	2
Suppliers have to meet specific water-related requirements	Comment
<ul style="list-style-type: none"> Yes, water-related requirements are included in our supplier contracts 	<p>Bayer regards adherence to sustainability standards within its supply chain as an important lever for minimizing risks. This is WHY sustainability clauses are in our electronic ordering systems and standard supply contracts. The sustainability clause requests all suppliers to comply with the sustainability requirements defined in our Supplier Code of Conduct (SCoC). In our SCoC we have requirements towards WASH and environmental protection.</p> <p>WASH: A safe and healthy working environment shall include as a minimum the provision of potable drinking water, adequate lighting, temperature, ventilation and sanitation and, if applicable, safe and healthy company living quarters</p> <p>Water Use: Suppliers shall undertake reasonable efforts to have a management system in place to reduce water consumption in their own operations and their value chains. The way suppliers use water for their operations should not have any negative effect on the availability and quality of water for the environment and neighboring communities. Suppliers shall undertake reasonable efforts to give special attention to water-scarce areas or areas threatened by water scarcity as defined by the World Resource Institute,). Suppliers shall undertake reasonable efforts to monitor site water usage, quality, and discharges. Suppliers shall undertake reasonable efforts to continuously improve water reuse, recycling, reduction, and wastewater treatment. Bayer expects its suppliers to also develop a water stewardship strategy.</p>

(W1.5c) Provide details of the water-related requirements that suppliers have to meet as part of your organization’s purchasing process, and the compliance measures in place.

1	2	3	4	5	6
Water-related requirement	% of suppliers with a substantive impact required to comply with this water-related requirement*	% of suppliers with a substantive impact in compliance with this water-related requirement*	Mechanisms for monitoring compliance with this water-related requirement	Response to supplier non-compliance with this water-related requirement	Comment
<ul style="list-style-type: none"> Complying with going beyond water-related regulatory requirements 	<ul style="list-style-type: none"> 100% 	<ul style="list-style-type: none"> 51-75 	<ul style="list-style-type: none"> On-site third-party audit Supplier self-assessment 	<ul style="list-style-type: none"> Retain and engage 	Suppliers shall undertake reasonable efforts to have a management system in place to reduce water consumption in their own operations and their value chains. The way suppliers use water for their operations should not have any negative effect on the availability and quality of water for the environment and neighboring communities.

					Suppliers shall undertake reasonable efforts to give special attention to water-scarce areas or areas threatened by water scarcity as defined by the World Resource Institute. Suppliers shall undertake reasonable efforts to monitor site water usage, quality, and discharges. Suppliers shall undertake reasonable efforts to continuously improve water reuse, recycling, reduction, and wastewater treatment. Bayer expects its suppliers to also develop a water stewardship strategy.
<ul style="list-style-type: none"> Reducing total water withdrawal volumes 	<ul style="list-style-type: none"> 100% 	<ul style="list-style-type: none"> 51-75 	<ul style="list-style-type: none"> On-site third-party audit Supplier self-assessment 	<ul style="list-style-type: none"> Retain and engage 	Suppliers shall undertake reasonable efforts to have a management system in place to reduce water consumption in their own operations and their value chains. The way suppliers use water for their operations should not have any negative effect on the availability and quality of water for the environment and neighboring communities. Suppliers shall undertake reasonable efforts to give special attention to water-scarce areas or areas threatened by water scarcity as defined by the World Resource Institute. Suppliers shall undertake reasonable efforts to monitor site water usage, quality, and discharges. Suppliers shall undertake reasonable efforts to continuously improve water reuse, recycling, reduction, and wastewater treatment. Bayer expects its suppliers to also develop a water stewardship strategy.
<ul style="list-style-type: none"> Reducing water demands in water stressed basins 	<ul style="list-style-type: none"> 100% 	<ul style="list-style-type: none"> 51-75 	<ul style="list-style-type: none"> On-site third-party audit Supplier self-assessment 	<ul style="list-style-type: none"> Retain and engage 	Suppliers shall undertake reasonable efforts to have a management system in place to reduce water consumption in their own operations and their value chains. The way suppliers use water for their operations should not have any negative effect on the availability and quality of water for the environment and neighboring communities. Suppliers shall undertake reasonable efforts to give special attention to water-scarce areas or areas threatened by water scarcity as defined by the World Resource Institute. Suppliers shall undertake reasonable efforts to monitor site water usage, quality, and discharges. Suppliers shall undertake reasonable efforts to continuously improve water reuse, recycling, reduction, and wastewater treatment. Bayer expects its suppliers to also develop a water stewardship strategy.
<ul style="list-style-type: none"> Setting and monitoring water pollution-related targets 	<ul style="list-style-type: none"> 100% 	<ul style="list-style-type: none"> 51-75 	<ul style="list-style-type: none"> On-site third-party audit Supplier self-assessment 	<ul style="list-style-type: none"> Retain and engage 	Suppliers shall undertake reasonable efforts to have a management system in place to reduce water consumption in their own operations and their value chains. The way suppliers use water for their operations should not have any negative effect on the availability and quality of water for the environment and neighboring communities. Suppliers shall undertake reasonable efforts to give special attention to water-scarce areas or areas threatened by water scarcity as defined by the World Resource Institute. Suppliers shall undertake reasonable efforts to monitor site water usage, quality, and discharges. Suppliers shall undertake reasonable efforts to continuously improve water reuse, recycling, reduction, and wastewater treatment. Bayer expects its suppliers to also develop a water stewardship strategy.

<ul style="list-style-type: none"> Setting and monitoring water withdrawal reduction targets 	<ul style="list-style-type: none"> 100% 	<ul style="list-style-type: none"> 51-75 	<ul style="list-style-type: none"> On-site third-party audit Supplier self-assessment 	<ul style="list-style-type: none"> Retain and engage 	<p>Suppliers shall undertake reasonable efforts to have a management system in place to reduce water consumption in their own operations and their value chains. The way suppliers use water for their operations should not have any negative effect on the availability and quality of water for the environment and neighboring communities.</p> <p>Suppliers shall undertake reasonable efforts to give special attention to water-scarce areas or areas threatened by water scarcity as defined by the World Resource Institute. Suppliers shall undertake reasonable efforts to monitor site water usage, quality, and discharges.</p> <p>Suppliers shall undertake reasonable efforts to continuously improve water reuse, recycling, reduction, and wastewater treatment. Bayer expects its suppliers to also develop a water stewardship strategy.</p>
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[Add Row]

(W1.5d) Provide details of any other water-related supplier engagement activity.

1	2	3	4	5	6	7
Type of engagement	Details of engagement	% of suppliers by number	% of suppliers with a substantive impact*	Rationale for the coverage of your engagement	Impact of the engagement and measures of success	Comment
<ul style="list-style-type: none"> Incentivization 	<ul style="list-style-type: none"> Water management and stewardship is featured in supplier awards scheme 	<ul style="list-style-type: none"> 76-100 	<ul style="list-style-type: none"> 100% 	<p>RATIONALE: Bayer regards adherence to sustainability standards within its supply chain as an important lever for minimizing risks. This is WHY sustainability clauses are in our electronic ordering systems and standard supply contracts. The sustainability clause requests all suppliers to comply with the sustainability requirements defined in our Supplier Code of Conduct (SCoC). Bayer has developed a SCoC which sets forth key social, ecological and ethical standards that the Bayer Group expects 100% of its suppliers and subcontractors to share. The SCoC is based on the principles of the U.N. Global Compact and our Human Rights Position. Our human rights standards in procurement place particular value on the prevention of child labor and modern slavery. The SCoC is part of the supplier relationship and is included via the sustainability clause of the contract.</p> <p>The Bayer SCoC takes into account the well-established principles of sustainability that have also been incorporated into some important internal regulations at the Bayer Group:</p> <ul style="list-style-type: none"> - Sustainability including water-related issues are a key element of Bayer's values and forms an integral part of our business strategy. 	<p>i) BENEFICIAL OUTCOMES OF THE ENGAGEMENT: The SCoC is applied in the selection and evaluation of our suppliers and is integrated into electronic ordering systems throughout the Bayer Group. As a result, suppliers must already commit to our core principles upon registration. Furthermore, our standard supply contracts contain a clause that authorizes us to verify suppliers' compliance with our sustainability requirements (see below).</p> <p>ii) TO MEASURE THE SUCCESS: Since the SCoC is already part of our supplier selection and evaluation process, we track approval in our electronic ordering system. Based on this onboarding requirement, we reserve the right to perform further evaluations and controls. These are part of our 4-step process to embed sustainability in</p>	N/A

				<p>- With its Sustainable Development Policy, Bayer has clearly defined its commitment to the principles of sustainable development.</p> <p>The principles expressed in our SCoC comprise an important component of supplier selection and evaluation. Moreover, we expect our suppliers to replicate these standards further down the supply chain. If a supplier is in breach of these principles and cannot agree on an improvement plan or does not implement it, Bayer reserves the right to redetermine the continuation of the commercial relationship. As a member of the Pharmaceutical Supply Chain Initiative (PSCI) and the Together for Sustainability (TfS) Initiative we fully support their principles in the areas of ethics, people and labor, health, safety and environment, quality and related governance and management systems.</p>	<p>the supply chain. You will find more information on this in the following rows.</p>	
<ul style="list-style-type: none"> • Incentivization 	<ul style="list-style-type: none"> • Incentivize demonstrable progress against targets on water withdrawals in your supplier relationship management 	<ul style="list-style-type: none"> • Less than 1% 	<ul style="list-style-type: none"> • 100% 	<p>RATIONALE: Bayer regards adherence to sustainability standards within its supply chain as an important lever for minimizing risks. This is WHY a dedicated sustainability clause is embedded in our electronic ordering systems and supply contracts. The sustainability clause requests all suppliers to comply with the sustainability requirements defined in our Supplier Code of Conduct and authorizes Bayer to conduct EVALUATIONS AND ON-SITE AUDITS, if necessary. This clause will be successively integrated into all new contracts and contracts that are up for renewal. BECAUSE it is not feasible to assess all 91,149 suppliers, suppliers are selected based on country and business category sustainability risks and strategic importance.</p> <p>TO FURTHER INCENTIVIZE suppliers to participate in the engagement, suppliers receive access to trainings and extensive information material, e.g. on responsible use of water, as offered by capability building conferences and information platforms from PSCI and the TfS Academy from the TfS Initiative are available for suppliers. Bayer is part of the core team that developed and runs the TfS Academy. In 2022 a Sustainability Supplier Development Framework was implemented that builds the infrastructure to bring specific sustainability topics to the supplier landscape in order to enhance their sustainability performance. This framework is interlinked and bases activities on the respective corrective action plans of sustainability evaluations.</p>	<p>i) BENEFICIAL OUTCOMES OF THE ENGAGEMENT: In the event of a critical sustainability performance, Bayer requests suppliers to rectify identified weaknesses within an appropriate period of time based on specific action plans. We do not only build supplier capabilities, but also minimize procurement-specific risks and ensure smooth production processes through these requirements. After the roll-out is complete this will happen via the described Sustainability Supplier Development Framework. In the event of critical results, The Sustainability Supplier Development Framework foresees a strict consequence management in case of critical results and non-compliance of a supplier and besides milder measurements goes as far as phasing out suppliers. This Sustainability Supplier Development Process and consequence management are bound to strict timeframe and are interlinked with the evaluation cycle (1 year re-evaluation period for critical findings and 3 year re-evaluation period for milder findings).</p> <p>ii) TO MEASURE THE SUCCESS, we set ambitious targets and measure success in terms of target fulfillment, e.g. our target to evaluate all relevant suppliers by the end of 2022 was achieved to 98%. Due to</p>	<p>After testing collaboration platforms until 2021, the TfS initiative developed and successfully rolled out the TfS Academy in 2022. Bayer is in the core team of the development and maintenance of this Academy. All Bayer suppliers have access to this unique learning environment that offers over 240 courses in 7 languages for all work levels from CPO to facility staff. It provides best practice examples, activities, e-learning, expert suggestions and more on the topics</p>

					<p>pandemic situation 2% of relevant suppliers have postponed evaluation to 2023. In 2023, we will again aim to evaluate 100% of relevant supplier. SUCCESS is also MEASURED through re-assessments or follow-up audits. Our regular monitoring shows that in 2022, 676 of our 1,258 suppliers evaluated have improved their sustainability performance.</p>	<p>of water, energy and waste.</p>
<ul style="list-style-type: none"> Innovation & collaboration 	<ul style="list-style-type: none"> Educate suppliers about water stewardship and collaboration 	<ul style="list-style-type: none"> Less than 1% 	<ul style="list-style-type: none"> 100% 	<p>RATIONALE: We offer our suppliers a wide range of development and dialogue opportunities on sustainability. Within the scope of our supplier sustainability evaluations, we have identified a country risk particularly for China and India. DESCRIPTION OF ENGAGEMENT: To focus more closely on supplier development, in 2020 we expanded our sustainability team in procurement. Procurement employees primarily in countries with an increased sustainability risk such as China, India and Brazil help to develop suppliers at the local level. The focus here is on local sustainability risks. In 2022, a Sustainability Supplier Development Framework was implemented that builds the infrastructure to bring specific sustainability topics to the supplier landscape in order to enhance their sustainability performance. This framework is interlinked and bases activities on the respective corrective action plans of sustainability evaluations. In the event of critical results, Bayer requests the suppliers to rectify the identified weaknesses within an appropriate period of time based on specific action plans. The Sustainability Supplier Development Framework foresees a strict consequence management in case of critical results and non-compliance of a supplier and besides milder measurements goes as far as phasing out suppliers. Furthermore, we conducted supplier training and workshops in China and India in cooperation with PSCI and TfS. The PSCI sustainability webinars offer additional advanced training modules for our suppliers. One PSCI sustainability webinar deals with wastewater treatment technologies. Through Bayer's Health, Safety and Environment (HSE) audits, suppliers are also educated regarding specific findings, among others about water stewardship. Furthermore, the PSCI website also provides a resource library with water-related information for suppliers.</p>	<p>i) BENEFICIAL OUTCOMES OF THE ENGAGEMENT: Through the supplier capability trainings and audits, Bayer improves the suppliers' awareness and know-how regarding water-related activities. Through this kind of education, suppliers get an improved understanding of Bayer's sustainability requirements and thereby are able to better carry out their water management. Via the consequence management process it will be ensured that supplier relationships will be phased out in case of non-compliance and remedy is taken care of.</p> <p>ii) TO MEASURE THE SUCCESS, Bayer is keeping track of the suppliers' sustainability performance. In the event of a critical sustainability performance, Bayer requests suppliers to rectify identified weaknesses within an appropriate period of time based on specific action plans. The Sustainability Supplier Development Framework foresees a strict consequence management in case of critical results and non-compliance of a supplier and besides milder measurements goes as far as phasing out suppliers. Together with the TfS initiative, we developed a practically oriented learning environment for suppliers and purchasers in 2021, so as to further establish competencies as regards sustainability issues. The focus here is on ethical aspects, conflict minerals, waste management and anti-corruption measures, among other issues. The training courses were available as of March 2022. In 2022, we selected around 100 suppliers to participate in TfS</p>	<p>After testing collaboration platforms until 2021, the TfS initiative developed and successfully rolled out the TfS Academy in 2022. Bayer is in the core team of the development and maintenance of this Academy. All Bayer suppliers have access to this unique learning environment that offers over 240 courses in 7 languages for all work levels from CPO to facility staff. It provides best practice examples, activities, e-learning, expert suggestions and more on the topics of water, energy and waste.</p>

					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.	
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[Add row]

(W1.5e) Provide details of any water-related engagement activity with customers or other value chain partners.

1	2	3	4	5
Type of stakeholder	Type of engagement	Details of engagement	Rationale for your engagement	Impact of the engagement and measures of success
<ul style="list-style-type: none"> Customers 	<ul style="list-style-type: none"> Education / information sharing 	<ul style="list-style-type: none"> Educate and work with stakeholders on understanding and measuring exposure to water-related risks Run an engagement campaign to educate stakeholders about your water-related performance and strategy Run an engagement campaign to educate stakeholders about the impacts on water that (using) your products, goods, and/or services entail Share information about your products and relevant certification schemes 	<p>Agriculture accounts for 70% of global freshwater withdrawal and is expected to increase to 84% until 2050. Crop Science engages with participants in the food value chain such as farmers, the processing industry, exporters and dealers to ensure the safe handling of crop protection products, esp. in countries without statutory requirements or certification for users, to protect water bodies and to promote sustainable agriculture. 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.</p> <p>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 plant 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.</p> <p>With the BayG.A.P. Service program we provide TRAINING, AGRONOMIC ADVICE, and CERTIFICATION SUPPORT</p>	<p>We focused our training activities on countries where there are no statutory certification requirements for farmers concerning the safe handling of crop protection products. Most of the people we trained were in Asia, followed by Africa and Latin America. Our partnerships allow us to increase the reach of the activities and conduct joint events, for example with universities, information centers or local, regional and international associations.</p> <p>MEASURING SUCCESS: We track the reach of our trainings and partnerships. In 2022, we continued to offer virtual training activities, but also resumed on-site training wherever possible. The flexible approach and use of digital tools enabled us to reach more than 3.4 million external contacts worldwide (i.e. farmers, field workers, distributors, retailers and other stakeholders in the agriculture industry), including around 2.7 million smallholder farmers. Crop Science has initiated 382 food value chain partnership initiatives in 35 countries and 62 crops. 674,822 growers worldwide have been enrolled in BayG.A.P. 1,749 growers from India, Mali, and Thailand obtained the GlobalG.A.P. or local G.A.P. certifications.</p>

			enabling growers to successfully implement good agricultural practices. BayG.A.P. guides farmers on how to reduce the environmental footprint of farming, use crop protection products effectively and safely, and how to ensure human rights of the farms' workforce. We support grower's education in sustainable water use to decrease their water consumption footprint and avoid water contamination.	
<ul style="list-style-type: none"> • Other, please specify: seed growers 	<ul style="list-style-type: none"> • Innovation & collaboration 	<ul style="list-style-type: none"> • Collaborate with stakeholders on innovations to reduce water impacts in products and services 	<p>Water is an important factor for yield. To obtain high yields, growers need to provide sufficient water. However, deficit irrigation or excessive water could affect yield and quality of the crops. A collaboration with several smallholder farmers in Mexico, India and Sub-Saharan Africa is targeting to implement new technology like irrigation methods and irrigation management systems. This is key not only to ensure the conservation of water resources, but to improve yield and quality of the crops, which translate in higher profit for the grower while sustaining water resources.</p> <p>Crop Science is DIRECTLY COLLABORATING with seed growers across our supply chain to do a transition to more efficient irrigation methods, e.g., from furrow to drip irrigation. We also INNOVATE in the use of irrigation management systems. These systems allow our seed growers to irrigate where and when it is needed, increasing the irrigation efficiency, and thus conserving water resources. Our in-house tool Hydrobio is currently used in some Latam countries, including Mexico, which is a country with high water stress according to the WRI Aqueduct Tool. Other irrigation management systems from partners are also in place in other parts of the globe, like Europe.</p> <p>Many of our activities are focused on collaboration with smallholder farmers that grow our seeds, this is especially relevant in LMIC.</p>	<p>Currently we are installing drip irrigation systems in 47 hectares in Mexico with a solar powered irrigation system. Additional systems are being considered for installation in India, and the Sub-Saharan Africa region.</p> <p>MEASURING SUCCESS: We have been able to increase water application efficiency by 40% changing the irrigation method from furrow to drip irrigation while maintaining growers' interest in using HydroBio as an irrigation scheduling tool that will provide additional water saving benefits. We consider an expansion in the use of these practices to be a success.</p>

[Add row]

W2 Business impacts

Recent impacts on your business

(W2.1) Has your organization experienced any detrimental water-related impacts?

