

Bayer Sustainability Council 2022 Report

Published April 2023



Letter from the Council Chairs

Dear reader,

Thank you for your interest in the third annual report of the Bayer Sustainability Council. This report reflects our current best understanding of Bayer's progress toward achieving its 2030 sustainability goals.

Bayer has made good progress towards achieving these goals. We have been pleased to see that forward movement. However, we believe there is greater potential for the company to transform its business and become a driving force for sustainability. This holds true, in particular, in the agricultural field. To date, we observe a more incremental approach. We would like to see a greater level of ambition and faster pace toward business transformation given the urgency of the climate and biodiversity crisis.

The global environment remains challenging. The war in Ukraine, persistent supply chain problems and high inflation continue to put pressure on companies such as Bayer. We urge management to not get unduly distracted, however, and instead double-down on its sustainability agenda, taking advantage of new opportunities that open up in important markets, for example, in Brazil.

We thank the departing CEO, Werner Baumann, for good collaboration over the past three years and look forward to engaging the incoming CEO, Bill Anderson debating new ideas toward transformation of the business under his leadership.

We would like to thank our departing Council members, Braulio Ferreira de Souza Dias, Liz Jarman and Anushka Ratnayake for their great contributions. And finally, we are pleased to welcome three new members, Agnes Binagwaho, Dante Pesce and Jeffrey Ubben who have joined the Council at the beginning of 2023.



Sabine Miltner

Co-chair



Christian Klein

Co-chair

I. The Council's overall reflection on 2022

With 2022 being the third year since the inception of the Council in mid-2020, the Council had a better understanding of the company and was able to dive even deeper into strategic priorities for Bayer's sustainability agenda in 2022. One highlight was a jointly prepared workshop on regenerative agriculture with Bayer's top management. Our reflections and recommendations are summarized in detail in the following sections.

In summary, we still see tremendous opportunities for Bayer to leverage its full potential in sustainability and achieve its ambition of becoming an impact generator for sustainability. We will continue to further urge Bayer to deliver on the set sustainability targets and encourage Bayer to go beyond already existing targets and radically transform its business and become a driving force for sustainability.

The Council notes that Bayer has made progress in the following areas of its sustainability ambitions:

- Targets: The 2022 targets toward its three 100 million access targets and greenhouse gas reduction were overall achieved. In 2022 Bayer has reached: 52 million smallholder farmers in low- and middle-income countries (LMICs) through products, services and partnerships; 44 million women in LMICs who have their need for modern contraception satisfied due to interventions supported by Bayer, and 49 million people in underserved communities whose self-care is supported by interventions from Bayer. In addition, 21 million underserved people were reached in the newly established business in India. Furthermore, Bayer reduced and offset its greenhouse gas emissions in 2022 by 1.1m tons (-8.7%) compared to its 2019 baseline.
- Ratings: The MSCI red flag was removed and the MSCI rating improved from BB to A. The overall Bayer ESG rating profile also improved.
- Rankings: Bayer has entered the top 10 in the 2022 Access to Medicine Index.
- Transparency: Increasing trust was built with ESG investors through transparency & collaboration (e.g. [UN Global Compact adherence webinar](#)).
- Human Rights: Bayer has appointed a human rights officer and is further strengthening this essential area.

While we commend the progress, we believe that Bayer can and should do even more in particular in the following areas:

