

*Industry
Association
Climate Review
2023*



Industry Association Climate Review 2023

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Driving climate action together



Dear stakeholder,

The extreme weather events of recent years or the increasing water scarcity have never made the importance of tackling the climate crisis even clearer. Whether it is delivering on the goals of the Paris Agreement or realizing the benefits of a move to a net zero economy, greater progress is vital.

Bayer is committed to playing its part. Contributing to the wider change needs to go beyond our company and bring others with us. Trust and transparency underpin this process. Thus, transparency remains a cornerstone of Bayer's values. This agenda is no exception. Disclosure fosters dialogue and supports accountability. This report is just one way in which we are contributing to transparency in our climate action but also in our policy advocacy.

This review provides an update on Bayer's climate advocacy activity in our trade association engagement. It sets out how we continue to promote climate-positive policies and how we are trying to find practical ways to support the delivery of the Paris Agreement by engaging and working in partnership with associations across markets.

As a leader in life sciences, we contribute to a future that is healthier for humans and the planet. We continue to work hard towards our target of becoming climate neutral by 2030 by our own operations and achieving net zero GHG emissions by 2050. While this transformation was never going to be simple, it is more important than it has ever been.

For this reason, our focus on ensuring trade association alignment with and in support of the Paris Agreement remains a key aspect of Bayer's overall public affairs agenda. I am pleased to see progress being made, set out in the report that follows since we performed our first comprehensive review in 2021.

There is a clear move to greater support of climate-friendly policies in our associations. We also see a significant decrease in mission positions indicating an incipient debate in the associations and ensuring progress in establishing an understanding of the significance of climate change as a material issue across key sectors. An additional eight associations are no longer classed as 'misaligned' with Bayer's climate policy criteria that are in line with the Paris Agreement.

Team Bayer has played a great role across relevant markets in contributing to these changes and collaborating with associations and trade bodies to make progress on the complex policy questions we

need to collectively resolve. We are also sharing more details here on the nature of our relationships with industry associations.

But in turn, there is still more to be done. We will continue to build on the foundations we have been putting in place. Bayer remains the only company in the life sciences sector committed to this form of process. Growing our engagement with healthcare associations across our largest markets therefore remains important. Emphasis placed on the agricultural sector in turn also remains important, in building on the capacity in place to address the key questions the net zero transition raises for this sector.

Policy engagement is a key aspect of becoming climate-neutral. Navigating the complexities of the transition to a healthier planet means tackling volatility head-on. From disruption in the global energy markets following Russia's invasion of Ukraine to the growing impacts of extreme weather, our agility in response is matched by a continued focus on the long-term.

Relationships with our wider stakeholder community are as important as the changes we make across our own company. It's only by acting together, in collaboration with others, that we will be able to overcome and reach beyond the volatility and uncertainty climate change entails. This work has never been more important.

We will continue to work with purpose and resolve with our industry association partners in taking steps towards a net zero future.

Yours sincerely,

Matthias Berninger
Head Public Affairs, Science, Sustainability and HSE

Summary findings

After our first Industry Association Climate Review in 2021, this year's review is the first time we have been able to draw a comparison over time. In 2023, 63 associations have been assessed overall, with 12 associations excluded from the review process and 10 additions made (see page 12 for more detail).