- No

Compliance impacts

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

1	2	3
Water-related regulatory violations	Fines, enforcement orders, and/or other penalties*	Comment
<ul style="list-style-type: none">• No	N/A	N/A

W3 Procedures

Pollutant management procedures

*(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

1	2	3
Identification and classification of potential water pollutants	How potential water pollutants are identified and classified*	Please explain*
<ul style="list-style-type: none"> • Yes, we identify and classify our potential water pollutants 	<p>Our products (Plant Protection Products and Pharmaceuticals) are designed to have an impact on the metabolisms of living organisms and therefore must be managed adequately to prevent adverse environmental impacts.</p> <p>For ALL our products we determine Predicted No Effect Concentrations (PNECs) that are widely accepted as safe levels for the ecological integrity of our water bodies. These PNECs reflect the ecotoxicological profile of the products and can range from few ng/m³ to several g/m³.</p> <p>The PNECs are the fundamental basis for our environmental risk-assessments, which we do for ALL our aqueous emissions.</p> <p>We calculate PNECs to safeguard the ecological integrity of our water bodies, according to the ECHA guidelines.</p> <p>To ensure the safe discharge we establish a stepwise approach to:</p> <ul style="list-style-type: none"> - First define the critical profile of our Active Ingredients. - Then based on that develop specific PNEC (predicted no effect concentration). - This puts us in a position to set voluntary internal discharge limits for our Active Ingredients in order to comply with safe levels in the water bodies. - If our emissions can potentially cause a PNEC exceedance a risk mitigation roadmap must be developed, this can include very different elements 	<p>We calculate PNECs to safeguard the ecological integrity of our water bodies, according to the ECHA guidelines.</p> <p>To ensure the safe discharge we establish a stepwise approach to:</p> <ul style="list-style-type: none"> - First define the critical profile of our Active Ingredients. - Then based on that develop specific PNEC (predicted no effect concentration). - This puts us in a position to set voluntary internal discharge limits for our Active Ingredients in order to comply with safe levels in the water bodies. - If our emissions can potentially cause a PNEC exceedance a risk mitigation roadmap must be developed, this can include very different elements - All relevant wastewater discharges are treated using sector-specific and state-of-the-art treatment processes, either in our own treatment facilities or in third-party facilities. <p>As data inputs we use ecotoxicological endpoints extracted from official documents, e.g. officially accepted registration documents, e.g. by EMA, EFSA or ECHA.</p>

	- All relevant wastewater discharges are treated using sector-specific and state-of-the-art treatment processes, either in our own treatment facilities or in third-party facilities.	
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***(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.**

1	2	3	4	5
Water pollutant category	Description of water pollutant and potential impacts	Value chain stage	Actions and procedures to minimize adverse impacts	Please explain
<ul style="list-style-type: none"> Pesticides 	<p>Our products (Plant Protection Products and Pharmaceuticals) are designed to have an impact on the metabolisms of living organisms and must be managed adequately to prevent adverse environmental impacts.</p> <p>The use of our plant protection products is considered to be safe for animals and plants in aqueous ecosystems, as evaluated in the registration process by registration authorities.</p> <p>But uncontrolled release of pesticides from production and formulation facilities could lead to local hotspots with concentrations above the widely accepted safe levels (i.e. PNECs) and therefore cause local negative impacts on the ecological integrity of our water bodies.</p>	<ul style="list-style-type: none"> Direct operations 	<ul style="list-style-type: none"> Beyond compliance with regulatory requirements Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience Implementation of integrated solid waste management systems Industrial and chemical accidents prevention, preparedness, and response Provision of best practice instructions on product use Requirement for suppliers to comply with regulatory requirements Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements 	<ol style="list-style-type: none"> At all our production and formulation facilities, we set voluntary internal discharge limits for our Active Ingredients in order to comply with safe levels in the water bodies. According to the globally binding procedure "Management of Active Ingredients in wastewater", a risk mitigation roadmap must be developed if our emissions can potentially cause a PNEC exceedance. All our facilities comply with strict safety standards as described in our HSE Key Requirements. All solid wastes are handled in a safe way according to standards described in our HSE Key Requirements. All our facilities have detailed, state-of-the-art programs for accident prevention, preparedness, and response, as described in our HSE Key Requirements Detailed instructions on product use can be found on the packaging label. Our Supplier Code of Conduct requires suppliers to comply with all regulatory requirements. All relevant wastewater discharges are treated using sector-specific and state-of-the-art treatment processes, either in our own treatment facilities or in third-party facilities. A small portion of our wastewater is returned to the natural water cycle without treatment, following careful analysis and if categorized as not environmentally hazardous according to official provisions. <p>MEASURING AND EVALUATING SUCCESS: Success is defined as compliance with our HSE requirements. Protecting the environment and ensuring the safety of our employees and the people who live near our sites are among our highest priorities. We work continuously to reduce the environmental impact of our business activities and develop product solutions that benefit the environment. Bayer focuses on taking consistent</p>

				<p>precautions – to ensure safety in day-to-day work and in the operation of production facilities. We have established respective Group regulation that are binding (compliance with these regulations is defined as success).</p> <p>In accordance with the Group Regulation on HSE Management and HSE Key Requirements, our sites must have in place an HSE management system that complies with recognized international standards (e.g. ISO 14001 and ISO 45001). Furthermore, 80% of our business activity is to be covered by external certification to the above standards by the end of 2025.</p> <p>Audits are an integral component of our global HSE management system. They help to ensure compliance with applicable regulations and improve our performance worldwide through the management and mitigation of possible HSE risks. The respective site management, the division and the head of the Public Affairs, Science, Sustainability & HSE enabling function are notified of the audit findings.</p>
<ul style="list-style-type: none"> Other synthetic organic compounds 	<p>Our products (Plant Protection Products and Pharmaceuticals) are designed to have an impact on the metabolisms of living organisms and must be managed adequately to prevent adverse environmental impacts.</p> <p>Although the largest contribution to the occurrence of pharmaceuticals in the environment comes from patient excretion and improper disposal of unused medicines (and is therefore not in our hands), uncontrolled release of pesticides from production and formulation facilities could lead to local hotspots with concentrations above the widely accepted safe levels (i.e. PNECs) and therefore cause local negative impacts on the ecological integrity of our water bodies.</p>	<ul style="list-style-type: none"> Direct operations 	<ul style="list-style-type: none"> Beyond compliance with regulatory requirements Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience Implementation of integrated solid waste management systems Industrial and chemical accidents prevention, preparedness, and response Provision of best practice instructions on product use Requirement for suppliers to comply with regulatory requirements Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements 	<ol style="list-style-type: none"> At all our production and formulation facilities, we set voluntary internal discharge limits for our Active Pharmaceutical Ingredients in order to comply with safe levels in the water bodies. According to the globally binding procedure "Management of Active Ingredients in wastewater", a risk mitigation roadmap must be developed if our emissions can potentially cause a PNEC exceedance. All our facilities comply with strict safety standards as described in our HSE Key Requirements. All solid wastes are handled in a safe way according to standards described in our HSE Key Requirements. All our facilities have detailed, state-of-the-art programs for accident prevention, preparedness, and response, as described in our HSE Key Requirements Detailed instructions on product use can be found on the packaging label. Our Supplier Code of Conduct requires suppliers to comply with all regulatory requirements. All relevant wastewater discharges are treated using sector-specific and state-of-the-art treatment processes, either in our own treatment facilities or in third-party facilities. A small portion of our wastewater is returned to the natural water cycle without treatment, following careful analysis and if categorized as not environmentally hazardous according to official provisions. <p>MEASURING AND EVALUATING SUCCESS:</p>

				<p>Success is defined as compliance with our HSE requirements. Protecting the environment and ensuring the safety of our employees and the people who live near our sites are among our highest priorities. We work continuously to reduce the environmental impact of our business activities and develop product solutions that benefit the environment. Bayer focuses on taking consistent precautions – to ensure safety in day-to-day work and in the operation of production facilities. We have established respective Group regulation that are binding (compliance with these regulations is defined as success).</p> <p>In accordance with the Group Regulation on HSE Management and HSE Key Requirements, our sites must have in place an HSE management system that complies with recognized international standards (e.g. ISO 14001 and ISO 45001). Furthermore, 80% of our business activity is to be covered by external certification to the above standards by the end of 2025.</p> <p>Audits are an integral component of our global HSE management system. They help to ensure compliance with applicable regulations and improve our performance worldwide through the management and mitigation of possible HSE risks. The respective site management, the division and the head of the Public Affairs, Science, Sustainability & HSE enabling function are notified of the audit findings.</p>
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[Add row]

Risk identification and assessment procedures

(W3.3) Does your organization undertake a water-related risk assessment?

- Yes, water-related risks are assessed

*(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Option 1

1	2	3	4	5	6	7
Value chain stage	Coverage	Risk assessment procedure	Frequency of assessment	How far into the future are risks considered?	Type of tools and methods used	Tools and methods used
<ul style="list-style-type: none"> • Direct operations 	<ul style="list-style-type: none"> • Full 	<ul style="list-style-type: none"> • Water risks are assessed as part of an enterprise risk 	<ul style="list-style-type: none"> • More than once a year 	<ul style="list-style-type: none"> • More than 6 years 	<ul style="list-style-type: none"> • Tools on the market • Enterprise Risk Management 	<ul style="list-style-type: none"> • EcoVadis • WRI Aqueduct

		management framework			<ul style="list-style-type: none"> • International methodologies • Databases • Other 	<ul style="list-style-type: none"> • ISO 31000 Risk Management Standard • IPCC Climate Change Projections • FAO/AQUASTAT • Internal company methods • External consultants • Other, please specify: on-site audits, scenario analysis
8	9		10			
Contextual issues considered		Stakeholders considered		Comment		
<ul style="list-style-type: none"> • Water availability at a basin/catchment level • Water quality at a basin/catchment level • Stakeholder conflicts concerning water resources at a basin/catchment level • Impact on human health • Implications of water on your key commodities/raw materials • Water regulatory frameworks • Status of ecosystems and habitats • Access to fully-functioning, safely managed WASH services for all employees 		<ul style="list-style-type: none"> • Customers • Employees • Investors • Local communities • NGOs • Regulators • Suppliers • Water utilities at a local level • Other water users at the basin/catchment level 		<p>Water is integrated into our company-wide risk management process (ERM) together with other non-financial risks. We assess risks using a long-term perspective, e.g. likelihood of occurrence based on a period of 10 years. Risks are monitored continuously by the risk owners while the ERM relevant risk portfolio is reviewed regularly by the Bayer Assurance Committee. Environmental risks are reviewed as part of the HSE management system and internal audits. Water KPIs are monitored in our central site database BaySIS.</p>		

Option 2

1	2	3	4	5	6	7
Value chain stage	Coverage	Risk assessment procedure	Frequency of assessment	How far into the future are risks considered?	Type of tools and methods used	Tools and methods used
<ul style="list-style-type: none"> • Supply chain 	<ul style="list-style-type: none"> • Full 	<ul style="list-style-type: none"> • Water risks are assessed as part of an enterprise risk management framework 	<ul style="list-style-type: none"> • More than once a year 	<ul style="list-style-type: none"> • More than 6 years 	<ul style="list-style-type: none"> • Tools on the market • Enterprise Risk Management • International methodologies • Databases • Other 	<ul style="list-style-type: none"> • EcoVadis • WRI Aqueduct • ISO 31000 Risk Management Standard • IPCC Climate Change Projections • FAO/AQUASTAT • Internal company methods • External consultants

						<ul style="list-style-type: none"> Other, please specify: on-site audits, scenario analysis
8	9		10			
Contextual issues considered		Stakeholders considered			Comment	
<ul style="list-style-type: none"> Water availability at a basin/catchment level Stakeholder conflicts concerning water resources at a basin/catchment level Status of ecosystems and habitats Access to fully-functioning, safely managed WASH services for all employees 		<ul style="list-style-type: none"> Local communities NGOs Regulators Water utilities at a local level Other water users at the basin/catchment level 			<p>We verify our suppliers' adherence to Bayer's Supplier Code of Conduct through continuous supplier assessments and audits. Among others, this allows us to identify water-related supply chain risks. We receive additional results via audits and assessments of suppliers which are shared with us via the "Together for Sustainability" initiative and the "Pharmaceutical Supply Chain Initiative".</p>	

Option 3

1	2	3	4	5	6	7
Value chain stage	Coverage	Risk assessment procedure	Frequency of assessment	How far into the future are risks considered?	Type of tools and methods used	Tools and methods used
<ul style="list-style-type: none"> Other stages of the value chain 	<ul style="list-style-type: none"> Partial 	<ul style="list-style-type: none"> Water risks are assessed as part of an enterprise risk management framework 	<ul style="list-style-type: none"> More than once a year 	<ul style="list-style-type: none"> More than 6 years 	<ul style="list-style-type: none"> Enterprise Risk Management Databases Other 	<ul style="list-style-type: none"> ISO 31000 Risk Management Standard Regional government databases Other, please specify: Decision Support Tool to reduce runoff from agricultural fields
8	9		10			
Contextual issues considered		Stakeholders considered			Comment	
<ul style="list-style-type: none"> Water quality at a basin/catchment level Water regulatory frameworks Status of ecosystems and habitats 		<ul style="list-style-type: none"> Customers NGOs Regulators Other water users at the basin/catchment level 			<p>Our ERM also includes downstream risks like the overarching risk concerning the EU green deal implications on our businesses. Chemicals and active ingredients in the environment including water are addressed here with several aspects. The risks are politically being addressed in the European Green Deal and are integrated into our company-wide ERM using the same process and time horizon stated in the first row. Especially the zero pollution ambition will lead to stricter thresholds and cost sharing by industry incl. pharmaceuticals.</p>	

		<p>In this context, a Stewardship (STW) tool has been developed to identify areas of concern based on water quality data from public monitoring. In consultation with external partners, STW has developed a digital water protection tool in order to identify agricultural areas prone to surface water runoff/erosion. Designed as a decision support system, the user can select among a number of risk mitigation measures offered in a toolbox approach. Major goal is to reduce the non-target transport of nutrients and pesticides into water bodies. The implementation of STW tools, like Phytobac and the digital runoff analyzer/field advisor support us in achieving the goals set by our corporate transformational commitments (i.e. environmental impact reduction).</p>
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[Add row]

***(W3.3b) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.**

1	2	3	4
Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
<p>Coverage for own operation and supply chain is 'FULL' BECAUSE water is integrated into our company-wide risk management process and we verify our suppliers' adherence to Bayer's Supplier Code of Conduct (SCoC).</p> <p>Risks are monitored and managed continuously by the risk owners while the ERM relevant risk portfolio is reviewed regularly by the Bayer Assurance Committee.</p> <p>Aqueduct is used to identify country water risks and subsequent sites and suppliers at water risk BECAUSE it is a state-of-the-art tool, providing a broad range of indicators.</p> <p>In addition, an internal Stewardship (STW) tool is used to identify areas of concern related to water quality.</p> <p>Internal methods including discussions with the sites and experts are used IN</p>	<p>Water availability and quality are limiting factors for our production and our value chain, therefore measured at site level and monitored in our central Bayer Site Information System "BaySIS"</p> <p>Stakeholder conflicts could have detrimental impacts on our business, although in the last years no relevant conflicts have been identified.</p> <p>Implications of water on our key commodities/raw materials are managed with a preventive approach, our SCoC and our Sustainability Contract Clauses are the main strategy to protect us against sustainability-related supplier risks. In 2022, Bayer requested 1.38% (approx. 1,258 out of 91,149) suppliers, representing approx. 40% of the total procurement spend, to report on water management.</p> <p>Water regulatory frameworks refer with various regulations to our water-intensive industry (53 million m3 in 2022), changes in regulation are taken into account in our risk management system.</p>	<p>Customers in our agriculture value chain are strongly dependent on water- and climate-related parameters.</p> <p>In 2022, our everyday business once again included dialogue with our customers. An example for our knowledge transfer efforts is The Gothenburg Center, located on the Ogallala Aquifer, one of the most important agricultural water sources in the US. It is an ideal location to monitor the impact of water, or lack of it, has on maize, wheat, and soybean cropping systems. Scientists conduct research and demonstrations to help farmers use water more efficiently through increased annual yields and better management of irrigation.</p> <p>Employees play a crucial role in determining our overall water consumption.</p> <p>Investors are increasingly integrating water aspects into their investment decisions, we disclose the relevant information on water topics in our Annual Report and in our CDP Water Security report.</p>	<p>The Bayer Group has implemented a holistic and INTEGRATED RISK MANAGEMENT SYSTEM designed to ensure the continued existence and future target attainment of the Group through the early identification, assessment and treatment of risks. The risk management system is aligned to internationally recognized standards and principles such as the ISO 31000 risk management standard.</p> <p>All relevant risks worldwide, incl. water related risks, are recorded and monitored at an early stage in our risk management system. The risks are monitored CONTINUOUSLY by the risk owners in the operational divisions and functions. The risk portfolio is reviewed REGULARLY by the Bayer Assurance Committee.</p> <p>Where possible, the identified risks are evaluated with regard to their potential impact and likelihood of occurrence. Risks are</p>

<p>ORDER TO control the relevance of the results for Bayer.</p> <p>Suppliers' adherence to our SCoC is verified through continuous assessments and audits. This also allows us to identify water-related supply chain risks additionally to our own assessment of procurement category and country of the supplier. We receive additional results from the "Together for Sustainability" initiative and the "Pharmaceutical Supply Chain Initiative".</p> <p>For other parts of our value chain (e.g. downstream) we also consider various issues and stakeholders which are included in our company-wide ERM, but with regard to the large number of possible issues and stakeholders we would use "PARTIAL" as coverage.</p>	<p>Status of ecosystems and habitats concern in terms of biodiversity our own operations and value chain, our goal is to develop products that have the least possible side effects on biodiversity. A comparison of our 553 production and research sites with those of internationally recognized protected areas showed that 30 of our sites are located within six kilometers of such protected areas.</p> <p>With Bayer's commitment to the UN CEO Water Mandate, Bayer has committed itself to implementing WASH at the workplace at an appropriate level of standard for all employees in all premises under our control.</p>	<p>Local communities are key for the successful investments, operations and the reputation of Bayer and its suppliers. NGOs publicly comment on certain company matters which might impact our reputation. Regulators could significantly impact our business, e.g. with changes in withdrawal limits.</p> <p>Suppliers can strongly impact our operations. Water use, risks and management aspects are covered through suppliers' sustainability performance monitoring and by HSE audits.</p> <p>Water utilities at a local level can strongly impact our operations and our supply chain, e.g. through supply bottlenecks or major price fluctuations.</p>	<p>assessed on a net basis, taking into account the risk control measures in place to mitigate the potential impact and likelihood of occurrence. The extent of the impact is rated in quantitative and/or qualitative terms.</p> <p>Transparency on water-related risks is an essential basis for strategic and operational decision-making. Sustainability (including water-related risks, opportunities and issues) is an essential component of our corporate strategy, our business activities, our corporate values and the way in which we conduct our business - it is at the center of our corporate vision of "Health for all, hunger for none."</p>
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W4 Risks and opportunities

Risk exposure

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

- Yes, both in direct operations and the rest of our value chain

***(W4.1a) How does your organization define substantive financial or strategic impact on your business?**

i) OPERATIONS IN REGIONS WITH WATER RISKS:

Sites that are located in regions considered at water risk according to WRI Aqueduct and are “large water users” are DEFINED to have the potential to have a SUBSTANTIVE IMPACT on the business with regard to water-related risks.