- Transformation: Bayer needs to increase its level of ambition to truly transform its business. While the targets set for 2030 are ambitious, we believe Bayer has even more potential to radically transform its business and become a driving force for sustainability, in particular in the agricultural field. Although some first steps into the right direction have been taken, for example in the field of regenerative agriculture, the Council urges Bayer to increase speed in the development of new services and offerings to ultimately create a new system-based business model that focuses on outcomes instead of inputs and is protective for the environment while also having financial benefits for farmers.
- Access Targets: While the 2022 targets toward its three 100 million access targets have been achieved, the Council notes that the number of women in LMICs whose need for modern contraception was satisfied due to interventions supported by Bayer was at the lower end of the 2022 target range and with 44 million is also the lowest overall number with the lowest compared to Bayer's other access targets. This is a persistent pattern in the last few years and significant efforts need to be made to find new and innovative ways, especially by empowering women themselves, to reach this target. Access to modern contraception has been proven to be a vital contributor towards health and economic development and the Covid health crisis has only exacerbated already existing inequalities. Substantial progress needs to be made in 2023 in order to reach the 100 million target in 2030.
- Environmental targets: While Bayer is overall on a good track with CO2 reduction and offsetting targets in line with the Paris agreement and the Science Based Target initiative, and the targets for its own operations (Scope 1 & 2) have been overachieved in 2022, the CO2 reduction target for purchased goods and services (Scope 3) has not been achieved in 2022. The Council acknowledges that Scope 3 emission reduction is a difficult topic (due to e.g. the complexity to ensure correct measurement) and a challenge for the entire industry, but urges Bayer to take corrective action and ensure Scope 3 targets are achieved going forward.

- Monsanto legacy: The Monsanto Glyphosate legacy litigation continues to negatively impact Bayer's reputation. Resolving the Monsanto legacy litigation would help Bayer move forward effectively on its sustainability agenda. To increase progress on its sustainability agenda, the Council recommends that Bayer shift business strategies away from the current limited approach to "crop protection" towards a new more expansive system-based Crop Science business model that focuses on outcomes instead of inputs, e.g. more complex science-based cropping systems that improve soil health and biodiversity while controlling pests, thus reducing the need for pesticides, as is outlined in the future of agriculture section of this report.

Sustainability Council meetings in 2022

- Two regular meetings with the entire Council in March: Reflection of 2021 and priorities for 2022, Public engagement with a focus on the next generation, Crop Science Partnership strategy. Participants: Council members, CEO and Chief Sustainability Officer (CSO), top leaders in the areas of Strategy and Sustainability
- Two regular meetings in October: Discussion of the EU Green Deal & EU Taxonomy, workshop on Regenerative Agriculture. Participants: Council members, CEO and Chief Sustainability Officer (CSO), President of Bayer Crop Science, top leaders in the areas of Strategy and Sustainability
- Several focus meetings on Bayer's 100 million access targets, digital methods to support the PH 100m women access target, responsible advocacy, Sustainable Finance including EU Taxonomy. Participants: Selected Council members, Bayer's experts on each topic
- Training session and open discussion facilitated by Council members for Bayer employees on sustainability governance and sustainable finance
- Exchange between Council co-chairs and the ESG committee of Bayer's Supervisory Board

The future of agriculture in the context of Bayer's vision "Health for all, hunger for none" - Regenerative Agriculture

Under the umbrella of its vision "Health for all, hunger for none", Bayer set itself an inclusive strategy for its health care and agricultural businesses. To achieve this vision, we believe that it is essential to define a holistic picture of what the future of health care and agriculture looks like and how the business needs to be transformed to support this vision. In 2022, the topic of "Regenerative Agriculture" as the future of agriculture was discussed in a joint workshop between the Council and Bayer's top management including the President of Bayer Crop Science. Bayer has started to develop a definition of "regenerative agriculture" in a holistic picture for the path to a more resilient and sustainable agriculture. Bayer's current approach to regenerative agriculture focuses on the following pillars:

1. Soil Health
2. Climate Impacts
3. Water resources
4. Biodiversity
5. Social and community well-being

With this definition regenerative agriculture comprises various environmental factors such as, for example, the ongoing discussion on decarbonization and biodiversity as well as social factors. Bayer advocates for an outcome-based definition to support a solution-oriented approach and provides a flexible framework that adapts to local field conditions. However, there are different definitions and approaches of the term. Value chain companies are already acting by defining tangible commitments and KPIs. The Council appreciates Bayer's current approach with a clear focus on outcomes and believes this is the right way to move forward.

