

Overview of Our Policy Engagement Activities on Climate Policy in 2022

Besides our engagement in industry associations, Bayer is also directly engaged in selected climate-related lobbying activities with a focus on carbon farming initiatives globally. This is why, among other activities, Bayer representatives were actively participating at the United Nations Climate Change Conference (COP27) in Sharm el-Sheikh, Egypt. By engaging with governmental officials and by advancing existing partnerships (e.g. LEAF) and forging new ones (e.g. USAID/IRRI), we highlighted sustainable agriculture as an integral part of the solution, stressed the critical role of water in delivering climate adaption benefits and emphasized the importance of health care and nutrition.

In Brazil, and as part of Bayer's COP27 engagement, we worked with Brazilian government officials and representatives of the elected government previously and during the event and sponsored Brazil's Amazon States Consortium's facilities and agenda. We further sponsored and supported the International Chamber of Commerce in Brazil in the Opportunities for Brazil in Carbon Markets report with technical expertise and we joined the Voluntary Carbon Market Task Force facilitated by McKinsey aiming to map and propose solutions to the establishment of a transparent and trustful carbon market in Brazil. Additionally, we have been engaged with farmers and other stakeholders related to the Pro-Carbono project.

In the U.S., all our lobbying activity on climate change at the federal level has been publicly disclosed through the Secretary of the Senate and Clerk of the House (see here). In 2022, we have engaged with stakeholders primarily concerning the climate change related provisions of the Inflation Reduction Act. Specifically, we continue to work with the U.S. Department of Agriculture to effectively implement conservation program provisions that complement work already underway by private companies and farmers.

At the EU, Bayer publishes the main targeted legislative and policy initiatives and all contributions to public consultations, roadmaps as well as meetings with the political level at the European Commission in the EU Transparency Register (see here). In 2022, we have mainly been involved in activities on carbon farming and carbon removal certification, such as contributions to public consultations on soil health, on the revision of the pollinators initiative, and on the certification of carbon removals. In addition, we organized a virtual event called Forest Protection:

Mitigating Climate Change, Fostering Biodiversity & Delivering on the Green Deal, and sponsored or co-organized jointly with POLITICO Europe the climate-related events titled How Can Carbon Farming Contribute to Europe's Climate Goals?, The Future of Food and Farming Summit 2022, and the Sustainable Future Week 2022.

In the wake of Germany's critical gas supply situation resulting from Russia's invasion of Ukraine and the sanctions imposed by EU countries against Russia, Bayer focuses its engagement in Germany on energy supply security. Many sites in Germany are critical to the development, production, and distribution of medicines and agricultural products around the globe, thus, all levers that can be used in the short-term need to be deployed to enable rapid gas savings using alternative energy sources. In addition, Bayer strongly advocates for legislative changes to accelerate the expansion of renewable energies in energy policy initiatives in line with our

goal of becoming climate neutral in its operations by 2030. For this, discussions have taken place bilaterally but also in the frame of CEO roundtables and industry association meetings with Chancellor Olaf Scholz, Economy Minister Robert Habeck, and several members of parliament and ministry officials on federal and state levels. In addition, Bayer's CEO has been part of the business delegations on the trips of Chancellor Scholz and Minister Habeck to Canada and Qatar.

In China, Bayer started the Embrace Green initiative in collaboration with the Ministry of Agriculture and Rural Affairs in 2019. Bayer provides resources (budget, field demonstration, inviting academic experts) and the Ministry organizes events, to train agricultural extension officers and farmer representatives in sustainable development, low-emission farming technology, and practices to develop greener agriculture. Under this initiative, by August 2022, the program reached more than 2,000 officers and other stakeholders in 14 provinces in offline sessions, and over 200,000 audiences through online sessions.