INDICATORS/THRESHOLDS:

1) The Baseline Water Stress Indicator (BWS) and the Overall Water Risk Score (OWR) from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region. Thresholds: BWS: “extremely high” = total annual water withdrawal >80% of average annual available blue water; OWR = “high” and “extremely high” = Default weighting >3 (computed out of 12 water risk indicators in WRI Aqueduct e.g. BWS, inter-annual and seasonal variability, flood occurrence, drought severity, groundwater stress, access to water, threatened amphibians).

2) In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as “large user” when they use >0.1% of our total water use.

The DEFINITION APPLIES to our direct operations. Metrics and thresholds are REVIEWED continuously, incl. external resources/research, internal discussions with experts and an internal review process at site/divisional level.

EXAMPLE: Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct and are defined as “large water users”.

ii) WATER-RELATED IMPACT ON OUR BUSINESS:

As part of the Enterprise Risk Management framework, Bayer defines a risk as having a substantive financial impact, if the identified risk is relevant for the respective risk owner and/or function. E.g. with regard to our Product Supply Function (for PH and CH), a potential impact of EUR 7 million cash flow is regarded to be substantive and monitored in the database.

INDICATORS/THRESHOLDS:

Risks are classified as high, medium or low to assess their materiality regarding the overall risk portfolio. Impact is rated according to quantity and/or quality. The quantitative assessment reflects the possible loss of cash flows. Risks are assessed on a net basis, taking into account the risk control measures in place to mitigate the potential impact and/or likelihood of occurrence.

- 1) The likelihood of occurrence is assessed on a scale ranging from very unlikely (<10%), unlikely (10%-30%), possible (30-50%), likely (50-70%), very likely (>70%) over a period of 10 years.
- 2) The potential impact is determined on a scale from moderate (>EUR 150-250 million), medium (>EUR 250-750 million), significant (>EUR 750-1,500 million), major (>EUR 1,500-2,500 million) to severe (>EUR 2,500 million).

The qualitative assessment is based on criteria such as the effect on our strategy or reputation, the potential loss of stakeholder confidence, and the potential incomplete compliance with sustainability principles. The higher rating, qualitatively or quantitatively, determines the overall assessment.

A report on the risk portfolio is submitted to the Board of Management and the Audit Committee of the Supervisory Board at least once a year.

The DEFINITION APPLIES to our direct operations and to our value chain. Risks are REVIEWED in our risk management system, incl. risks from seasonal fluctuations, natural disasters or soil or groundwater contamination.

For EXAMPLE, soil or groundwater contamination has been assessed quantitatively and qualitatively with regard to sustainability principles and reputation/stakeholder confidence.

iii) WATER-RELATED IMPACT FROM OUR SUPPLY CHAIN:

Suppliers have the potential to have a SUBSTANTIVE IMPACT on the business if they are classified as strategically important or potential high-risk suppliers.

INDICATORS/THRESHOLDS:

- 1) Strategically important suppliers are defined as suppliers that have a major influence on business, incl. procurement spend and long-term collaboration prospects (3-5 years).
- 2) The risk definition for potential high-risk suppliers is based on country and business category sustainability risks. We consider that a supplier has water risks if it is located in a country of water scarcity accordingly with WRI Aqueduct and belongs to a segment or specific subcategory activity that have a high-water impact (e.g. active ingredients).

The DEFINITION APPLIES to our entire supply chain. Data are REVIEWED and updated continuously. Selected suppliers' sustainability performance, incl. water-related aspects, are evaluated via assessments and on-site audits.

EXAMPLE: In 2022, Bayer evaluated almost all suppliers with a significant procurement spend (>EUR 0.5 million p.a.) that are regarded as potentially high-risk suppliers due to their combined country and category sustainability risk.

***(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?**

1	2	3
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Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
15	1-25	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use).</p>

***(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?**

1a	1b	2	3	7	8
Country/ Area	River basin	Number of facilities exposed to water risk	% company-wide facilities this represents	% company's total global revenue that could be affected	Comment
<ul style="list-style-type: none"> Chile 	<ul style="list-style-type: none"> Other, please specify: Maipo, North Chile, Pacific Coast 	1	<ul style="list-style-type: none"> Less than 1% 	<ul style="list-style-type: none"> Unknown 	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>
<ul style="list-style-type: none"> Spain 	<ul style="list-style-type: none"> Other, please specify: Tagus 2, Tagus 	1	<ul style="list-style-type: none"> Less than 1% 	<ul style="list-style-type: none"> Unknown 	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p>

					<p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>
<ul style="list-style-type: none"> Spain 	<ul style="list-style-type: none"> Other, please specify: Spain, South and East Coast 	1	<ul style="list-style-type: none"> Less than 1% 	<ul style="list-style-type: none"> Unknown 	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>
<ul style="list-style-type: none"> South Africa 	<ul style="list-style-type: none"> Orange 	1	<ul style="list-style-type: none"> Less than 1% 	<ul style="list-style-type: none"> Unknown 	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>
<ul style="list-style-type: none"> Mexico 	<ul style="list-style-type: none"> Other, please specify: Ameca / 	1	<ul style="list-style-type: none"> Less than 1% 	<ul style="list-style-type: none"> Unknown 	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator).</p>

	Ixtapa, Pacific Central Coast				<p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as “large user” when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (“high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>
• China	• Other, please specify: Spain, South and East Coast	1	• Less than 1%	• Unknown	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: “high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as “large user” when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (“high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>
• Mexico	• Other, please specify: Lerma / Toluca, Rio Lerma	1	• Less than 1%	• Unknown	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: “high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as “large user” when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (“high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>

<ul style="list-style-type: none"> • Mexico 	<ul style="list-style-type: none"> • Balsas 	1	<ul style="list-style-type: none"> • Less than 1% 	<ul style="list-style-type: none"> • Unknown 	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>
<ul style="list-style-type: none"> • Mexico 	<ul style="list-style-type: none"> • Other, please specify: Lerma / Salamanca, Rio Lerma 	1	<ul style="list-style-type: none"> • Less than 1% 	<ul style="list-style-type: none"> • Unknown 	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>
<ul style="list-style-type: none"> • Chile 	<ul style="list-style-type: none"> • Other, please specify: Maipo, North Chile, Pacific Coast 	1	<ul style="list-style-type: none"> • Less than 1% 	<ul style="list-style-type: none"> • Unknown 	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>

<ul style="list-style-type: none"> Chile 	<ul style="list-style-type: none"> Rapel 	1	<ul style="list-style-type: none"> Less than 1% 	<ul style="list-style-type: none"> Unknown 	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>
<ul style="list-style-type: none"> India 	<ul style="list-style-type: none"> Other, please specify: Sarya, India West Coast 	1	<ul style="list-style-type: none"> Less than 1% 	<ul style="list-style-type: none"> Unknown 	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>
<ul style="list-style-type: none"> Brazil 	<ul style="list-style-type: none"> Other, please specify: Rio de Janeiro Coast, Uruguay - Brazil, South Atlantic Coast 	1	<ul style="list-style-type: none"> Less than 1% 	<ul style="list-style-type: none"> Unknown 	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>

<ul style="list-style-type: none"> Peru 	<ul style="list-style-type: none"> Other, please specify: Ica, Peru, Pacific Coast 	1	<ul style="list-style-type: none"> Less than 1% 	<ul style="list-style-type: none"> Unknown 	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>
<ul style="list-style-type: none"> Italy 	<ul style="list-style-type: none"> Other, please specify: Garigliano, Italy, West Coast 	1	<ul style="list-style-type: none"> Less than 1% 	<ul style="list-style-type: none"> Unknown 	<p>The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator).</p> <p>In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2022 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use).</p> <p>Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 354 consolidated companies in 83 countries. Depending on market and customer demands productions have individual back up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.</p>

[Add row]

Water-related risks and response

*(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Risk 1

1a	1b	2a	2b	3	4	5	6	7
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Country /Area	River basin	Type of risk	Primary risk driver	Primary potential impact	Company-specific description				Time-frame	Magnitude of potential impact	Likelihood
<ul style="list-style-type: none"> India 	<ul style="list-style-type: none"> Other, please specify: GHAAS Basin33 49 	<ul style="list-style-type: none"> Reputation & Markets 	<ul style="list-style-type: none"> Increased stakeholder concern or negative stakeholder feedback 	<ul style="list-style-type: none"> Brand damage 	<p>Pollution due to chemical residues in water is a general problem in several countries, e.g. in India, and not a specific Bayer problem. This circumstance might be picked up by the media or NGOs, drawing public attention to the topic.</p> <p>EFFECT ON BAYER: With the zero liquid discharge strategy of the Indian government this risk is especially relevant in India. Not meeting the wastewater quality norms would lead to a stoppage of production by the State Pollution Control Board. Our facilities in India installed online analyzers for monitoring critical parameters at the final WWTP (waste water treatment plant) outlet, which are linked to the Pollution Control Board server with live data upload and automatically shut off the discharge valve in case of exceeding the limits. Thus, we see no risk of discharging any waste water not meeting the norm. However, we believe that there is a reputational risk related to water pollution in India. If the topic receives high media coverage, this could affect our brand image, even if our own production wastewaters are not affected. If the case of brand damage occurs, this could lead to a decline in demand for our products. Depending on the extent of the reputational damage and the decline in demand, this could lead to a suboptimal workload at our production sites and thus to increased costs.</p> <p>METHOD TO IDENTIFY IMPACT: We thoroughly analyze Bayer's exposure to risks incl. water via our ERM, which reviews the risk portfolio twice a year. Pollution due to water discharges has not been identified as a risk. Based on internal discussions with the Corporate Health, Safety and Environment Dpt. (HSE) and our global water risk assessment, we identified a low reputational risk with brand damage as primary impact.</p>				<ul style="list-style-type: none"> More than 6 years 	<ul style="list-style-type: none"> Low 	<ul style="list-style-type: none"> About as likely as not
8	9	10	11	12	13	14	15	16			
Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Potential financial impact figure – minimum (currency)	Potential financial impact figure - maximum (currency)	Explanation of financial impact	Primary response to risk	Description of response	Cost of response	Explanation of cost of response			
<ul style="list-style-type: none"> Yes, a single figure estimate 	47,500,000	N/A	N/A	<p>CALCULATION APPROACH: Brand damage could have an impact on our stock price. For example, we estimated an impact of a 0.1% decrease of our stock price, which would affect the company's market capitalization by around EUR 47.5</p>	<ul style="list-style-type: none"> Engage with local communities 	<p>RESPONSE STRATEGY:</p> <p>Bayer is actively engaged in a continuous dialogue with stakeholders including e.g. employees, customers, neighbors, NGOs, politicians and the general public. We are actively participating in stakeholder panels e.g. at river-basin level or irrigation boards.</p> <p>ACTIONS:</p> <p>In India, we are actively participating in the Industry forum of the Estate. Waste management incl. water and wastewater are part of the agenda points for various site level meetings and interactions. The site conducts trainings on the subject as part of the ISO 14001 activities.</p>	0	There are no specific costs related to this response strategy as the above measures are part of the normal operating procedures and HSE management at our sites.			

				<p>million based on year-end 2022 market capitalization.</p> <p>TIMESCALE: As financial markets can react quickly, we assume a short-term timescale for this effect.</p>		<p>Every employee from each level takes part and contributes to the subject and improvement measures. To create awareness for water management, various boards are displayed at prominent locations across the site.</p> <p>Furthermore, we take action to ensure the correct application of our products. Other relevant actions are the comprehensive monitoring systems at this site to ensure appropriate reaction times and risk management responses. The entire volume of the generated industrial waste water is pumped to the WWTP for treatment through a ground pipeline. There is a holding capacity of several days between receipt of generated process waste water in the WWTP and discharge after biological treatment and final discharge. This provides ample scope for action even in worst case scenario of failure in treatment process.</p> <p>TIMEFRAME OF IMPLEMENTATION: This is an ongoing effort which is reviewed continuously to ensure an appropriate risk management.</p>		
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Risk 2

1a	1b	2a	2b	3	4	5	6	7
Country/Area	River basin	Type of risk	Primary risk driver	Primary potential impact	Company-specific description	Time-frame	Magnitude of potential impact	Likelihood
<ul style="list-style-type: none"> Germany 	<ul style="list-style-type: none"> Other, please specify: all EU basins 	<ul style="list-style-type: none"> Regulatory 	<ul style="list-style-type: none"> Tighter regulatory standards 	<ul style="list-style-type: none"> Constraint to growth 	<p>EXPLANATION: Increasing requirements for the use of crop protection, pharmaceutical or chemical products under the EU Green Deal for existing and upcoming EU Directives may lead to restrictions in some uses and an increasing need for measures to reduce the concentration of respective active ingredients mainly in surface water. This might impact individual Bayer products. This discussion is relevant for whole Europe with specific aspects (like trace substances) for Germany where Bayer's headquarter is located.</p> <p>EFFECT ON BAYER: Restrictive regulations for active ingredients might lead to limitation or even ban of use. A thorough internal Bayer analysis came to the result that pharmaceutical active substances are out of scope, a prohibition on certain active ingredients for Crop Science would require the replacement or exchange of these active ingredients in our products. This would require, in most countries, a new registration of the product. The risk could have a significant impact on our product portfolio. Moreover, the risks could generate significant sales losses. To manage and minimize the risk an internal high level Steering Committee has been implemented.</p> <p>DETAILS ON METHOD FOR IDENTIFYING THE PRIMARY IMPACT: The risk was analyzed as part of our company-wide Enterprise Risk Management (ERM) evaluating the risk with regard to likelihood of occurrence (on a 5-step scale as described in</p>	<ul style="list-style-type: none"> More than 6 years 	<ul style="list-style-type: none"> Medium 	<ul style="list-style-type: none"> Unlikely

8	9	10	11	12	13	14	15	16
Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Potential financial impact figure – minimum (currency)	Potential financial impact figure - maximum (currency)	Explanation of financial impact	Primary response to risk	Description of response	Cost of response	Explanation of cost of response
<ul style="list-style-type: none"> Yes, an estimated range 	N/A	750,000,000	1,500,000,000	<p>During our risk assessment, it was concluded that the potential impact of the specific part of the risk concerning water cannot be singled out easily from the overall risk related to our external suppliers and thus, have not been evaluated stand alone. During our risk assessment, it was concluded that the primary potential impact cannot be evaluated financially. Following our risk analysis method, the risk was evaluated qualitatively with regard to reputational effects and sustainability and was classified as risk with significant impact (=medium impact according to CDP drop down options). For risks that can be evaluated quantitatively, risks with significant impact are defined to have a financial impact of EUR 750 million - EUR 1.500 million. Therefore, we came up with an estimated</p>	<ul style="list-style-type: none"> Engage with regulators/ policy-makers 	<p>RESPONSE STRATEGY: Bayer has built management structures to participate actively in the discussion on EU level and to evaluate the associated risks internally as well as defining mitigation measures. Beyond that Bayer on national level was actively involved in the national dialogue on trace substances under the patronage of the German environmental ministry. The process is now implemented with a German trace substance center defining in regular rhythm substances of concern with a follow up via round-table formats. Stakeholders from water management, environmental authorities and associations, health services providers and industry to develop measures that aim to reduce the discharge of relevant trace substances. The objective is to develop a strategy for preventing the water-impacting effects of selected chemicals. Bayer is also engaging with the EU Commission on the topic.</p> <p>ACTIONS: Active pharmaceutical ingredients (API) can enter the environment through human or animal excreta, improper disposal or during production. Surface waters are particularly relevant. Pharmaceuticals and Consumer Health carry out ecotoxicological investigations of pharmaceutical residues and degradation products to assess the potential environmental impact of these products. In connection with the approval process for human pharmaceuticals in Europe and the US, an environmental risk assessment takes place for all new active ingredients. Furthermore, to our knowledge, the existing concentrations of individual API in drinking water do not have any relevant adverse effects on human health. On the basis of its report on mixtures of API in</p>	6,500,000	<p>As Bayer's EU lobbying work also included water-related discussions (zero pollution ambition), we added the costs incurred at our liaison offices in Europe in 2022 to estimate the costs of our engagement with policy makers in the EU: Including human resources, material and project expenses, the costs incurred at our liaison offices totaled approximately EUR 4.0 million in Berlin, Germany and EUR 2.5 million in Brussels, Belgium. The costs represent 2022 costs and are recurring each year.</p>

				financial impact between EUR 750 million and 1,500 million for this risk. Timescale: Our ERM takes a long-term perspective e.g. likelihood of occurrence is calculated based on a period of 10 years.		drinking water published in 2017, the WHO currently does not identify any immediate health risks and sees no need to act in the short term. TIMEFRAME OF IMPLEMENTATION: To further guarantee the safety of drinking water resources partly against the background of a potential increase in the use of pharmaceuticals, the WHO recommends that this issue be observed comprehensively over a longer period of time. Bayer is actively participating in the stakeholder dialogue.		
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[Add row]