The Council believes that regenerative agriculture can be a risk for Bayer's business, but if Bayer learns from past situations, it can be a huge opportunity. One driver of regenerative agriculture is increasing regulatory pressure by, for example, the EU Green Deal. The EU Green Deal is the EU Commission's roadmap towards a net-zero carbon emissions and circular economy in 2050 and foresees bans of certain active ingredients which poses a risk to Bayer's traditional crop protection business. On the other hand, the Council agrees that there is a large opportunity for Bayer to capture a significant share of a substantial new market with innovative and sustainable solutions. The Council recommends Bayer to not focus on replacing one product for another, but rather take a systems approach in the development of new services and offerings to ultimately create a new systems-based business model that focuses on outcomes instead of inputs and on being an information partner instead of only a products vendor.

Bayer has taken some first steps into this direction. For example, Bayer has implemented project teams that rethink the approach to innovation and R&D and pilot different go-to-market-approaches. Bayer has also developed several solutions with benefits for the environment and farmers such as Direct Seeding System (DSR) or short stature corn. In addition, Bayer Crop Science has merged its strategy and sustainability teams and thereby empowered the teams to work more efficiently together.

The Council encourages Bayer to continue to take action to become a leader and shape the dialogue and accelerate the progress in the field by collaborating with an even broader range of stakeholders including leading regenerative farmers, the industry, the value chain and governments.

The Council believes that regenerative agriculture requires thinking in systems. In particular, it will be key to understand the soil system, and this will lead to different Research targets in R&D and ultimately a different solutions-oriented business model based on a value chain approach. Conventional agriculture is based on the assumptions of having a stable climate and stable inputs, but both these assumptions are no longer guaranteed. New products and services on a system level (not just individual crops) are needed and resiliency will be at the core. A good understanding of soil will be key in developing these new products and services.

One example of a new agriculture solutions Bayer has developed is a novel rice cropping system. Rice farming represents up to 30% of the world's total water consumption and 10% of the global greenhouse gas (GHG) emissions from agriculture. Bayer has developed a new Direct Seeding System (DSR) for rice that has the potential to significantly reduce water usage and CO₂ emissions while also reducing labor and thus potentially saving money for farmers. While it is a promising solution, the impact on soil

health has to be further evaluated and it has to be accompanied by more weed control measures. The Council encourages Bayer to do more research and development work in close partnership with farmers on the ground to ensure a truly sustainable solution.

The Council and Bayer agree that the timing of the development and roll-out of new solutions and services is very important to consider, as in particular smallholder farmers' livelihoods and survival often depend on short-term outcomes. Income, productivity (growing more with less), and resilience continue to be key factors that need to be considered in regenerative solutions (e.g. via the right incentive models). Working closely with governments to ensure evidence-based incentive models that promote solutions that offer benefits for the environment and farmers at the same time is essential.

To become a leader in regenerative agriculture, the Council recommends Bayer leverage its deep understanding and relationship with farmers to focus on business model innovation and to further increase speed in the development of new services and offerings to ultimately create a new system-based business model that focuses on outcomes instead of inputs and is good for the environment while also having financial benefits for farmers. Working with a broad range of partners including the industry, the value chain and governments is essential to develop aligned definitions and a common evidence-based target picture that will be worked towards together.

Crop Science Public engagement / partnership strategy

The Council regards partnerships with a broad number of stakeholders from different areas as essential to the success of Bayer's ambition of becoming an impact generator for sustainability. In 2022, the Council and Bayer engaged on discussion about some of Bayer Crop Science's partnership programs, for example [NextGen Ag Impact Network \(NGIN\)](#). NGIN is a comprehensive, consistent, and continuous global multi-stakeholder partnership endeavor for, with, and by NextGen Agricultural Leaders to empower youth in agriculture together with 17 partner organizations. Bayer's strategy is to engage and co-create with NextGen Agriculture Leaders to ensure future oriented engagement for sustainable agriculture. The Council regards youth as a key driver for true transformation of agriculture which the Council is advocating and urging Bayer to push for. The Council is very supportive and has proposed several ideas to further develop and leverage on this promising initiative. These ideas include, introducing specific challenges to the network such as reducing in-field carbon emissions, bringing in further funders and connecting to the Ag-tech start-up and technology scene to help drive technological and digital solutions with underlining business models. Evaluating the development of outcome based, tangible KPIs (towards business models, funding concepts) would also be beneficial in the Council's opinion. Bayer is currently refining its approach, developing KPIs and looking to broaden its partner base including with partner from the financial sector taking the Council's recommendations into consideration.