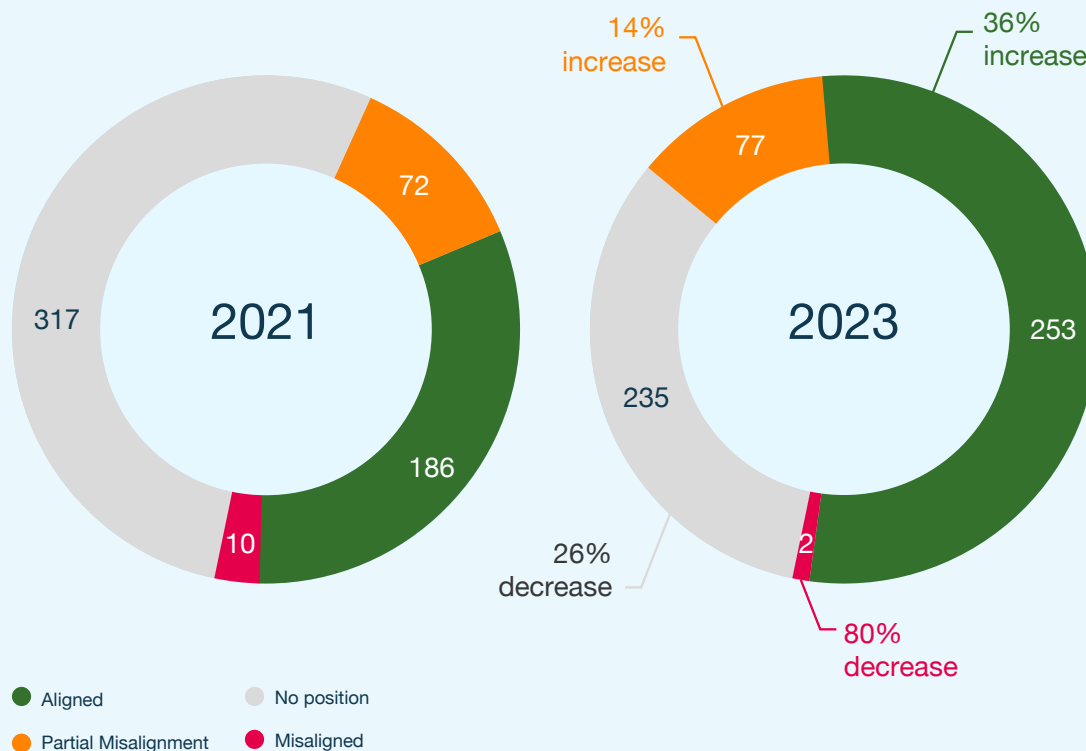
Bayer's association relationships on climate policy

- // 36% overall improvement in instances of full alignment across associations assessed. Equivalent to an improvement across 67 specific policy topics.
- // 80% decrease in missing position on key policy issues, meaning associations assessed are clearer on Paris Agreement alignment on 82 separate policy topics.
- // 8 fewer instances of overall material misalignment.

// 2 instances of material misalignment requiring intensified engagement until escalation as outlined in the engagement process (see page 18 for more detail).

We would like to highlight the positive trend in the U.S. Chamber of Commerce and the Associated Chambers of Commerce and Industry of India, whose respective positions have evolved from a material misalignment to a partial misalignment with Bayer's climate positions. In addition, we identified a move from a material misaligned to an aligned position on promoting technologies and innovation that improve climate performance by Unión Industrial Argentina. We outlined our engagement activities in the respective associations in our [Engagement Update 2022](#).

Industry association climate policy assessments over time



Bayer's association engagement on climate policy

Bayer is dedicated to a climate policy that is in harmony with our ambitious climate targets. To ensure transparency in our climate policy engagement, we regularly publish our activities in two different disclosure initiatives on our [website](#).

The Industry Association Climate Review focuses on our engagement undertaken with around 60 industry associations, in supporting alignment with policy goals of the Paris Agreement. In each report, we also include examples of our positions on legislative actions as well as collaborations with industry association partners in supporting the transition to net zero, such as the following ones in this report:

-  Working to ensure robust standards on the issue of EU carbon removal certification.
-  Engaging to ensure the consideration of carbon farming in the EU certification scheme.
-  Capturing the opportunity around sustainable product design and levers for change with Multinacionales con España.
-  Initiated collaboration across one of India's most significant business groups - the Confederation of Indian Industry (CII) – by establishing a Task Force on Sustainable Agriculture to ensure the long-term sustainability of Indian agriculture.

In addition, we also disclose our membership fees of the associations assessed in this review for the first time.

Apart from our engagement with industry associations, we provide annual overviews of our own engagement activities on climate policy in the United States, Brazil, China, and Germany as these are our largest markets, as well as on the EU and international levels.