*(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Risk 1

1a	1b	2	3a	3b	4	5	6	7	8
Country / Area	River basin	Stage of value chain	Type of risk	Primary risk driver	Primary potential impact	Company-specific description	Time-frame	Magnitude of potential impact	Likelihood
<ul style="list-style-type: none"> India 	<ul style="list-style-type: none"> Other, please specify: Several basins 	<ul style="list-style-type: none"> Supply chain 	<ul style="list-style-type: none"> Reputation & markets 	Reputation & markets: <ul style="list-style-type: none"> Increased stakeholder concern or negative stakeholder feedback 	<ul style="list-style-type: none"> Company brand damage 	<p>EXPLANATION: From the perspective of the Bayer Group as a whole, there is a risk that our partners, such as suppliers, do not pay due attention to our requirements concerning ethics, compliance and sustainability. This risk is linked to the industry, Bayer forms part of and not specifically to Bayer alone (it is also a more global than country specific topic). Clear sustainability criteria and standards are in place for our supply chain on both a global and regional level. Nevertheless, materialized sustainability risks of one or more suppliers could potentially lead to a significant social, ethical or environmental impact with negative media coverage. For example, low enforcement of wastewater standards for pharmaceutical or chemical suppliers could potentially lead to incidences of increased respective concentrations of harmful substances in water bodies and potentially in drinking water. Such an event took place in India in 2019, there was a spill-over related to suppliers of several companies in the industry. After diligent investigations by Bayer, it was confirmed that Bayer suppliers were not affected.</p> <p>EFFECT ON BAYER: A sustainability issue at a supplier company may lead to negative media coverage, affecting public opinion, Bayer's image and perception by stakeholders. Consequences could be a potential reputational impact, increased organizational effort or interruption of supply as we can't use the supplier any longer.</p>	<ul style="list-style-type: none"> 1-3 years 	<ul style="list-style-type: none"> Medium 	<ul style="list-style-type: none"> About as likely as not

						DETAILS ON METHOD FOR IDENTIFYING THE IMPACT: The risk was analyzed as part of our company-wide Enterprise Risk Management evaluating the risk with regard to likelihood of occurrence and impact. In addition to the financial assessment, following our risk analysis method, the risk was evaluated qualitatively and was classified as risk with "significant" impact (scales "sustainability", "reputation/stakeholder confidence") according to Bayer's risk methodology (= medium impact according to CDP drop down options).			
9	10	11	12	13	14	15	16	17	
Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Potential financial impact figure – minimum (currency)	Potential financial impact figure - maximum (currency)	Explanation of financial impact	Primary res-ponse to risk	Description of response	Cost of res-ponse	Explanation of cost of response	
<ul style="list-style-type: none"> Yes, an estimated range 	N/A	750,000,000	1,500,000,000	<p>During our risk assessment, it was concluded that the potential impact of the specific part of the risk concerning water cannot be singled out easily from the overall risk related to our external suppliers and thus, has not been evaluated stand alone. In addition to the financial assessment, following our risk analysis method, the risk was evaluated qualitatively and was classified as risk with "significant" impact (scales "sustainability", "reputation/stakeholder confidence" and "organizational effort") according to Bayer's risk methodology (= medium impact according to CDP drop down options). For risks that can be evaluated quantitatively, risks with significant impact are defined to have</p>	<ul style="list-style-type: none"> Increase supplier reporting on water 	<p>RESPONSE STRATEGY: Our Supplier Code of Conduct (SCoC) and our sustainability contract clause are the main strategy to protect us against sustainability related supplier risks, e.g. it contains aspects related to water management and responsible water use. The SCoC is an important component for supplier selection and evaluation like sustainability online assessments and on-site audits.</p> <p>ACTIONS: Via the 4-Step-Management Approach the adherence of the supplier to the SCoC is monitored. The sustainability clause in our procurement contracts and legal documents is embedded in our ordering system and contract center and made mandatory.</p> <p>The Sustainability Supplier Development Framework foresees a strict consequence management in case of critical results and non-compliance of a supplier and besides milder measurements goes as far as phasing out suppliers. This Sustainability Supplier Development Process and consequence management are bound to strict timeframe and are interlinked with the evaluation cycle (1 year re-evaluation</p>	175,000	<p>To estimate the reported costs we summed up the membership fees for the two supplier initiatives and the interface to EcoVadis. In 2022, we spent more about EUR 75,000 for membership fees for supplier initiatives and EcoVadis and about EUR 100,000 on initiatives related to the engagement with suppliers and their assessment and audits in relation to sustainability topics, including water. In addition, we conduct internal HSE audits, PSCI audits and supplier-paid TfS audits and EcoVadis assessments. As these are part of our regular HSE management or paid by suppliers, we do not include them as extra costs.</p>	

				<p>a financial impact of EUR 750 million to EUR 1,500 million. Therefore, we came up with an equivalent financial impact between EUR 750 million and EUR 1,500 million for this risk.</p> <p>Timescale: Our risk management takes a long-term perspective e.g. likelihood of occurrence is calculated based on a period of 10 years.</p>		<p>period for critical findings and 3 year re-evaluation period for milder findings).</p> <p>TIMEFRAME OF IMPLEMENTATION: In 2022, Bayer requested 1.38% (ca. 1,258 out of 91,149 suppliers), representing approx. 25% of the total procurement spend, to report on water management. Through partnerships, we further drive those topics. Supplier evaluation was conducted by a leading web-based service provider of sustainability performance evaluations (EcoVadis) for sustainability performance monitoring. Besides, the main initiatives in which we foster the engagement with suppliers and their evaluation in relation to sustainability topics are "Together for Sustainability" and the "Pharmaceutical Supply Chain Initiative".</p>		
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Risk 2

1a	1b	2	3a	3b	4	5	6	7	8
Country / Area	River basin	Stage of value chain	Type of risk	Primary risk driver	Primary potential impact	Company-specific description	Time-frame	Magnitude of potential impact	Likelihood
<ul style="list-style-type: none"> Asia 	<ul style="list-style-type: none"> Other, please specify: Asisa 	<ul style="list-style-type: none"> Use phase 	<ul style="list-style-type: none"> Reputation & Markets 	<ul style="list-style-type: none"> Water-related litigation 	<ul style="list-style-type: none"> Fines, penalties or enforcement orders 	<p>EXPLANATION: At Bayer, we are committed to the pesticide industry related principles laid out in the International Code of Conduct on Pesticide Management issued by the Food and Agriculture Organization of the United Nations (FAO) and the World Health Organization (WHO).</p> <p>Farming is one of the most important jobs in the world – though it's not an easy one. On the one hand, technological progress throughout the past decades has been stunning: Today, growers require less than one third of the land they would have needed 70 years ago to produce the same amount of food. On the other hand, growers face high regulatory requirements in many markets, and need to achieve consistent yields and high-quality produce to compete in today's food market. Furthermore, they need to meet the high expectations of food supply chain and consumers. Crop protection plays an important role in securing global food supply facing the needs of a growing world population, limited – sometimes even diminishing – natural resources and major cropping challenges due to climate change. At the same time,</p>	<ul style="list-style-type: none"> Current up to one year 	<ul style="list-style-type: none"> Low 	<ul style="list-style-type: none"> Unlikely

						<p>chemicals may negatively impact the environment and human health if they aren't used according to label instructions.</p> <p>EFFECT ON BAYER: Chemical crop protection products and their use face high regulatory and public scrutiny. Diligent product stewardship along the full product life cycle is therefore an imperative, as outlined by the International Code of Conduct on Pesticide Management issued by the Food and Agriculture Organization of the United Nations (FAO) and the World Health Organization (WHO) which we at Bayer have committed to.</p> <p>DETAILS ON METHOD FOR IDENTIFYING THE IMPACT: The risk was analyzed as part of our company-wide Enterprise Risk Management evaluating the risk with regard to likelihood of occurrence and impact. In addition to the financial assessment, following our risk analysis method, the risk was evaluated qualitatively and was classified as risk with "medium" impact (scales "sustainability", "reputation/stakeholder confidence") according to Bayer's risk methodology (= low impact according to CDP drop down options).</p>			
9	10	11	12	13	14	15	16	17	
Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Potential financial impact figure – minimum (currency)	Potential financial impact figure - maximum (currency)	Explanation of financial impact	Primary response to risk	Description of response	Cost of response	Explanation of cost of response	
<ul style="list-style-type: none"> Yes, a single figure estimate 	270,000,000	N/A	N/A	<p>During our risk assessment, it was concluded that the potential impact of the specific part of the risk concerning water cannot be singled out easily from the overall risk related to potential misuse of our products so it has not been evaluated stand alone. In addition to the financial assessment, following our risk analysis method, the risk was evaluated qualitatively and</p>	<ul style="list-style-type: none"> Improve pollution abatement and control measures 	<p>Stewardship is a key enabler of sustainable agriculture: Product Stewardship practices help support the availability of high-quality products, services and best practices by promoting compliance with statutory and regulatory requirements as well as good agricultural practices. They can also help maximize product potential and sustainability and minimize risk.</p> <p>Bayer is committed to support and promote the implementation of safe and sustainable practices (e.g., training, educational materials). We are working in partnership with various stakeholders to</p>	34,000,000	<p>Large-scale training programs are especially important in countries with no or little regulations on the use and application of crop protection products. Advanced countries, on the other hand, have strong regulations in place that e.g., require farmers to have a certification or permit to purchase crop protection products, and rigid labour laws ensure required personal protective equipment is worn on the farm.</p>	

				<p>was classified as risk with “medium” impact (scales “sustainability”, “reputation/stakeholder confidence”) according to Bayer’s risk methodology (= low impact according to CDP drop down options).</p>		<p>promote the responsible use of Bayer products and services. Safe use trainings are an important lever to share knowledge with growers – especially, but not limited to smallholder farmers. Our safe use trainings also include field workers, seed treatment professionals, distributors, retailers, and further stakeholders who are in direct contact with our products. We are fostering best practice exchange and capacity building on the safe use and disposal of crop protection products, with a focus on low- and middle-income countries (LMICs). This includes holistic platforms like Better Life Farming (our flagship program for 360° smallholder support) and the BayGAP training program, as well as stewardship-specific tools like Bayer DressCode (a web-based tool that gives farmers label-conform instructions about the PPE to use in their individual situation). To maximize impact and reach in LMICs, we collaborate with local universities to train agriculture students, aiming to create a network of Bayer Safe Use Ambassadors who in return transfer their knowledge by training thousands of smallholder farmers in their communities. We are expanding our network to also provide poison control centers and medical practitioners with guidance about hazards, toxicity and treatment of crop protection product poisoning. Bayer supports the use of Phytobac on farms to avoid the release of the used and contaminated water on farm site.</p>		<p>Further, we see the professionalization of agriculture as a major driver in behavioural shifts when using crop protection products and accompanying personal protective equipment. Both, the increased use of technology such as drones or larger tractors as well as a possible certification of trained, professional spray service providers can in future increase the correct and safe use of our products. The flexible approach and use of digital tools enabled us to reach more than 3.4 million external contacts worldwide (i.e. farmers, field workers, distributors, retailers and other stakeholders in the agriculture industry), including around 2.7 million smallholder farmers, in 2022.</p> <p>COST CALCULATION: For competitive reasons, we cannot disclose detailed costs of our training programs. To show an order of magnitude of the effort, we estimate the cost per contact across the different training channels to be approximately EUR 10.</p> <p>contacts (3,400,000) * cost per contact (10) = 34,000,000</p>
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[Add row]

Water-related opportunities

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

- Yes, we have identified opportunities, and some/all are being realized

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

1	2	3	4	5	6	7	8	9	10
Type of opportunity	Primary water-related opportunity	Company-specific description & strategy to realize opportunity	Estimated time-frame for realization	Magnitude of potential financial impact	Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Potential financial impact figure – minimum (currency)	Potential financial impact figure - maximum (currency)	Explanation of financial impact
<ul style="list-style-type: none"> • Products and services 	<ul style="list-style-type: none"> • Increased sales of existing products/ services 	<p>i) STRATEGIC OPPORTUNITY: The OPPORTUNITY is Crop Science's excellent position to offer products and services that support improved cultivation techniques and thus improve water management in agriculture. This opportunity is considered STRATEGIC BECAUSE the whole agricultural business is strongly tied to water and weather phenomena.</p> <p>ii) ACTIONS TO REALIZE THIS OPPORTUNITY: Intensive agriculture with high yields per hectare of farmland is a crucial factor for ensuring the continued availability of high-quality and affordable food. Bayer helps farmers cultivate more food for a growing population while at the same time reducing the environmental impact of agriculture. Crop Science offers farmer tailored products, trainings and promotes water-saving cultivation systems.</p> <p>iii) EXAMPLES:</p> <ul style="list-style-type: none"> • We are putting together a pilot program to measure the sustainability impact of the Better Life Farming ecosystem on water, CO2 emissions, Crop Protection Environmental Impact Reduction (CP EIR) and soil health. We are looking at 7 Better Life Farming (BLF) farms and 7 non-BLF farms in Uttar Pradesh, India, to see how the solutions and trainings we provide will impact water consumption, as well as the other factors listed. We started 2022 in the main 	<ul style="list-style-type: none"> • More than 6 years 	<ul style="list-style-type: none"> • High 	<ul style="list-style-type: none"> • Yes, a single figure estimate 	132,000,000	N/A	N/A	<p>CALCULATION APPROACH: FINANCIAL IMPLICATIONS apply to Crop Science as a whole with sales of EUR 25.2 billion in 2022 of which crop protection has a major impact with EUR 13.2 billion. The global seed and crop protection market as a whole grew strongly in 2022 (Fx adj. +12%; 2021: +7%). For Crop Science, we expect a growth forecast for the seeds and crop protection market for 2023 of ~3%. A continued growth of the crop protection demand by 1 % (compared to 2022, 1 % is a conservative assumption given the market growth) would translate into EUR 132 million additional revenues.</p>

		<p>tomato season in July/August and measure water consumption and product application until end of harvest. We employed Earthood as an external agency to conduct the study for us.</p> <ul style="list-style-type: none"> • Bayer is a key partner and contributor in the TELA Maize project introducing drought-tolerant maize for smallholder farmers in Africa. Under moderate drought conditions the TELA Maize improves the plant's water use efficiency to get more crop per drop and increase yields 5 to 9 percent. In irrigated fields, the improved water use efficiency enables the maize to maintain high yield potential while applying less water. Drought-tolerant TELA Maize helps farmers adapt to drier conditions caused by climate change and manage their risk of crop loss. • Bayer continues to use HydroBio, which uses satellite imagery, soil data and hyper-local weather data to deliver irrigation insights for farmers to help improve irrigation water-use efficiency and maximize yields (regional adoption varies). In 2019, we introduced Smart Center in Argentina providing irrigation recommendations to farmers and learning opportunities around water conservation strategies. As result of this initiative, we have achieved irrigation efficiencies of 93% (resulting in less irrigation water usage) and an additional 2% yield increase. <p>Please see also W-FI.</p>							<p>Our offerings of products/services helping farmers to use water more efficiently are contributing to this growth.</p>
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[Add row]

W5 Facility-level water accounting

Facility-level water accounting

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility 1

1	2	3a	3b		4	5	6
Facility reference number	Facility name (optional)	Country/Area	River basin		Latitude	Longitude	Located in area with water stress
• Facility 1	• Viluco	• Chile	• Other, please specify: Maipo, North Chile, Pacific Coast		-33.797945	-70.775807	• Yes
9	10	11	12	13	14	15	16
Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
128	• Higher	0	0	128	0	0	0
17	18	19	20	21	22		
Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations		
1	• About the same	0	0	0	1		
23	24	25					
Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain					

127	<ul style="list-style-type: none"> Higher 	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C): 2021: 117 2022: 128 (comparison with previous year: higher, +10%)</p> <p>Discharges: 2021: 1 2022: 1 (comparison with previous year: about the same 0%)</p> <p>Consumption: 2021: 116 2022: 127 (comparison with previous year: higher, +10%)</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>
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Facility 2

1	2	3a	3b		4	5	6
Facility reference number	Facility name (optional)	Country/Area	River basin		Latitude	Longitude	Located in area with water stress
<ul style="list-style-type: none"> Facility 2 	<ul style="list-style-type: none"> Alcala de Henares 	<ul style="list-style-type: none"> Spain 	<ul style="list-style-type: none"> Other, please specify: Tagus 2, Tagus 		40.4877482	-3.389130	<ul style="list-style-type: none"> Yes
9	10	11	12	13	14	15	16
Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
63	<ul style="list-style-type: none"> Lower 	0	0	0	0	0	63
17	18	19	20	21	22		
Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations		
43	<ul style="list-style-type: none"> Lower 	0	0	0	43		

23	24	25
Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain
20	<ul style="list-style-type: none"> Lower 	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C): 2021: 67 2022: 63 (comparison with previous year: lower, -6%)</p> <p>Discharges: 2021: 45 2022: 43 (comparison with previous year: lower, -6%)</p> <p>Consumption: 2021: 22 2022: 20 (comparison with previous year: lower, -9%)</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>