Bayer Crop Science is using a multi-stakeholder platform approach in their partnership strategy. The goal is to develop platforms and partnerships for new innovative and transformative business models that advance sustainability and achieve measurable environmental and social impact at scale. One example that was discussed with the Council in 2022 is the Imagine platform, a critical platform to facilitate a global narrative alignment, proof of concept projects and co-creation frameworks on regenerative agriculture along the entire value chain. It is run by the [Imagine Food Collective](#), 27 leading food business CEOs that intend to advance a common vision of a "Nature Positive" future, guided by CEO ambition and company experts (Sherpas) focused on acceleration, not duplication, and connected as one value chain. Bayer is an active member of the platform. The platform's representative project in Brazil, aiming to scale up payments for nature to regenerative beef and soy farmers in Mato Grosso and Matopiba, was discussed with the Council. Payments for nature, in the form of carbon credits, compensation for conservation, and long-term offtake agreements could help to overcome the opportunity costs by incentivizing farmers to adopt regenerative farming principles and to avoid deforestation. The Council supports the initiative and advises Bayer to develop a holistic business model to incentivize eco-system services including carbon, biodiversity, soil, water and social services. In addition, the Council regards learning from the mature carbon finance field, working closely with

governments and being aware of and learning from similar initiatives as crucial for success. Bayer is working on integrating the Council's feedback into their program.

Bayer's inclusive growth strategy / boosting impact of access commitments

Bayer's three 100 million access commitments by 2030 (supporting 100 million smallholder farmers in LMICs; supporting 100 million people in underserved communities with self-care; satisfy the need of 100 million women in LMICs with modern contraception) are key pillars of Bayer's sustainability strategy and therefore also continue to be a focus topic for the Council.

The Council noted that Bayer continues to make progress in all of its three 100 million access commitments. However, while Bayer's access targets for 2022 have overall been reached and progress has been made, the Council continues to believe that progress must be accelerated substantially going forward in order to achieve the three 100 million access targets by 2030. This is valid in particular for the access target for modern contraceptives as there is still a long way to go in the seven years left.

The number of women who have been reached with access to modern contraception due to interventions supported by Bayer increased from 38 million women in 2019 to 44 million women in 2022. 44 million is the lowest overall number with the lowest growth compared to Bayer's other access targets. The Council acknowledges that there are numerous challenges such as the donor funded model being under pressure in pandemic and geopolitical crisis (e.g. the United Kingdom cut its funding for family planning by 85% in 2021). Bayer has created plans to address the challenges and activated an acceleration plan which includes specific actions on country level for top countries. The Council praises Bayer for making country-level plans and encourages Bayer to go even further in this direction and make country level plans for even more countries. The Council recommends Bayer break its 100m access targets down to a country level, to integrate the specific targets into the country compensation system and to empower local leadership to take on the targets. Following the access targets and compensation, the business model on country level would potentially need to be adjusted. Bayer Pharmaceuticals is currently exploring a social business model in selected pilot countries where the small profits get reinvested to reach the access targets of the 100 million women challenge and the Council is very much interested in discussing the learnings with Bayer in the near future. Bayer's strong, long-acting reversible contraceptive (LARC) oriented portfolio offers an excellent profile and family planning has been shown by numerous studies (e.g. the Copenhagen Consensus) to bring tremendous benefits for development in LMICs, therefore the Council emphasizes that it is important that Bayer reaches its 100m target despite the challenges.

The number of smallholder farmers reached in LMICs through products, services and partnerships from Bayer increased from 42 million farmers in 2019 to 52 million farmers in 2022. The Better Life Farming Initiative (BLF), a long-term partnership of Bayer, International Finance Corporation (IFC), and Netafim is making good progress in further increasing reach and access and help smallholder farmers improve their livelihoods. During 2022 BLF has been successfully extended to more countries.

The number of people in underserved communities whose self-care is supported by interventions from Bayer increased from 41 million in 2019 to 49 million in 2022. In addition, 21 million underserved people are reached in the newly established business in India. Bayer's global collaborations like the one with Vitamin Angels have been very successful in increasing access to vitamins and minerals for underserved communities and helped combat malnutrition.

Lastly, the Council recommends continuing exploring potential synergies between all three divisions for the access targets.

Sustainable finance and ESG – EU Taxonomy

Sustainable Finance continues to be a quickly growing and constantly developing topic. Attempts for more standardization are quickly advancing, e.g. by the European Green Bond Standard or the International Sustainability Standards Board (ISSB) and the EU Taxonomy. The EU Taxonomy was discussed between the Council and Bayer in 2022 as a focus topic in sustainable finance.

The EU Taxonomy classifies and tracks sales, investments and costs in alignment with certain defined sustainability criteria and is applied as sustainability measurement. It aims to foster sustainable business practices in the EU and globally. The Council regards the EU Taxonomy as important for the EU's sustainable finance environment and expects that many future activities will build on the EU Taxonomy. The results of the EU Taxonomy are also expected to be used by numerous other stakeholders as a reference. Bayer is planning to take a differentiated approach to the EU Taxonomy, making adjustments to its business model in areas where meaningful. The Council recommends Bayer to stay engaged in the topic through actively involving itself in the respective standard setting bodies and through keeping the EU Taxonomy on its strategic agenda. The Council furthermore recommends Bayer to incorporate the targets of the EU Green Deal and the EU Taxonomy into its strategic decision-making process and to balance trade-offs with other targets.

Responsible advocacy

Following last year's Council report, the Council started a discussion with Bayer on responsible advocacy. In line with Bayer's Societal Engagement BASE-Principles, its corporate public affairs / advocacy activities are guided by Code of Conduct for Responsible Lobbying. Bayer is supporting climate-friendly policies through Bayer's industry association membership and has compared the positions of its 65 industry associations with its own positions in the [Industry Association Climate Review 2021](#) and engages to reduce any deviations, see Industry [Association Climate Review – Engagement Update 2022](#). Moreover, transparency is a top priority for Bayer. Bayer is committed to build up and strengthen trust by making information accessible from a whole range of areas including lobbying and [political positions](#) (see also [Bayer Transparency website](#)). The Council is supportive of Bayer's efforts to increase transparency in the area of political advocacy and make information more accessible. Moreover, the Council urges Bayer to continue to use its influence to change the standpoint of industry associations that are not aligned with Bayer's standpoints on climate policy. In addition, the Council encourages Bayer to continue to adopt a mindset that focuses on promoting policy change by showing data supported value added to people, society and the environment. The Council wants to learn more about Bayer's political positions in selected focus countries and looks forward to continuing and deepening the discussions in 2023.

Inclusion & Diversity

There is substantial research to show that diversity brings numerous benefits to an organization, such as better decision making and improved problem solving, stronger governance and greater creativity. In short, diversity is good for business. Bayer has established clear commitments for gender balance throughout the Bayer Group, including the goal of gradually establishing gender parity at all management levels by 2030. In addition, Bayer also committed to significantly strengthen further dimensions of inclusion and diversity including age, nationality, career experience, LGBTQ+ and people with disability among others, inside the company in the coming years.

Bayer has continued to make progress on the path towards gender parity with the proportion of women in management rising to 43% in 2022 (2021: 42%) and the proportion of women in top management, the highest management level in the Bayer Group below the Board of Management, also increasing compared to previous years to 28% in 2022 (2021: 27%). While the Council appreciates the progress made, the Council believes that Bayer should accelerate progress in this area, especially for women in top management to safeguard and underline its commitment to women's empowerment, which also includes expanding access to modern contraceptives in LMICs. More needs to be done also in other areas of employee diversity, including an increase in racial and ethnic diversity among all levels of staff. There will also need to be continued progress on diversity among key suppliers in the value chain for Bayer, which will increase in importance in the coming years. The Council is looking forward to continuing discussions on inclusion and diversity in 2023.