Facility 3

1	2	3a	3b	4	5	6	
Facility reference number	Facility name (optional)	Country/Area	River basin	Latitude	Longitude	Located in area with water stress	
• Facility 3	• El Ejido	• Spain	• Other, please specify: Spain, South and East Coast	36.724435	-2.772505	• Yes	
9	10	11	12	13	14	15	16
Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
76	• About the same	0	0	0	0	0	76

17	18	19	20	21	22
Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
2	<ul style="list-style-type: none"> Much higher 	0	0	0	2
23	24	25			
Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain			
74	<ul style="list-style-type: none"> About the same 	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C): 2021: 74 2022: 76 (comparison with previous year: about the same, +3%)</p> <p>Discharges: 2021: 1 2022: 2 (comparison with previous year: much higher, +100%)</p> <p>Consumption: 2021: 73 2022: 74 (comparison with previous year: about the same, +1%)</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>			

Facility 4

1	2	3a	3b	4	5	6	
Facility reference number	Facility name (optional)	Country/Area	River basin	Latitude	Longitude	Located in area with water stress	
<ul style="list-style-type: none"> Facility 4 	<ul style="list-style-type: none"> Petit 	<ul style="list-style-type: none"> South Africa 	<ul style="list-style-type: none"> Orange 	-26.1087	28.3593	<ul style="list-style-type: none"> Yes 	
9	10	11	12	13	14	15	16

Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
76	• Much lower	0	0	76	0	0	0
17	18	19	20	21	22		
Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations		
1	• Much lower	0	0	0	1		
23	24	25					
Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain					
75	• Much lower	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C): 2021: 99 2022: 76 (comparison with previous year: much lower, -23%)</p> <p>Discharges: 2021: 2 2022: 1 (comparison with previous year: much lower, -50%)</p> <p>Consumption: 2021: 97 2022: 75 (comparison with previous year: much lower, -23%)</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>					

Facility 5

1	2	3a	3b	4	5	6
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Facility reference number	Facility name (optional)	Country/Area	River basin		Latitude	Longitude	Located in area with water stress
• Facility 5	• San Juan de Abajo	• Mexico	• Other, please specify: Ameca / Ixtapa, Pacific Central Coast		20.790748	-105.204344	• Yes
9	10	11	12	13	14	15	16
Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
70	• Higher	0	0	70	0	0	0
17	18	19	20	21	22		
Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations		
1	• About the same	0	0	0	1		
23	24	25					
Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain					
69	• Higher	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C): 2021: 65 2022: 70 (comparison with previous year: higher, +7%)</p> <p>Discharges: 2021: 1 2022: 1 (comparison with previous year: about the same, 0%)</p> <p>Consumption: 2021: 64 2022: 69 (comparison with previous year: higher, +8%)</p> <p>Thresholds applied for comparison with previous reporting year:</p>					

		About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%
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Facility 6

1	2	3a	3b	4	5	6	
Facility reference number	Facility name (optional)	Country/Area	River basin	Latitude	Longitude	Located in area with water stress	
• Facility 6	• Beijing	• China	•			• Yes	
9	10	11	12	13	14	15	16
Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
59	• Higher	27	0	0	0	0	32
17	18	19	20	21	22		
Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations		
16	• About the same	0	0	0	16		
23	24	25					
Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain					
43	• Higher	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C): 2021: 54 2022: 59 (comparison with previous year: higher, +9%)</p>					

		<p>Discharges: 2021: 16 2022: 16 (comparison with previous year: about the same, 0%)</p> <p>Consumption: 2021: 38 2022: 43 (comparison with previous year: higher, +13%)</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>
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Facility 7

1	2	3a	3b	4	5	6	
Facility reference number	Facility name (optional)	Country/Area	River basin	Latitude	Longitude	Located in area with water stress	
• Facility 7	• Lerma	• Mexico	• Other, please specify: Lerma / Toluca, Rio Lerma	19.28872	-99.535833	• Yes	
9	10	11	12	13	14	15	16
Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
112	• Lower	0	0	112	0	0	0
17	18	19	20	21	22		
Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations		
107	• Lower	0	0	41	66		
23	24	25					
Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain					

5	<ul style="list-style-type: none"> • Much lower 	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C): 2021: 121 2022: 112 (comparison with previous year: lower, -7%)</p> <p>Discharges: 2021: 114 2022: 107 (comparison with previous year: lower, -6%)</p> <p>Consumption: 2021: 7 2022: 5 (comparison with previous year: much lower, -29%)</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>
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Facility 8

1	2	3a	3b		4	5	6
Facility reference number	Facility name (optional)	Country/Area	River basin		Latitude	Longitude	Located in area with water stress
• Facility 8	• Tlaxcala	• Mexico	• Balsas		19.308497	-98.391946	• Yes
9	10	11	12	13	14	15	16
Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
134	• About the same	0	0	134	0	0	0
17	18	19	20	21	22		
Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations		

57	<ul style="list-style-type: none"> About the same 	0	0	0	57
23	24	25			
Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain			
77	<ul style="list-style-type: none"> Higher 	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C): 2021: 131 2022: 134 (comparison with previous year: about the same, +2%)</p> <p>Discharges: 2021: 59 2022: 57 (comparison with previous year: about the same, -3%)</p> <p>Consumption: 2021: 72 2022: 77 (comparison with previous year: higher, +7%)</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>			

Facility 9

1	2	3a	3b	4	5	6	
Facility reference number	Facility name (optional)	Country/Area	River basin	Latitude	Longitude	Located in area with water stress	
<ul style="list-style-type: none"> Facility 9 	<ul style="list-style-type: none"> La Charca 	<ul style="list-style-type: none"> Mexico 	<ul style="list-style-type: none"> Other, please specify: Lerma / Salamanca, Rio Lerma 	20.42381	-101.059221	<ul style="list-style-type: none"> Yes 	
9	10	11	12	13	14	15	16
Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources

100	• Much lower	0	0	100	0	0	0
17	18	19	20	21	22		
Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations		
10	• About the same	0	0	0	10		
23	24	25					
Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain					
90	• Much lower	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C): 2021: 140 2022: 100 (comparison with previous year: much lower, -29%)</p> <p>Discharges: 2021: 10 2022: 10 (comparison with previous year: about the same, 0%)</p> <p>Consumption: 2021: 130 2022: 90 (comparison with previous year: much lower, -31%)</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>					

Facility 10

1	2	3a	3b	4	5	6
Facility reference number	Facility name (optional)	Country/Area	River basin	Latitude	Longitude	Located in area with water stress
• Facility 10	• Melipilla	• Chile	• Other, please specify: Maipo, North Chile, Pacific Coast	-33.677121	-71.151965	• Yes

9	10	11	12	13	14	15	16
Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
66	• Much lower	42	0	17	0	0	7
17	18	19	20	21	22		
Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations		
7	• Much lower	0	0	0	7		
23	24	25					
Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain					
59	• Much lower	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C): 2021: 160 2022: 66 (comparison with previous year: much lower, -59%)</p> <p>Discharges: 2021: 13 2022: 7 (comparison with previous year: much lower, -46%)</p> <p>Consumption: 2021: 147 2022: 59 (comparison with previous year: much lower, -60%)</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>					

1	2	3a	3b	4	5	6	
Facility reference number	Facility name (optional)	Country/Area	River basin	Latitude	Longitude	Located in area with water stress	
• Facility 11	• Santa Julia	• Chile	• Rapel	-34.0611	-70.75904	• Yes	
9	10	11	12	13	14	15	16
Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
315	• Much higher	0	0	315	0	0	0
17	18	19	20	21	22		
Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations		
28	• Much lower	0	0	0	28		
23	24	25					
Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain					
287	• Much higher	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C): 2021: 273 2022: 315 (comparison with previous year: much higher, +15%)</p> <p>Discharges: 2021: 38 2022: 28 (comparison with previous year: much lower, -26%)</p> <p>Consumption: 2021: 235 2022: 287 (comparison with previous year: much higher, +22%)</p>					

		<p>Thresholds applied for comparison with previous reporting year:</p> <p>About the same: <5%</p> <p>Lower / Higher: 5%<15%</p> <p>Much lower / higher: >=15%</p>
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Facility 12

1	2	3a	3b	4	5	6	
Facility reference number	Facility name (optional)	Country/Area	River basin	Latitude	Longitude	Located in area with water stress	
• Facility 12	• Vapi	• India	• Other, please specify: Sarya, India West Coast	20.368748	72.93512	• Yes	
9	10	11	12	13	14	15	16
Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
541	• About the same	12	0	0	0	0	529
17	18	19	20	21	22		
Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations		
231	• About the same	0	0	0	231		
23	24	25					
Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain					
310	• About the same	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C):</p>					

		<p>2021: 536 2022: 541 (comparison with previous year: about the same, +1%) Discharges: 2021: 229 2022: 231 (comparison with previous year: about the same, +1%) Consumption: 2021: 307 2022: 310 (comparison with previous year: about the same, +1%)</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>
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Facility 13

1	2	3a	3b	4	5	6	
Facility reference number	Facility name (optional)	Country/Area	River basin	Latitude	Longitude	Located in area with water stress	
• Facility 13	• Belford Roxo	• Brazil	• Other, please specify: Rio de Janeiro Coast, Uruguay - Brazil, South Atlantic Coast	-22.7665	-43.392301	• Yes	
9	10	11	12	13	14	15	16
Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
491	• Much lower	452	0	0	0	0	39
17	18	19	20	21	22		
Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations		
172	• About the same	172	0	0	0		
23	24	25					

Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain
319	<ul style="list-style-type: none"> Much lower 	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C): 2021: 624 2022: 491 (comparison with previous year: much lower, -21%)</p> <p>Discharges: 2021: 173 2022: 172 (comparison with previous year: about the same, 0%)</p> <p>Consumption: 2021: 451 2022: 319 (comparison with previous year: much lower, -29%)</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>

Facility 14

1	2	3a	3b	4	5	6	
Facility reference number	Facility name (optional)	Country/Area	River basin	Latitude	Longitude	Located in area with water stress	
• Facility 14	• Ica	• Peru	• Other, please specify: Ica, Peru, Pacific Coast	-14.0681	-75.741904	• Yes	
9	10	11	12	13	14	15	16
Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
420	• Lower	0	0	420	0	0	0
17	18	19	20	21	22		

Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
15	<ul style="list-style-type: none"> Much lower 	0	0	0	15
23	24	25			
Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain			
405	<ul style="list-style-type: none"> About the same 	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C): 2021: 444 2022: 420 (comparison with previous year: lower, -5%)</p> <p>Discharges: 2021: 44 2022: 15 (comparison with previous year: much lower, -66%)</p> <p>Consumption: 2021: 400 2022: 405 (comparison with previous year: about the same, +1%)</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>			

Facility 15

1	2	3a	3b	4	5	6
Facility reference number	Facility name (optional)	Country/Area	River basin	Latitude	Longitude	Located in area with water stress
<ul style="list-style-type: none"> Facility 15 	<ul style="list-style-type: none"> Latina and Sicily 	<ul style="list-style-type: none"> Italy 	<ul style="list-style-type: none"> Other, please specify: Garigliano, Italy, West Coast 	41,467567	12,903597	<ul style="list-style-type: none"> Yes
9	10	11	12	13	14	15
						16

Total water withdrawals (megaliters/year) at this facility	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
54	• Higher	10	0	41	1	0	2
17	18	19	20	21	22		
Total water discharges (megaliters/year) at this facility	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations		
2	• Much higher	1	0	0	1		
23	24	25					
Total water consumption (megaliters/year) at this facility	Comparison of total consumption with previous reporting year	Please explain					
52	• Higher	<p>TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally-relevant sites. We define them as "large user" when they use >0.1% of our total water use.</p> <p>Withdrawals (W=D+C): 2021: 49 2022: 54 (comparison with previous year: higher, +11%)</p> <p>Discharges: 2021: 1 2022: 2 (comparison with previous year: much higher, +100%)</p> <p>Consumption: 2021: 48 2022: 52 (comparison with previous year: higher, +8%)</p> <p>Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%</p>					

[Add row]

*(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

1	2	3	4
Water aspect	% verified	Verification standard used*	Please explain*
Water withdrawals – total volumes	<ul style="list-style-type: none"> • 76-100 	Standard: ISAE 3000; Methodology: The auditor Deloitte has verified water data as part of the reasonable assurance for the Bayer Sustainability Report 2022, incl. the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits; analytical procedures. Scope: Global: Water data is measured at site level and monitored annually at global level in our central Bayer Site Information System.	N/A
Water withdrawals – volume by source	<ul style="list-style-type: none"> • 76-100 	Standard: ISAE 3000; Methodology: The auditor Deloitte has verified water data as part of the limited assurance for the Bayer Sustainability Report 2022, incl. the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits; analytical procedures. Scope: Global: Water data is measured at site level and monitored annually at global level in our central Bayer Site Information System.	N/A
Water withdrawals – quality by standard water quality parameters	<ul style="list-style-type: none"> • Not verified 	N/A	Water withdrawals quality is measured as needed at the sites, e.g. water withdrawals quality is highly relevant for our health care and our breeding sites. We do not monitor, and therefore also not verify, the quality of water withdrawals via our central Bayer Site Information System “BaySIS”. This is BECAUSE the relevant regulations related to water withdrawal quality requirements differ widely. We do not plan to centrally verify water withdrawals quality in the next two years, as this is a very local topic.
Water discharges – total volumes	<ul style="list-style-type: none"> • 76-100 	Standard: ISAE 3000; Methodology: The auditor Deloitte has verified water data as part of the reasonable assurance for the Bayer Sustainability Report 2022, incl. the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits; analytical procedures. Scope: Global: Water data is measured at site level and monitored annually at global level in our central Bayer Site Information System.	N/A
Water discharges – volume by destination	<ul style="list-style-type: none"> • 76-100 	Standard: ISAE 3000; Methodology: The auditor Deloitte has verified water data as part of the limited assurance for the Bayer Sustainability Report 2022, incl. the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits; analytical procedures. Scope: Global: Water data is measured at site level and monitored annually at global level in our central Bayer Site Information System.	N/A
Water discharges – volume by final treatment level	<ul style="list-style-type: none"> • 76-100 	Standard: ISAE 3000; Methodology: The auditor Deloitte has verified water data as part of the limited assurance for the Bayer Sustainability Report 2022, incl. the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data	N/A

		and their documentation on a sample basis; site visits; analytical procedures. Scope: Global: Water data is measured at site level and monitored annually at global level in our central Bayer Site Information System.	
Water discharge quality – quality by standard water quality parameters	• 76-100	Standard: ISAE 3000; Methodology: The auditor Deloitte has verified water data as part of the limited assurance for the Bayer Sustainability Report 2022, incl. the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits; analytical procedures. Scope: Global: Water data is measured at site level and monitored annually at global level in our central Bayer Site Information System.	N/A
Water consumption – total volume	• 76-100	Standard: ISAE 3000; Methodology: The auditor Deloitte has verified water data as part of the limited assurance for the Bayer Sustainability Report 2022, incl. the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits; analytical procedures. Scope: Global: Water data is measured at site level and monitored annually at global level in our central Bayer Site Information System.	N/A

(*column/row appearance is dependent on selections in this or other questions)

W6 Governance

Water policy

(W6.1) Does your organization have a water policy?

- Yes, we have a documented water policy that is publicly available

(W6.1a) Select the options that best describe the scope and content of your water policy.

1	2	3
Scope	Content	Please explain
<ul style="list-style-type: none"> • Company-wide 	<ul style="list-style-type: none"> • Description of the scope (including value chain stages) covered by the policy • Description of business dependency on water • Description of business impact on water • Commitment to reduce water withdrawal and/or consumption volumes in direct operations • Commitment to align with international frameworks, standards and widely-recognized water initiatives • Commitment to prevent, minimize, and control pollution • Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace • Commitment to safely managed Water, Sanitation and Hygiene (WASH) in local communities • Reference to company water-related targets • Commitments beyond regulatory compliance • Commitment to water-related innovation • Commitment to stakeholder education and capacity building on water security • Commitment to water stewardship and/or collective action • Commitment to the conservation of freshwater ecosystems • Acknowledgement of the human right to water and sanitation 	<p>i) COMPANY-WIDE APPLICABILITY: The Bayer Water Position is COMPANY-WIDE BECAUSE water is a GLOBAL topic and one of our MAIN ENVIRONMENTAL ASPECTS. Bayer provides innovative solutions to global challenges. The availability of fresh water represents such a challenge. Also, water is essential for us as a manufacturing company and crucial for our agriculture business and must be of suitable quality to irrigate crops. THIS IS WHY our Water Position covers the selected content company-wide securing our license to operate.</p> <p>ii) OVERVIEW: Our Water Position includes a description of our BUSINESS DEPENDENCY ON WATER outlining that water is a major rate-limiting factor for agriculture and the importance of fresh water for our energy- and water-intensive operations (also recognizing their LINKAGE). The position includes our commitment to reduce our BUSINESS IMPACT ON WATER by improving WATER-RELATED PERFORMANCE IN DIRECT OPERATIONS AND BEYOND e.g. with our own WATER USE REDUCTION and SUPPLIER targets, our commitment to drive site-specific projects for water reuse/recycling/reduction or waste water treatment and our commitment to develop INNOVATIVE PRODUCTS AND TECHNOLOGIES for the market, e.g. with less environmental impact on e.g. aquatic ecosystems. WATER STEWARDSHIP and water efficiency in AGRICULTURE is included in our commitment to ensure the supply of food through water-efficient products and farming techniques. We also include customer EDUCATION e.g. skills building for farmers as part of our product stewardship responsibilities. BEYOND COMPLIANCE, we also support water-related community projects. The position outlines our focus on the HUMAN RIGHT TO WATER AND SANITATION: we use our local presence to provide access to clean water and sanitation to our employees and the communities in which we operate. It outlines our focus on AWARENESS AND SKILLS BUILDING, e.g. by working with farmers and supporting education and science. The position outlines our commitment to align with PUBLIC POLICY INITIATIVES e.g. multi-lateral partnerships. The Water Policy adds to our efforts according to our vision “Health for all, Hunger for none”. This commitment guides our actions to help achieve a</p>

	<ul style="list-style-type: none"> • Recognition of environmental linkages, for example, due to climate change • Other, please specify: Water efficiency in agriculture 	<p>high quality of life on a healthy planet. Accordingly, the protection of all natural resources – including water – is an integral part of Bayer's commitment to sustainable development.</p>
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Board oversight

(W6.2) Is there board level oversight of water-related issues within your organization?