II. Outlook

Going forward, the Council will continue its work on the selected focus topics based on Bayer's strategic priorities and continue to advise Bayer on further matters related to sustainability to help Bayer leverage its full potential. The Council is looking forward to debating new ideas toward transformation of the business under the new leadership. One new focus topic for 2023 for the Council will be human rights which is a strategic priority for Bayer. In addition, the Council will follow up on topics already discussed and is looking forward to seeing that changes and adjustments based on its recommendations will lead to measurable and tangible impact.

III. Bayer Sustainability Council: Who we are and what is our role

We are a group of independent external experts from the areas of health care, nutrition, agriculture, environmental and sustainable finance representing a broad range of experiences, views and geographies. In many ways, we have spent much of our lives helping to improve those of others and trying to ensure that the planet remains a good home for its population. Combined, we have many decades of experience driving sustainability at the highest levels in academia, government organizations, NGOs and the corporate world. We believe that corporations can be major drivers of change for sustainable development, that sustainable business is smart business and that companies should be held accountable for their contributions. For details see our bios below.

We offer advice to Bayer's Board of Management, the Sustainability organization inside the company and other relevant functions in all sustainability matters, helping Bayer leverage its potential in driving sustainable business. We are an advisory council and do not have decision making power.

In summary, we help Bayer achieve its sustainability targets in the best possible way and then push Bayer to go beyond its targets and transform into a systemic driving force for sustainability and a leader in its sectors.

Bayer Sustainability Council Members in 2022



Sabine Miltner – Council co-chair

Bio: [click here](#)

"I believe Bayer can make a difference in the global effort to reconcile projected increases in food production with the necessary protection of nature. I joined the Sustainability Council to support Bayer in this endeavor, which will demonstrate that sustainable business is profitable business."



Christian Klein – Council co-chair

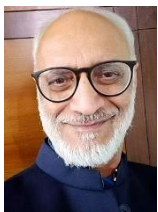
Bio: [click here](#)

"We believe the social and climate challenges facing humanity can only be overcome by steering the capital markets and real economy towards sustainability. My goal is to use the knowledge gained through our extensive research to help Bayer implement its ambitious sustainability goals and really generate an impact on this transition."



Braulio Ferreira de Souza Dias*

"I accepted the invitation to join Bayer's external Sustainability Council due to my drive to help reverse the global biodiversity decline crisis which has the expansion and intensification of agriculture as its main cause and hoping to help push Bayer as the top crop science global company to take a leading role in this effort."



Ashok Gulati

Bio: [click here](#)

"I believe that senior management in a company like Bayer can get things done much faster and cost effectively, provided they are wedded to the idea of sustaining this planet's real natural endowments- clean air, fresh water, rich soils and biodiversity."

* has left the Council as of end of 2022



Suzanne Hunt

Bio: [click here](#)

“Our current dominant/conventional agricultural paradigm - broadly speaking - is bad for farmers, bad for biodiversity, and bad for water, soil and the climate system. Bayer plays a central role in the current paradigm, and with all of its human and technical resources, could play a central role in transforming it. Just as the world is transitioning away from extractive energy systems to renewable energy systems, we must transition away from extractive agricultural systems to those that regenerate wealth and wellbeing in rural communities, and those which protect biodiversity and regenerate agricultural soils and healthy landscapes more broadly. Transforming business models and business culture is not easy, but I joined the Council because I believe that the Bayer leadership are up to this challenge. We are at an all hands on deck moment in the climate crisis and we have to have these uncomfortable but necessary conversations if Bayer is going to make the changes that are necessary to meet this moment.”