- Yes

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

1	2
Position of individual or committee	Responsibilities for water-related issues
<ul style="list-style-type: none"> • Chief Sustainability Officer (CSO) 	<p>RELATION TO WATER: The highest level of responsibility for water-related issues lies with Bayer's CEO who also functions as Bayer's Chief Sustainability Officer (CSO). As CSO he is responsible for the GROUP-WIDE SUSTAINABILITY PROGRAM INCL. WATER-RELATED TARGETS AND MEASURES.</p> <p>The position was selected to ensure that WATER-RELATED RISKS AND OPPORTUNITIES are identified AT GROUP-LEVEL and WATER-RELATED TARGETS AND MEASURES ARE DRIVEN GROUP-WIDE and integrated into Bayer's business strategy.</p> <p>EXAMPLES:</p> <p>In 2021, the CSO decided to follow the invitation of the WMO Secretary-General and the UN Water Chair and send the Senior Vice President Public Affairs & Sustainability (PASS) as representative for the "Water and Climate Leaders". They pursue and advocate for changes leading towards sustainable water management and water-related climate adaptation, setting an integrated global agenda supporting both SDG 6 Global Accelerator Framework and national mitigation and adaptation actions.</p> <p>In 2022, the CSO decided that Bayer should become a campaign partner of the "RUN BLUE" campaign led by water advocate, adventurer and athlete Mina Guli. The campaign aims to raise awareness and highlight that we can solve the water crisis by working together. Our partnership with Mina Guli on RUN BLUE adds to our previous efforts according to our vision "Health for all, Hunger for none". This commitment guides our actions to help achieve a high quality of life on a healthy planet. Accordingly, the protection of all natural resources – including water – is an integral part of Bayer's commitment to sustainable development.</p> <p>In 2022, the CSO decided to put Bayer's Social Innovation Award under the umbrella of "Change the course of Water" in partnership with "Get in the Ring by Unknown!". 12 water entrepreneurs out of 110 applications from all over the world made it into the finalist group. The winner got EUR 35,000 and showcased their social water solution.</p> <p>In 2022, the CSO decided to join the UN Water Conference in New York in March 2023 where Bayer launched our new Water Stewardship Strategy. The ambition was to raise awareness for the topic of water by supporting the finale of Mina Guli's water campaign and mobilise other corporates, strengthen Bayer's position as thought leader on water and promote Bayer's water strategy and commitments. Our CSO was the only private sector representative on stage at the UN Water Conference closing ceremony and one among 3 companies that were allowed to host an event inside the UN Headquarter.</p>

(W6.2b) Provide further details on the board's oversight of water-related issues.

1	2	3
Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
<ul style="list-style-type: none"> Scheduled - some meetings 	<ul style="list-style-type: none"> Monitoring implementation and performance Monitoring progress towards corporate targets Overseeing the setting of corporate targets Overseeing acquisitions, mergers, and divestitures Overseeing major capital expenditures Providing employee incentives Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy Reviewing innovation/R&D priorities Setting performance objectives 	<p>i) WHO BRIEFS ON WHAT: Water-related strategic decisions are brought up in board discussions by the Head of Public Affairs, Science, Sustainability & HSE (PASS&HSE) or the CSO as needed. The Head of PASS&HSE informs the board about environmental KPIs incl. water-related KPIs and target achievement in the context of the annual board meeting dedicated to the approval of our Annual Report (AR). The CSO and the CFO are informed several times by the AR taskforce during the reporting cycle from Aug to Feb. The Head of PASS&HSE monthly reports HSE KPIs to the board. EXAMPLE: In November 2022, the Board of Management approved our new Water Stewardship Strategy that was launched in the UN Water Conference in New York March 2023. All relevant risks, including water-related risks, are monitored by our integrated risk management system and are regularly reviewed by the Bayer Assurance Committee. The Committee is chaired by the Chief Financial Officer and meets twice a year. The results are reported to the Board of Management and approved by the Board of Management for publication in Bayer's AR.</p> <p>ii) CONTRIBUTION TO BOARD OVERSIGHT: The governance mechanisms selected contribute to an informed view of the board on water-related issues and ensure a coherent and Group-wide response, if needed. Examples: Through the reporting of water-related KPIs, the board can ensure a Group-wide response in case of any deviations of water parameters from the required values. Through the integration of water-related issues in major investment decisions, the regular review of water-related risks, and the integration of water-related issues in the review of strategic decisions or R&D priorities, the board can ensure e.g. an adequate inclusion of water risks and opportunities in our business, sustainability or risk management strategy. E.g. all capital expenditures above EUR 10 million undergo an ecological assessment; CAPEX above EUR 20 million go into the board. An example of a water-related board decision was the decision to sign the WASH Pledge as part of our sustainability strategy.</p>

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

1	2
Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues*
<ul style="list-style-type: none"> Yes 	<p>The top level of responsibility is held by the Chairman of the Board of Management 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. The Public Affairs, Science,</p>

	<p>Sustainability & HSE enabling function helps the CSO and the Board of Management to identify risks and opportunities, develop strategies and define targets and guidelines for sustainability management, and ensures the governance of all sustainability issues.</p> <p>EXPERTISE: The Chief Sustainability Officer is CONTINUOUSLY INFORMED ABOUT THE STATUS OF WATER-RELATED TARGETS AND MEASURES during his regular meetings with the Head of Public Affairs, Science, Sustainability & HSE, who monitors all relevant topics in the field of sustainability and environment. He is an expert in the field of sustainability incl. WATER with 25 years of experience. Today he is part of the UN Climate- and Water Leaders of the World Meteorological Organization (WMO). Within our SUPERVISORY BOARD we have an expert within sustainability incl. WATER. She is former President of the UN World Food Program where she managed water deprived regions particular in focus of hunger and food insecurity crisis.</p> <p>ENGAGEMENT: i) As Bayer wants to help to bring water on the top of the global agenda and underline our commitment to fight water scarcity, the CSO decided together with our Head of Public Affairs, Science, Sustainability & HSE to support water advocate, adventurer and athlete Mina Gulli by her RUN BLUE campaign that aims to raise awareness and highlight that we can solve the water crisis by working together. Mina Gulli, Australian ultra-marathon runner and environmental activist, ran 200 marathons around the world until the start of the UN Water Conference in March 2023. She has an active role in helping fellow CEO colleagues to overcome their company's water blindness. ii) Our CSO is also responsible for Bayer's LEAPS (a movement to make paradigm-shifting advances in the life sciences – targeting the breakthroughs that could fundamentally change the world for the better) including Apollo Agriculture, a digital tool supporting smallholders to operate more water-efficient.</p>
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(*column/row appearance is dependent on selections in this or other questions)

Management responsibility

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

1	2	3	4
Name of the position(s) and/or committee(s)	Water-related responsibilities of this position*	Frequency of reporting to the board on water-related issues	Please explain
<ul style="list-style-type: none"> Chief Sustainability Officer (CSO) 	<ul style="list-style-type: none"> Assessing future trends in water demand Assessing water-related risks and opportunities Managing water-related risks and opportunities Setting water-related corporate targets Monitoring progress against water-related corporate targets Integrating water-related issues into business strategy Managing annual budgets relating to water security Managing major capital and/or operational expenditures related to low water impact products or services (including R&D) 	<ul style="list-style-type: none"> More frequently than quarterly 	<p>The CSO is the Chairman of the Board of Management (BoM). In this position, he reports to the Supervisory Board.</p> <p>i) WATER-RELATED TOPICS REPORTED TO THE BOARD: In REGULAR MEETINGS of the BoM, the Supervisory Board and the Sustainability Council the Group-wide sustainability strategy incl. water-related issues is discussed. Target achievement is reported ANNUALLY to the BoM in a REGULAR BOARD MEETING.</p> <p>ii) WATER-RELATED RESPONSIBILITIES: The CSO is responsible for the Group-wide sustainability program incl. water-related targets and measures. He is also responsible for fulfilling Bayer's commitment to the CEO Water Mandate. He signs off the CDP Water Security, the</p>

	<ul style="list-style-type: none"> Managing water-related acquisitions, mergers, and divestitures Providing water-related employee incentives 		<p>sustainability section in our Annual Report and our Sustainability Report incl. water KPIs and measures.</p> <p>Since 2021, furthermore, the CSO decided that Bayer is member of the Water Resilience Coalition (WRC), the goals of which substantiate and supplement the ambitions of the CEO Water Mandate at the private-sector level.</p> <p>In 2022, the Board of Management approved our new Water Stewardship Strategy that was launched at the UN Water Conference in New York 2023.</p>
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[Add row]

Employee incentives

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

1	2
Provide incentives for management of water-related issues	Comment
<ul style="list-style-type: none"> Yes 	N/A

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

0	1	2	3	4
Type of incentive	Role(s) entitled to incentive	Performance indicator*	Contribution of incentives to the achievement of your organization's water commitments*	Please explain
Monetary reward	<ul style="list-style-type: none"> Board/ Executive board Chief Sustainability Officer (CSO) Other, please specify: Head of PASS&HSE 	<ul style="list-style-type: none"> Improvements in efficiency – direct operations Improvements in waste water quality – direct operations Implementation of employee awareness campaign or training program on water-related issues Increased access to workplace WASH - direct operations Increased access to workplace WASH - supply chain Other, please specify: Suitable water management systems at 	<p>The incentivization includes the sustainability performance. The short-term variable compensation incentivizes operational success and profitable growth within the defined strategic framework. One of the team targets for the Board of Management and individual target of our CSO in 2022 integrates sustainability, which includes our water strategy and commitments.</p> <p>EXPLANATION OF THE CONTRIBUTION</p> <p>Improvements in efficiency - direct operations: Aiming to protect water resources and to improve water use efficiency both within the company and beyond, our commitments are in four main areas: improve own</p>	<p>i) DETAILS ON THE INDICATOR/S:</p> <p>Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative targets in areas such as innovation or safety, compliance and sustainability targets. As outlined in the Compensation Report, in 2022, sustainability targets for board members included to "Further drive implementation of sustainability strategy in divisions and enabling functions and accelerate progress on sustainability ambitions". Sustainability is also part of the short-term variable cash compensation (STI) for all board members. In addition, team targets are agreed to reflect the collective responsibility of the members of the Board of Management as a governance body. These team targets are</p>

		<p>all relevant sites that are or will be threatened by water scarcity by 2030; Company performance against sustainability indexes with water-related factors (e.g., DJSI, CDP Water Security score, etc.)</p>	<p>operations, engage suppliers, develop innovative solutions, and support community projects. Bayer is committed continuously improve water reuse, recycling, reduction and wastewater treatment.</p> <p>Improvements in waste water quality - direct operations: Our aim is to improve wastewater quality beyond compliance requirements worldwide. In addition one of our targets in our new water strategy is to safeguard discharge limits in all AI/API sites.</p> <p>Implementation of employee awareness campaign or training program We are conducting trainings in all our sites in water scarce regions related to their water management to improve the awareness of our employees especially in regions where water is scarce.</p> <p>Increased access to workplace WASH - direct operations Within Bayer we are committed to provide all our employees access to WASH and additionally also in selected communities where we operate.</p> <p>One of our sustainability targets is that we have suitable water management systems at all relevant sites that are or will be threatened by water scarcity by 2030. We expect to reach our target by end of this year (2023). Transparency is a top priority for Bayer. We are committed to build up and strengthen trust by making information accessible. Company performance against sustainability indexes with water-related factors (e.g., DJSI, CDP Water Security score, etc.) is considered an important control mechanism.</p>	<p>based on the Group targets set by the Board of Management for 2022 and approved by the Supervisory Board.</p> <p>ii) RATIONALE FOR CHOSEN INDICATORS: In 2019, we announced our new sustainability strategy, pursuing our sustainability targets with the same vigor as our financial targets. These indicators were chosen to establish a sustainable water management: a balance between consumption and availability, as well as the optimal conservation of water resources. Our WATER MANAGEMENT SYSTEMS are designed individually on the basis of a detailed risk analysis that takes into account local circumstances. We aim to identify potential for improvement particularly at sites located in water-scarce areas or in areas identified as being threatened by water scarcity, and use as little water there as possible. We offer EMPLOYEE TRAINING IN WATER MANAGEMENT and participate in round tables with regulatory authorities and residents.</p>
<p>Non-monetary reward</p>	<ul style="list-style-type: none"> Other, please specify: all employees 	<ul style="list-style-type: none"> Reduction of water withdrawals - direct operations Reduction in water consumption volumes - direct operations Improvements in water efficiency – direct operations Improvements in water efficiency – product-use Improvements in waste water quality – direct operations Implementation of employee awareness campaign or training program 	<p>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 are rewarded and utilized. Some 2,500 ideas were submitted in 2022, and 46% of the suggestions for improvement evaluated in 2022 were implemented. Bayer offers employees numerous means of actively discussing company-specific topics and scope for optimization via various internal communication channels.</p>	<p>i) DETAILS ON THE INDICATOR/S: All Bayer employees globally can contribute to the worldwide Innovation@Bayer program to develop solutions, including those referring to water. Innovation coaches accompany the process starting from the submission of the idea until the finding of the solution. This process refers to all challenges, including water-related topics outlined in the performance indicator column. The Bayer's Social Innovation Award "Change the course of Water" in partnership with "Get in the Ring by Unknown!" gives selected employees the opportunity to evaluate the companies in the jury like in 2022 where 12 water entrepreneurs out of 110 applications from all over the world made it into the finalist group.</p>

		<ul style="list-style-type: none"> • Supply chain engagement • Increased access to workplace WASH - direct operations • Implementation of water-related community project 	<p>In various countries, our employees voluntarily support social projects, usually in the areas near our sites. In the United States, we support employees who personally volunteer their time in nonprofit organizations. Our employees can also participate in events and activities supported by Bayer that help to improve living conditions in the immediate vicinity of our sites. Our employees launched the PROSI (PRO Social Initiatives) initiative in 2018. This voluntary program gives employees in numerous countries the opportunity to work together on local social projects. Our employees initiate and support more than 100 social projects with their personal commitment.</p>	<p>The winner got EUR 35,000 and showcased their social water solution.</p> <p>ii) RATIONALE FOR CHOSEN INDICATORS TO MEASURE PERFORMANCE: 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 will continue not to lead to local problems such as water shortages for the people living in the catchment areas of our production sites. Bayer has introduced the worldwide innovation platform WeSolve to strengthen the innovation culture in all business areas and to enhance worldwide collaboration.</p>
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Public policy engagement

*(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

- Yes, direct engagement with policy makers
- Yes, trade associations
- Yes, funding research organizations

*(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

PROCESS:

Bayer`s organizational processes are designed to ensure a common approach for all direct and indirect engagement activities, consistent with our Sustainability Strategy - across divisions and geographies.

Sustainability is a core element of our Group Strategy and is the direct responsibility of Bayer`s CEO. In his role as CSO, he is supported by the Public Affairs, Science, Sustainability & HSE (PASS&HSE) function, which not only is responsible for the outreach to political stakeholders but also to develop strategies and identify areas of activity, targets, KPIs, management systems and corporate policies and compiles the Sustainability Report on behalf of the Board of Management. The close interaction between Public Affairs and Sustainability ensures alignment and consistence with regard to our water commitments also in direct and indirect interactions with political stakeholders across the globe.

We are currently working on our Water Stewardship Strategy and continue our work on water targets together with our divisions. Our core elements within this topic are Operation, Value Chain and Partnering.

ACTION IN CASE OF INCONSISTENCY:

This process including our available Water Position ensures inconsistencies in our advocacy actions. If the PASS&HSE function discovers inconsistency in local initiatives, the department would raise them with the PASS country head.