Liz Jarman*

“An organization as large and diverse as Bayer has a real opportunity to step-change what they do in the sustainability arena that will make a lasting difference, and to also strongly influence the industries in which they operate. How Bayer responded during COVID, reflects their commitment to sustainability, health, and women particularly. It is great to see progress so far and how some of the initiatives are progressing, and I am keen to see how some of these areas can further accelerate to make a lasting difference.”



Carolyn Miles

Bio: [click here](#)

“As more companies put effort towards running sustainable businesses, the degree to which they are able to manage their many stakeholders - including investors, employees, suppliers, and the public - will have a big impact on their success. And it will have a big impact on the world as well, especially on marginalized populations that are being left behind. The lessons of COVID, which starkly illuminated the issues of health and gender inequity in the world, are just some of the considerations that Bayer is now incorporating into their sustainability agenda. Bayer is taking the right steps forward but must continue to push the boundaries of what is possible if they are going to be successful in reaching ambitious targets like access for 100 million women to modern contraception products. I am excited to continue the work of the Council this next year.”



Anushka Ratnayake*

“I am inspired and excited to join Bayer in their mission to reach 100 million smallholder farmers, 100 million people in underserved communities and 100 million women to achieve a world where there is "health for all and hunger for none". It's a bold and important strategy that puts people and the environment at the center of how Bayer does business.”



Jeff Seabright

Bio: [click here](#)

“I joined the Bayer Advisory Council because I believe they can be a powerful force for good in the world, and want to support the leadership team in reaching their ambition of “health for all, hunger for none.” 2021 is a year when the world is turning its attention to planetary health issues — from the UN Food Summit to COP26 and Bayer has a vital role to play.”

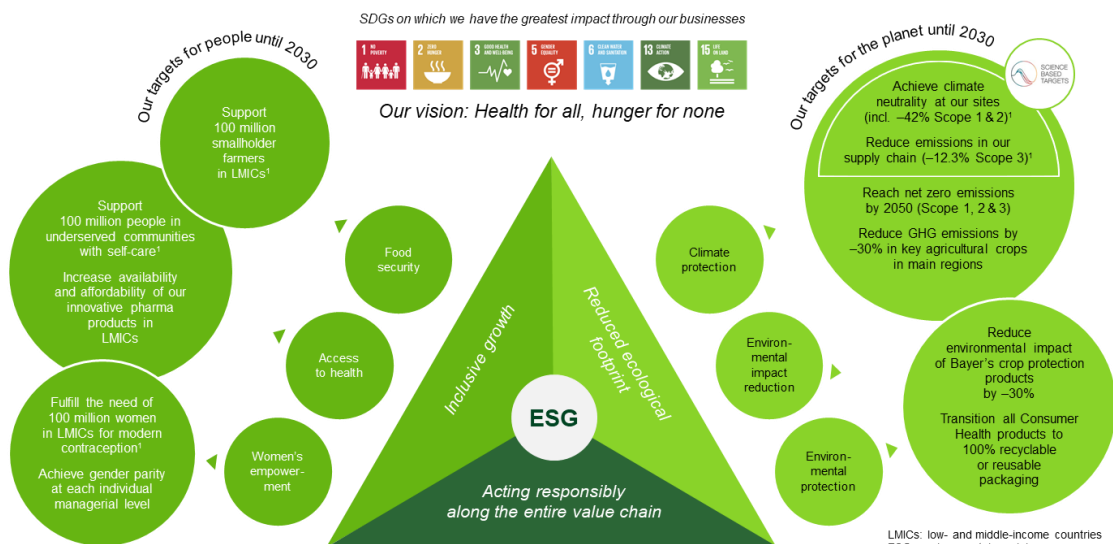
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IV. **Appendix:**
Sustainability at Bayer: Part of Our Corporate Strategy
 A brief introduction by Bayer

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

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

Sustainability: Strategic Elements, Impacts and 2030 Targets



¹ These targets are accounted for in the long-term variable compensation (LTI) of our Board of Management and our LTI-entitled managerial employees.

More information on sustainability at Bayer:

- [Bayer Sustainability Website](#)
- [Bayer Annual Report](#)
- [Bayer Sustainability Report](#)



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