Reporting

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

- Yes (you may attach the report – this is optional)

W7 Business strategy

Strategic plan

*(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

1	2	3	4
Aspect of strategic business plan	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	<ul style="list-style-type: none"> Yes, water-related issues are integrated 	<ul style="list-style-type: none"> 11-15 	<p>i) ISSUES: Water is essential for a healthy planet, healthy people, and achieving all SDGs. Bayer's purpose "Science for a better life" guides our actions to help achieve a high quality of life on a healthy planet. As a life sciences company, the protection of all natural resources, including water, is an integral part of our commitment towards a sustainable development. Through the establishment of sustainability goals we included water-related topics into our long-term non-financial business objectives (e.g. in supplier management or resource efficiency).</p> <p>Bayer's new strategy takes account of Bayer's position as a systemic player in health and agriculture and aims to achieve impact beyond Bayer's own operations. Bayer has the ambition to contribute to a more water resilient agriculture, starting with rice, the third most important crop in agriculture after wheat and maize. Half of the world's population rely on rice, which has a huge water footprint: it represents up to 30% of the world's total water withdrawals, and 10% of global GHG emissions from agriculture.</p> <p>We also set the target to establish water management at all sites in water-scarce regions focusing on issues such as wastewater standards and water efficiency.</p> <p>ii) EXAMPLES: In Asia, cultivating rice accounts for 40% of all freshwater withdrawals. Bayer's commitment to improve water use per kilogramme of rice crop by 25% by 2030 therefore strives to create significant impact at scale, helping to achieve not only SDG 6 but also SDG 2 and SDG 13.</p> <p>Within its Corporate Health, Safety and Sustainability Roadmap, Bayer sets specific goals to operationalize its objectives, including goals to assess and mitigate the risk of soil/groundwater contamination at all sites worldwide, and standards for wastewater emissions. This way, sustainability is integrated into our long-term business objectives, leading to projects with sustainability and business relevance. The development of non-financial targets CHANGED the awareness of the importance of sustainability within the company for securing Bayer's license to operate.</p> <p>We are aware that climate change will further exacerbate the problem of water scarcity in the future. To avert future risks for our production capacities and the local communities, we will establish by 2023 suitable water management systems at all relevant sites that will be threatened by water scarcity by 2030.</p> <p>The Supplier Code of Conduct also addresses a responsible water management by Bayer's suppliers. By evaluating our suppliers we minimize potential risks in our supply chain and show our suppliers the importance of water.</p>
Strategy for achieving long-term objectives	<ul style="list-style-type: none"> Yes, water-related issues are integrated 	<ul style="list-style-type: none"> 11-15 	<p>i) ISSUES: Water resource considerations such as the development of drought-tolerant plant varieties are factored into new product development and therewith have an IMPACT on our strategy for achieving long-term business objectives.</p>

			<p>Water-related issues to achieve our Water Position include e.g. KPIs on water emissions or projects, which provide access to clean water and sanitation to communities in which we operate, impacting our local acceptance. We analyze potential impact of water scarcity on our global production network on a 2030 horizon and beyond.</p> <p>ii) EXAMPLES: By including water resource considerations into our innovation strategy they influence our product development and improvements in resource efficiency. The OUTCOME is new products and services and thus the realization of new sales potentials. Bayer developed hybrid rice seeds that withstand abiotic and biotic challenges and is developing a rice cropping system powered by direct seeding that not only reduces water requirements but also optimizes GHG emissions. The introduction of water KPIs has allowed us to implement improvement mechanisms, e.g. leading to cost saving opportunities due to improved resource efficiency. We take pro-active actions by ensuring that all relevant sites in potentially water scarce areas by 2030 have effective water management in place. We commit to the CEO Water Mandate and are member of the Water Resilience Coalition (supplements CEO Water Mandate) and WMO Water and Climate Leaders group.</p>
Financial planning	<ul style="list-style-type: none"> • Yes, water-related issues are integrated 	<ul style="list-style-type: none"> • 11-15 	<p>i) ISSUES: Water issues integrated into financial planning, e.g. investment decisions, especially include water use and emissions into water.</p> <p>ii) EXAMPLES: Water resource considerations are factored into location planning for new operations IMPACTING our investment decisions. According to Bayer's Ecological Assessment of New Investments Guideline, all investments above EUR 10 million must be evaluated with regard to their environmental impact. The assessment includes both a product and process evaluation. The process evaluation assesses the impacts of the new investment projects on organisms and the local environment which are specific to the location and the facility (e.g. water use and emissions into water). The OUTCOME is an improved risk assessment at site level to secure long-term investments.</p> <p>As mentioned above, water resource considerations are factored into new product development and have an IMPACT on the rollout of new products and services with new sales potentials. For instance, Bayer developed and offers hybrid rice seeds that withstand abiotic and biotic challenges like stress and submergence. This helps safeguarding and increasing yields significantly and consequently improving livelihoods in countries that are struck by weather-related calamities. Bayer is also developing a rice cropping system powered by direct seeding which reduces water requirements and promotes convenience for ageing farmers and optimizes GHG emissions, especially Methane.</p>

CAPEX/OPEX

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

1	2	3	4	5
Water-related CAPEX (+/- % change)	Anticipated forward trend for CAPEX (+/- % change)	Water-related OPEX (+/- % change)	Anticipated forward trend for OPEX (+/- % change)	Please explain
5	5	5	0	i) According to Bayer's Ecological Assessment of New Investments Guideline, all investments above EUR 10 million must be evaluated with regard to their environmental impact. The assessment includes a product and process evaluation.

				<p>The process evaluation assesses the impacts of new investment projects, considering specific conditions at the location and the facility. CAPEX increased by approx. 5% due to a similar increase of overall investments. Projects such as the renewal of a wastewater treatment facility in EMEA continue. CAPEX is anticipated to further increase by approx. 5% in 2023 as volume of CAPEX projects increases.</p> <p>ii) OPEX was primarily for</p> <ul style="list-style-type: none"> - sourcing water, - operating cooling and process water systems and - treating process wastewater incl. pre-treatment. <p>OPEX increased by approx. 5%, inspite of reduced water input, due to increase in drinking water consumption, increase of recycling rate and increase in wastewater treated. OPEX is expected to remain at the same level in 2023.</p>
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Scenario analysis

*(W7.3) Does your organization use scenario analysis to inform its business strategy?

1	2
Use of scenario analysis	Comment
<ul style="list-style-type: none"> • Yes 	N/A

*(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

1	2	3	4
Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
<ul style="list-style-type: none"> • Water-related • Climate-related • Socioeconomic 	<p>We have chosen to build on the Assessment Report 6 of the IPCC, the "Green Road" SSP1-2.6 and the "Rocky Road" SSP3-7.0. The selected scenarios show on one hand high transitional impacts relevant for us and on the other side high physical impacts.. We supplemented these with further sources relevant to our business and drafted our own scenario description. We also participate in the</p>	<p>COMPANY-SPECIFIC DESCRIPTION:</p> <p>Climate change is already affecting water access for people around the world, causing more severe droughts, impacting food security, precipitation and surface water flows projected to become more variable over most land regions within seasons.</p> <p>We identified 9 different climate impact drivers of materiality for Bayer and prepared deep dive materials. One of them is the PERMANENT WATER CYCLE: Impacts on the water</p>	<p>OPERATIONAL AND STRATEGIC RESPONSE:</p> <p>We are aware that climate change will further exacerbate the problem of water scarcity in the future. We have a Water Policy that adds to our efforts according to our vision "Health for all, Hunger for none". This commitment guides our actions to help achieve a high quality of life on a healthy planet. Accordingly, the protection of all natural resources – including water – is an integral</p>

	<p>Value Chain Risk to Resilience working group of the international Business for Social Responsibility network. In addition, we have developed agriculture- and forestry-specific scenario descriptions together with a working group of the WBCSD. Through dialogue in various forums and with different stakeholders, we improve our own analyses and aim to help improve the identification of regulatory and physical climate risks and climate resilience measures throughout the entire supply chain.</p> <p>PARAMETERS AND KEY ASSUMPTIONS: Green Road assumes average global temperature will rise by 1.7°C between 2041 and 2060. From 2081 to 2100, temperature is likely to rise by 1.8°C. Green Road is characterized by rapid implementation of ambitious and globally coordinated climate-related laws and provisions, which could include short-term, intensified and transitory changes such as new regulations for enterprises. The rapid reduction in greenhouse gas emissions leads to less severe weather- and climate-related effects long term. Rocky Road assumes an average global temperature rise of around 2.1°C between 2041 and 2060, and a likely rise of 3.6°C between 2081 and 2100. We expect less ambitious laws and provisions that vary widely from one region to another. That leads to a slower pace of emissions reduction and thus more intensive weather- and climate-related changes in all regions of the world. The varying levels of ambition also lead to additional barriers that can be manifested in measures such as a Carbon Border Adjustment.</p> <p>ANALYTICAL CHOICES: Climate change already today has an impact on our business and our value chains. We have identified 9 different climate impact drivers of materiality for Bayer and prepared deep dive materials to evaluate impact and relevance:</p> <ul style="list-style-type: none"> - Transitional: 1) laws, regulations, policies, 2) carbon taxation/pricing, 	<p>cycle incl. changes in precipitation patterns & water scarcity and droughts. Water and temperature changes are the core of climate impacts for the agricultural sector. The long-term natural and physical effects of climate change will impact particularly the permanent water cycle (for example through a transition to a wetter or a drier climate or a delay in the monsoon season), the spread of diseases or insect pests, and further coupling effects of temperature changes. Already today and increasingly in the next years we will experience the physical impacts. The impact of water cycle is higher in the Rocky Road both due to higher temperature increase and stronger impacts on the water cycle as well as due to stronger conflicts around water usage. These effects will become particularly relevant for our agricultural business. Due to the permanency of the challenges, risks and opportunities are balanced, as innovation can be adapted successfully. Already today we experience chronic changes in the water cycle and increased costs for water.</p>	<p>part of Bayer's commitment to sustainable development. In 2023 we are updating our Water Position together with our divisions. To avert future risks for our production capacities and the local communities, we will establish by 2023 suitable water management systems at all relevant sites that will be threatened by water scarcity by 2030. We identify such sites using the base scenario of the Aqueduct Water Risk Atlas. This ensures that all of these sites have implemented water management processes and develop site-specific measures and targets. To inform our decision making and our capacity to develop innovative products, we are setting up our own climate models to inform decision making. Outcomes of these models are directly integrated into decision making, strategies and development of new products. We develop new resource-efficient products, e.g. direct seeded rice, a cropping system that not only reduces water requirements but also optimizes GHG emissions.</p> <p>ANTICIPATED TIMESCALE: We constantly develop and release new products. We will continue to expand, describe and quantify our scenario analysis in 2023 and beyond. Findings from these analyses will play a bigger role in our strategic, portfolio and operational processes.</p>
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	<p>carbon border adjustments & offsetting, 3) commodity prices, 4) end customer, costumer & markets, 5) food security</p> <ul style="list-style-type: none"> - Acute physical: 6) extreme weather events - Chronic physical: 7) permanent water cycle, 8) diseases, 9) temperature <p>Example: we use water scarcity models to see how water cycles change at our sites but also at our customers to generate actionable insights. Climate change will manifest in a changing water cycle, with high impact on agriculture. Therefore, we have rated the impacts on water both acute and chronic as high.</p> <p>We go beyond the customary Enterprise Risk Management time horizons and instead apply the following: short-term (2021–2025), mid-term (2026–2035), long-term (2036–2050).</p> <p>Furthermore, we used the Aqueduct Water Risk Atlas to identify all our sites that are located in areas threatened by water scarcity by 2030.</p>		
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Water pricing

(W7.4) Does your company use an internal price on water?

1	2
Does your company use an internal price on water?	Please explain
<ul style="list-style-type: none"> • No, but we are currently exploring water valuation practices 	<p>As we consider water a scarce and essential resource for life, in 2024 we will start to incorporate water quality and quantity into business decisions and investment. Therefore, we will develop a method to value water and incorporate it into the capital expenditure investment process.</p> <p>Rationale setting an internal price / factor focused on the true value of water helps Bayer to better understand and manage risks. Water is often undervalued and with this new methodology we will assign water a true value.</p>

Products and services

*(W7.5) Do you classify any of your current products and/or services as low water impact?

1	2	4
Products and/or services classified as low water impact	Definition used to classify low water impact*	Please explain
<ul style="list-style-type: none"> • Yes 	<p>Direct Seeded Rice (DSR) refers to establishing a rice crop from seeds directly sown in the field. The change in the cultivation practice from transplanting rice to direct seeding rice will reduce farm labor requirement significantly, improve soil health, REDUCE OVERALL WATER REQUIREMENT (no water flooding in rice field) and therefore less methane release in the environment. Amongst benefits generated by DSR there are: EFFICIENT WATER USAGE and reduced GHG emissions (by ~30%), low cost of cultivation, early crop maturity, potential carbon credit generation.</p> <p>CLASSIFICATION LOW-WATER IMPACT: The low-water impact applies to the use of our product (in the value chain). Focus is on the water usage for cultivation of rice (quantity and intensity of water usage especially in water-stressed regions). In conventional rice cultivation, the rice is transplanted and the fields are flooded. This is not necessary with DSR and therefore significantly reduces water consumption. We consider any improvement (threshold) in water consumption with DSR compared to conventional cultivation methods as a low-water impact/benefit.</p> <p>Bayer is committed on driving positive change in water productivity in water scarce regional cropping systems - starting with rice where we commit to improve water use per kg of crop by 25% in 2030 by transforming rice cropping system for our smallholder customers in the relevant regions where Bayer operates. Transplanted rice uses in average between 12.5 and 15.5 million liters per hectare. DSR has the potential to reduce water requirements by up to 40 percent. This represents between 5 and 6.5 million liters of water per hectare of rice cultivated. Reducing the amount of water needed for irrigation also has a direct effect on the amount of diesel or electricity needed to pump and channel water creating an additional positive impact on the environment and the farmers' profitability.</p>	<p>Bayer is engaged in developing a rice crop system powered by direct seeding. This will reduce labor requirement, optimize water use for growing rice and reduce GHG emissions especially methane. Field pilots covering Bayer solutions, planting services and agronomy package testing and further development as well as generation of carbon credits are well under way since last year in India. Bayer has been working with IRRI over past years in further developing agronomy advice for farmers for direct seeded rice.</p> <p>The rice crop system consists of e.g. Arize hybrid rice seeds, weed management solutions, seed growth, pest and disease management portfolio, digital services.</p> <p>While we lead this transformation, Bayer will collaborate and partner with other stakeholders covering strategic and operational elements. This entire approach will place Bayer in a unique position to truly shape and transform the future of rice cultivation into a more climate friendly, digitally savvy sustainable agriculture.</p>

(*column/row appearance is dependent on selections in this or other questions)

W8 Targets

Targets and goals

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

- Yes

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

0	1	2
Category of target	Target set in this category	Please explain*
Water pollution	• Yes	N/A
Water withdrawals	• Yes	N/A
Water, Sanitation, and Hygiene (WASH) services	• Yes	N/A
Other	• Yes	N/A

***(W8.1b)** Provide details of your water-related targets and the progress made.

Target Water Pollution

1			2			3			4			5		
Target reference number			Category of target			Target coverage			Quantitative metric			Year target was set		
• Target 1			• Water pollution			• Company-wide (direct operations only)			• Reduction in concentration of pollutants			2020		
6	7	8	9	10	11	12	13							
Base year	Base year figure	Target year	Target year figure	Reporting year figure	% of target achieved relative to base year	Target status in reporting year	Please explain							

2019	0	2023	90	72	80%	<ul style="list-style-type: none"> Underway <p>To underline the commitments in Bayer's GLOBAL Water Position, Bayer strives to extend COMPANY-WIDE pollution prevention, e.g. by implementing our procedure for the evaluation of Active Ingredients (AI) in manufacturing wastewater.</p> <p>IMPORTANCE FOR BAYER: Water quality is very important for us as well as the achievement of water security, taking into consideration our total discharges of 33,974 megaliters in 2022. Due to different regional standards, Bayer sets its own targets for AI in manufacturing wastewater. This improved wastewater quality that goes beyond compliance protects Bayer from public discussions about water pollution.</p> <p>IMPLEMENTATION: We have successfully completed our pilot phase in 2019 and started to implement our AI procedure for all divisions in 2020. Our risk assessments are based on site-specific assumptions for AI emissions and PNECs (Predicted No Effect Concentrations derived from ecotoxicological studies), according to a guideline by AESGP, EFPIA and Medicines for Europe. These assessments are the basis for defining new threshold values of AI emissions and for enhancements of effluent treatment where needed, e.g. by applying alternative means of disposing of product-containing wastewater such as incineration, distillation or chemical treatment.</p> <p>Additionally, Bayer experts are working on the "Pharmaceuticals in the Environment" topic and are collaborating with other companies and organizations e.g. the Eco-Pharmaco-Stewardship initiative.</p> <p>i) PROGRESS INDICATORS: We track the progress in terms of the PERCENTAGE OF ACTIVE INGREDIENTS (AI) THAT HAVE PASSED THE RISK ASSESSMENT as key indicator for the progress of implementation.</p> <p>ii) The THRESHOLD FOR SUCCESS is the establishment and company-wide implementation of the threshold values related to AI concentration levels. The goal is to complete assessments of effluent/wastewater of 90% of our manufactured and formulated AI by the end of 2023.</p> <p>iii) PROGRESS: The global procedure implementing the new AI assessment requirements was issued in 2020 after completing a multi-year pilot effort at various operating sites in all divisions. All sites have until 2023 to complete their assessments from July 2020 on. As of June 2023, we had around 80% of all evaluations done, with 90% of the results being positive. Re-evaluations must be done after 5 years or any major operation changes.</p>
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Target Water Withdrawals

1	2	3	4	5
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Target reference number		Category of target			Target coverage		Quantitative metric		Year target was set
• Target 2		• Water withdrawals			• Product level		• Reduction in total water withdrawals		2022
6	7	8	9	10	11	12	13		
Base year	Base year figure	Target year	Target year figure	Reporting year figure	% of target achieved relative to base year	Target status in reporting year	Please explain		
2021	100	2030	75	100	0%	• New	<p>Intensity target (figures in %)</p> <p>Bayer is committed on driving positive change in water productivity in water scarce regional cropping systems - starting with rice where we commit to improve water use per kg of crop by 25% in 2030 by transforming rice cropping system for our smallholder customers in the relevant regions where Bayer operates.</p> <p>Cultivated on 160 M hectares, rice is the third most grown crop in the world and a staple food for more than half the world's population who depend on it as their main source of daily nutrition. It is grown by 150 million smallholders worldwide and constitutes a source of livelihood for millions of farmers and their families.</p> <p>Rice has a considerable environmental footprint; it represents 12 % of methane emissions worldwide and uses up to 30% of the world water withdrawals. When we zoom in more closely to Asia as the major rice production region, the numbers are more staggering as 80% of the water withdrawal is used by agriculture ~ 50% of which is for rice production.</p> <p>Over the next two decades, moving to a more economically viable and sustainable rice production method will be inevitable if we are to ensure its availability, mitigate climate change and improve the quality of life of smallholder rice farmers around the world. One of the most promising solutions to these challenges is Direct Seeded Rice (DSR) which can enable a shift from a conventional resource intensive system (land, water, energy and labor intensive) to a more modern, technology driven cultivation system. We want to use our leadership and expertise in Crop Protection, Seeds and Digital Farming Solutions to shape the transition to DSR by developing a crop system able to transform rice cultivation, tailored to farmers' needs, able to generate value for our business and optimize the water footprint of rice production.</p>		

Target Water, Sanitation, and Hygiene (WASH) services

1	2	3	4	5
Target reference number	Category of target	Target coverage	Quantitative metric	Year target was set
• Target 3	• Water, Sanitation, an Hygiene (WASH) services	• Company-wide (direct operations only)	• Increase in the proportion of employees using safely managed sanitation services, including a	2022

								hand-washing facility with soap and water	
6	7	8	9	10	11	12	13		
Base year	Base year figure	Target year	Target year figure	Reporting year figure	% of target achieved relative to base year	Target status in reporting year	Please explain		
2021	97	2030	100	97	0%	<ul style="list-style-type: none"> Underway 	<p>Bayer is committed to providing safe drinking water, sanitation and hygiene (WASH) to all employees at its sites. Bayer will further expand its engagement to selected communities where Bayer operates.</p> <p>Within the Water Resilience Coalition WRC (leadership platform of the CEO Water Mandate), Bayer actively participates in the workstream WASH4WORK. All our production sites provide fully-functioning WASH services to all workers, and we estimate these sites to represent over 95% of Bayer's total water usage. Since our operations include many small Crop Science farming sites worldwide and audits are conducted on a random basis, we are not able to guarantee 100% coverage yet. We constantly monitor and assess our HSE performance including the existence of fully-functioning WASH services through our audits worldwide, according to annual HSE audit programs as defined on a risk-based approach. Based on our audit experience we have estimated the figures.</p> <p>Through partnerships, we further drive WASH topics. Supplier evaluation was conducted by "Together for Sustainability" (TfS) and the "Pharmaceutical Supply Chain Initiative" (PSCI).</p> <p>We also have set the WASH topics in our Supplier Code of Conduct: A safe and healthy working environment shall include as a minimum the provision of potable drinking water, adequate lighting, temperature, ventilation and sanitation and, if applicable, safe and healthy company living quarters.</p>		

Target Other

1				2		3		4		5	
Target reference number				Category of target		Target coverage		Quantitative metric		Year target was set	
<ul style="list-style-type: none"> Target 4 				<ul style="list-style-type: none"> Monitoring of water use 		<ul style="list-style-type: none"> Company-wide (direct operations only) 		<ul style="list-style-type: none"> Other, please specify: % of sites with water management systems in stressed areas by 2030 (validated) 		2021	
6	7	8	9	10	11	12	13				
Base year	Base year figure	Target year	Target year figure	Reporting year figure	% of target achieved relative to base year	Target status in reporting year	Please explain				

2020	0	2023	100	94	94	<ul style="list-style-type: none"> • Underway 	<p>In 2020, our target to establish water management at all sites in (current) water-scarce areas was achieved. As water is a local issue, our individual sites have set local targets. In 2021, Bayer used the Aqueduct Water Risk Atlas to ascertain whether all our sites that are located in areas threatened by water scarcity by 2030 have a water management system. We set the target, that by 2023, 100% of these sites have established suitable water management systems.</p> <p>Using a monitoring tool developed by Bayer, the corporate Public Affairs, Science, Sustainability & HSE (PASS&HSE) function annually analyzes the site data at corporate level including a site-specific risk review and progress analysis.</p> <p>At the end of 2022, 94% of the relevant sites had an established water management system, validated by a systematic evaluation.</p>
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[Add row]

W9 Verification

Verification of water information

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

- Yes

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

1	2	3	4
Disclosure module	Data verified	Verification standard	Please explain
<ul style="list-style-type: none"> • W1 Current state 	Total water withdrawals, usage and discharges for all environmentally relevant sites worldwide; Water-related supplier engagement activities; Total recycled water for all environmentally relevant sites worldwide	<ul style="list-style-type: none"> • ISAE3000 	Total water withdrawals, usage, discharges and the amount of recycled water as well as water-related supplier engagement activities are described within Bayer's Sustainability Report 2022 (p. 113 ff.), which is verified by the auditor Deloitte. Thus, they are included in the verification process.
<ul style="list-style-type: none"> • W6 Governance 	HSE Management and Bayer Water Position	<ul style="list-style-type: none"> • ISAE3000 	Description of responsible water usage as a cornerstone of our commitment to sustainable development embedded in the Group Regulation on HSE Management and HSE Key Requirements is enclosed in Bayer's Sustainability Report 2022 (p. 113 f.), which is verified by the auditor Deloitte. Thus, they are included in the verification process.

[Add row]

W10 Plastics

Mapping plastics

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

1	2	3
Plastics mapping	Value chain stage*	Please explain
<ul style="list-style-type: none"> Not mapped - but we plan to within the next two years 	<ul style="list-style-type: none"> n/a 	<p>Plastic plays an important role as a packaging material in our value chain, both in the supply chain and in the use phase by our customers. Product properties and transport requirements necessitate the use of plastic to ensure both the product properties and the safety for humans and the environment of our diverse product portfolio across the stages of the value chain.</p> <p>As part of emerging regulation and reporting requirements, we plan to comprehensively map and establish appropriate processes around our packaging material flows.</p>

Potential impacts

(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

1	2	3
Impact assessment	Value chain stage*	Please explain
<ul style="list-style-type: none"> Not assessed - but we plan to within the next two years 	<ul style="list-style-type: none"> n/a 	<p>Bayer Crop Science:</p> <p>Our packaging materials are certified according to international regulations, in reference to the mechanical stability of the packaging and compatibility with the contained chemicals. They are registered in the countries of sale according to the locally required regulations. Regional experts specify compliant packaging materials in master data systems, which then consign this information into the bills of material in the production units.</p> <p>Additionally, we are looking for opportunities to reduce the amount of packaging used in order to reduce the environmental impact. For example, in North America, we expect to save eight million kilograms of plastics for packaging containers annually by providing over 70 % of our pesticides for broadacre crop and pre-season weed control markets in reusable bulk systems.</p>

		<p>Bayer supports programs worldwide to ensure the safe recycling and disposal of empty packaging and containers. As the disposal of crop protection product containers is handled differently in many countries, the crop protection industry works together with authorities, distributors, and farmers to establish or maintain suitable disposal systems. Users can learn about how to safely dispose of our products through information on the labels.</p> <p>Effluent water contaminated with residues of crop protection products is a challenge for sustainable farming worldwide. We look for innovative solutions that secure water quality and protect the environment from any unintentional exposure to crop protection products. Biobeds are one of the key measures we offer e.g., in partnership with Beutech under the brand name Phytobac™. This system is designed to prevent water contamination from residues of crop protection products generated during the filling and cleaning of spraying devices.</p> <p>Bayer Consumer Health: We understand how much plastic we consume each year this is necessary to reduce the weight of plastic packaging. In addition, we have estimated the Scope 3 emissions linked to those plastics and at what stage of the product life cycle those GHG emissions occur.</p>
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Risks to the business

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

1	2	3	4
Risk exposure	Value chain stage*	Type of risk*	Please explain
<ul style="list-style-type: none"> Not assessed - but we plan to within the next two years 	<ul style="list-style-type: none"> n/a 	<ul style="list-style-type: none"> n/a 	<p>We are planning a comprehensive plastic-related risk assessment, as plastic packaging is relevant in our value chain. For example, crop protection products need to be handled with special care to ensure safe storage, transport and use. To ensure that products and their packaging are also handled carefully at the end of their life cycle, we engage in various waste management programs under national extended producer responsibility schemes.</p>

Targets

(W10.4) Do you have plastics-related targets, and if so what type?

1	2	3	4
Targets in place	Target type*	Target metric*	Please explain
<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> Plastic packaging 	<ul style="list-style-type: none"> Increase the proportion of post-consumer recycled content in plastic polymers Reduce the total weight of plastic packaging used and/or produced 	<p>Bayer Consumer Health has two quantitative targets impacting our use of plastic:</p> <ol style="list-style-type: none"> 1) Use only recyclable packaging materials by 2030, 2) Increase the proportion of recycled material used in our packaging to, on average, 50%, by 2030.

		<ul style="list-style-type: none"> Eliminate problematic and unnecessary plastic packaging 	
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Activities

(W10.5) Indicate whether your organization engages in the following activities.

0	1	2
Activity	Activity applies	Comment
Production of plastic polymers	<ul style="list-style-type: none"> No 	N/A
Production of durable plastic components	<ul style="list-style-type: none"> No 	N/A
Production / commercialization of durable plastic goods (including mixed materials)	<ul style="list-style-type: none"> No 	N/A
Production / commercialization of plastic packaging	<ul style="list-style-type: none"> No 	N/A
Production of goods packaged in plastics	<ul style="list-style-type: none"> Yes 	N/A
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)	<ul style="list-style-type: none"> No 	N/A

Metrics for plastic packaging

(W10.8) Provide the total weight of plastic packaging sold and/or used, and indicate the raw material content.

0	1	2	3	4	5	6	7
	Total weight of plastic packaging sold / used during the reporting year (Metric tonnes)	Raw material content percentages available to report	% virgin fossil-based content*	% virgin renewable content*	% post-industrial recycled content*	% post-consumer recycled content*	Please explain
Plastic packaging sold*	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Plastic packaging used*								We are currently working to put in place the necessary processes and systems to achieve global transparency on our plastic packaging metrics.
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(W10.8a) Indicate the circularity potential of the plastic packaging you sold and/or used.

0	1	2	3	4	5
	Percentages available to report for circularity potential	% of plastic packaging that is reusable*	% of plastic packaging that is technically recyclable*	% of plastic packaging that is recyclable in practice at scale*	Please explain
Plastic packaging sold*	n/a	n/a	n/a	n/a	n/a
Plastic packaging used*					We are currently working to put in place the necessary processes and systems to achieve global transparency on our plastic packaging metrics.

W11 Signoff

Further information

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

Further information for W1.2:

2) CENTRAL: Relevant water aspects are monitored ANNUALLY via our central BAYER SITE INFORMATION SYSTEM "BaySIS".

BaySIS is a company-wide monitoring tool with direct access for the individual sites.

The system encompasses automated controls and different workflows that have to be followed to ensure data quality.

In BaySIS, all sites that are considered environmentally relevant according to pre-defined parameters ANNUALLY report water-related key performance indicators BECAUSE we consider them important for our environmental management.

Further information for W1.2i:

iii) All volumes are measured and monitored in our central BAYER SITE INFORMATION SYSTEM "BaySIS". BaySIS is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling.

Thresholds applied for comparison with previous reporting year:

About the same: <5%

Lower / Higher: 5%<15%

Much lower / higher: >=15%

Further information for W2.2:

To identify and monitor water-related environmental or compliance issues, we reviewed answers provided by our sites for Bayer's Annual Report regarding the corresponding GRI indicators for environmental compliance as well as their answers in internal tools such as BaySIS, where we report compliance-related incidents such as "environmental incidents" and "transport incidents" with potential environmental impact. "Environmental incidents" are defined as incidents in the course of our business activities that result in the release of substances into the environment. Factors that determine whether there is a reporting obligation include, in particular, the nature and quantity of the substance, the amount of damage caused or any consequences for nearby residents. In accordance with our internal voluntary commitment, we report any leakage of substances with a high hazard potential from a quantity of 100 kg upward. "Transport incidents" include accidents that cause personal injury, significant damage to property, environmental impact through the release of substances, or leakage of hazardous materials. We record transport incidents using defined criteria. Assessment is based on the leaked load, graded according to the volume and hazardous material class, personal injury and blocked transportation routes. We take into account both our own chemical transport movements and those we commission and pay third parties to perform on our behalf. Based on this review, no relevant compliance incident related to water was identified. We further discussed this result with our HSE managers who confirmed the finding above.

Further information for W4.3a:

i) Our digital farming platform Climate FieldView™ enables farmers to improve their yields through data support. This takes place through the sensor-based collection and storage of large volumes of machine-generated agronomic data directly at the farmers' accounts. The data collected from Climate FieldView™ is being used to develop tools that could help farmers fine tune the operations and management of their farms in regard to precision use of crop protection products and seed placement. In addition, Data Manager, a new feature, scheduled for a U.S. release in early 2024t, will provide operational and field-level practice data in a single place regardless of the source used at collection. . This new landing page on FieldView Web includes data sourced from FieldView Cab, FieldView Data Inbox, Integrated API partners, and manual layers. Data layers that can be added, edited, or deleted in Data Manager include planting, application, and harvest data as well as new irrigation and tillage Layers. These new layers for tillage and irrigation drive new opportunities for FieldView users to track sustainable practices and enhance their view of their farm with flexibility. Climate FieldView™ is currently available in North America, South America, Turkey, South Africa, Europe and Australia.

ii) The agricultural sector is by far the biggest consumer of water. Without evolving agriculture's tools and practices and without a concerted effort to make more efficient use of scarce water resources, the global food system is at risk. As a leading crop science company, Bayer has an almost 25% market share in the agriculture input value chain. With that comes a huge responsibility. Rice is a staple crop for more than half the world's population. What seems like a simple bowl of grains is essential daily nutrition for billions. To meet this need, 11% of cultivated land worldwide (159 million hectares) and up to a whopping 43% of the total water used for irrigation goes to irrigated rice. Traditionally, rice fields are flooded because rice thrives when submerged, and water helps control weeds. But this conventional production is not only water-intensive, it's also labor-, capital- and energy-intensive—and less profitable as resources become increasingly scarce. Our plant scientists continue to pursue modern breeding methods to develop locally adapted hybrids that have higher flooding and stress tolerance. For example, our Arize® hybrid rice seed AZ 7006 is specially designed to survive even in extreme flood conditions, producing consistent yields even under unfavorable weather conditions. This helps safeguard the nutrition and livelihoods of people in countries struck by weather-related calamities like the Philippines, India and Bangladesh. We are also developing high-yield breeds of rice that can be directly seeded. Our Bayer Arize® 6444 Gold and our Arize® 6585 ST, when sown under direct seeded cultivation practice, require less water, energy, labor and seeds than conventional transplanted rice and can help reduce GHG emissions.

This is vital for smallholder farmers' livelihoods and those that depend on the rice they grow, as smallholders produce an important share of the world's supply of rice. In addition to breeding for innovative seeds, we're also working to help make direct seeded rice more accessible and widely available to them. To do this, we're teaming up with the International Rice Research Institute (IRRI) to make direct seeded rice seed system more accessible to smallholder farmers in Asia. Via our partnership with IRRI, we have participated in the Direct Seeded Rice Consortium (DSRC) since 2018, developing a comprehensive, science-based agronomic package adapted for direct seeded rice production in Asia to make it more widely accessible to rice farmers. By providing an alternative to puddled transplant rice, the predominant method of rice production, it saves scarce and expensive resources such as labor and water while also reducing GHG emissions.

iii) We are helping address the twin issues of water scarcity and destructive pest infestations through research and development of water-efficient technologies and products. In Africa, maize is the most widely grown food crop—more than 300 million people depend on it as their main food source. But drought and insects routinely threaten its production, impacting yields and leading to crop failure. Through Water Efficient Maize for Africa (WEMA, now operating as TELA Maize project), a public-private partnership supported by the Bill and Melinda Gates Foundation and the United States Agency for International Development (USAID), we're helping protect harvests in water-limited conditions. The project uses both conventional advanced plant breeding and biotechnology in the development of maize varieties designed to tolerate drought and resist pests. The program helps these smallholders acquire locally adapted maize hybrids from local African seed companies without paying a trait royalty fee, allowing them to feed their families and communities and thus improving food security as well as their livelihoods, even in the presence of drought conditions. Since 2013, more than 100 drought-tolerant hybrids have been approved for commercial release in Ethiopia, Kenya, Mozambique, Nigeria, South Africa,

Tanzania, and Uganda; and TELA Maize has been granted approvals by the regulatory authorities in Ethiopia, Kenya and Nigeria for open cultivation with the likelihood of commercial introductions in 2024 and 2025 with the goal of making it accessible to smallholder farmers in those countries.

iii) Over the last two years, Bayer has partnered with Goanna Ag to provide myBMP certified cotton growers access to the Water Use Efficiency Grant program. Through the grant, Bayer provides a 12-month subscription to two Goanna Ag GoField Plus units, for each cotton farming enterprise. The unit includes a soil moisture probe and a crop canopy temperature sensor, both with infield connected sensors.

While soil moisture probes are widely implemented in Australia, it is the introduction of the canopy temperature sensor that is the differentiator. The GoField technology enables critical indicators that lead to plant stress to be analysed to determine levels at which crop performance will be impacted. Algorithms are used to predict when the moisture stress threshold will be exceeded, enabling optimisation of irrigation timing. The result is a more profitable, sustainable cotton production system. The Water Use Efficiency Grant program plays an important role in Bayer's broader commitment to supporting sustainable practices in the cotton industry and aims to encourage growers to implement water saving practices on their farm using key insights from the Goanna Ag technology. Now rounding off its second year, the program has implemented a total of +500 sensors, covering over 140,000 hectares of cotton, which Bayer aims to build upon in the 2023/24 season. This equates to a possible 26,000 megalitres of irrigation that can be optimised through water savings or redeployment. The program is also seeing some promising results in terms of grower feedback. In late 2022, Bayer conducted a survey involving a sample of local cotton growers who have been using the Goanna Ag technology. The survey showed 81% of survey respondents reporting a positive impact on their farm as a result of using the sensors, with 68% stating that their approach to irrigation scheduling has changed as a result of using the technology. In terms of water use more broadly, 90% of respondents see water use efficiency as extremely important, with 90% of respondents actively taking actions to improve water use efficiency on their farms. Bayer and Goanna Ag are in the process of collating results from the first two years of the program, from which a report will be generated that will quantify the impact of optimised irrigation scheduling on water use efficiency in Australian cotton crops.

iv) The Gothenburg Center is a great example of, and was designed for, our knowledge transfer efforts. It's centrally located on the Ogallala Aquifer, one of the most important agricultural water sources in the United States. The Center in Gothenburg, Nebraska is an ideal location to monitor the impact of that water, or lack of it, has on maize, wheat, and soybean cropping systems. Scientists conduct research and demonstrations year-round to provide information for farmers to help use water more efficiently through increased annual yields and better management of irrigation. Collaborative efforts with local universities and adding more sustainable soil health practices into irrigated and dryland cropping systems are also important initiatives at Gothenburg. In addition, a similar effort is being conducted in Argentina where farmer-partners that produce Bayer seeds are learning about water conservation and efficient irrigation management.

v) Automation with smart irrigation technology allows water and crop protection products to be applied precisely: in the right quantity, in the right place, and at the right time. Moreover, it can offer various other benefits, such as improved efficiency, reduced environmental impact, remote management and data-derived decision making. Crop protection is applied directly to the target area, this could, for example, be the seed, plant or soil. We collaborate with Netafim and BGN Technologies of Israel's Ben-Gurion University to develop new modes of targeted application. As part of DripByDrip, growers use the drip irrigation system, which delivers water and crop protection where it is needed most – directly at the roots. This precise application requires less chemical product and reduces evaporation and runoff, while using 60% less water compared to traditional irrigation. Based on our findings from 2019, precision irrigation contributes to significant water savings as well as optimization of energy, labor, and use of inputs such as pesticides and fertilizers.

Bayer's vegetable seeds product supply organization facilitates access to infrastructure, such as irrigation systems, to enable successful crops. Bayer enables and promotes sustainable irrigation practices, such as changing from gravity to drip, contributing significantly to the technification of local growers in the Bayer supply chain and enabling higher yields and preservation of soil and water resources.

Signoff

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

1	2
Job title	Corresponding job category
Bayer AG Chairman of the Board of Management (CEO) and Chief Sustainability Officer (CSO)	<ul style="list-style-type: none">• Board Chair