Alignment categorization

Categorizations of alignment with Bayer's positions on relevant climate-related policy:

Aligned	Industry association is fully aligned with Bayer's climate position on the appropriate issue.
Partial misaligned	Industry association does not fully match Bayer's position or commitment on the appropriate issue; improvements pursued via engagement.
Misaligned	Industry association oppose Bayer's position or commitment on the appropriate issue; process of escalation begins (starting with engagement and then potential remediation).
No position	Industry association has no position at all on the appropriate issue, which Bayer views as room for improvement and an opportunity for change via engagement.



Bayer's approach to climate policy engagement

Our climate position

As a science-based company, Bayer has recognized the risks posed by global climate change. We aim to continuously reduce greenhouse gas (GHG) emissions within our company and along our entire value chain in accordance with the United Nations' Sustainable Development Goals and the Paris Agreement to limit global warming to 1.5°C above pre-industrial levels.

We are dedicated to supporting and enabling a climate policy that is in harmony with our ambitious climate targets and therefore advocate for decarbonization measures in line with meeting the goals of the Paris Agreement. This means we seek to support regulatory frameworks and policy initiatives that both promote innovative low-carbon and carbon-neutral products, processes, value chains, and business models and strengthen renewable energy and industry competitiveness. Given our commitment, we publish our direct engagement activities on climate policy on our [website](#) next to our engagement in industry associations as outlined in this report.

Bayer's initiative-specific climate policy positions and engagement activities around the globe are guided by our climate commitments and Global Climate Policy Position (see below). In addition, we would like to supplement the specific policy position examples on recent climate-related legislative initiatives from the 2022 Engagement Update with more recent examples that are outlined on page 20.

// Bayer has ambitious climate targets to meet the goals of the Paris Agreement



Bayer's Global Climate Policy Position

(as of May 2023)

Bayer supports regulatory frameworks and policy initiatives that both promote innovative low carbon and carbon neutral products, processes, value chains, and business models and strengthen industry competitiveness.

To this end:

- // **It is crucial to maintain the openness of innovative ideas and to support new technologies.** The transformation to carbon neutrality catalyzes the development of a range of new technologies, business models, and operational practices in industry and agriculture. It is our conviction that innovation for climate mitigation and adaptation should be inclusive of all promising technologies. Openness as supported by a diversity of tools and methods and careful consideration of individual trade-offs and synergies that relate to specific local environments strengthens resilient networks.
- // **A successful transformation requires an integrated consideration of social, environmental, and economic needs.** Decisions on the use of a technology for mitigation should be based on an integrated analysis of social, environmental, and economic risks and benefits. Social acceptance is essential and prerequisite to secure both social inclusion and competitiveness future prosperity.
- // **Climate neutrality should be embedded into both industry and agriculture policy strategies** to transform into a climate-neutral and sustainable economy while preserving competitiveness at the same time. Action plans to establish additional incentive mechanisms for good practices supporting GHG emission reduction targets in industry and agriculture are widely and globally necessary. Country-based measures always need to be in line with WTO framework and further international agreements.
- // **Renewable energies are the basis for climate-neutral production.** Climate neutrality will be achieved to a large extent by switching from fossil fuels to renewable energies. To foster the energy transition, governments need to ensure cost competitive alternatives to fossil fuels, to guarantee supply security of renewable energies, and to ensure the availability of adequate systems for purchasing renewable energies.

- // **In agriculture, a certification to a recognized standard is key so that farmers will be able to quantify, verify, certify, and sell their GHG emission savings** as carbon credits to industries willing to offset their carbon footprint. Pricing for these high-quality offsets should be appropriate to outweigh the implementation, verification, and certification costs ensuring the return on investment for farmers.

- // **We recognize that land-use change is one of the biggest contributors to GHG emissions in agriculture** and must be limited to preserve biodiversity and avoid carbon emissions. We strongly encourage public and private sector investments in innovations that support sustainable intensification of food production and advocate for policies and foster market mechanisms that enable such innovations to provide opportunities for ecosystem diversity improvements and carbon removals due to the reduced land footprint of agriculture.

- // **Digital enables a more sustainable manner of farming.** New digital applications should be accepted as tools that mitigate climate change in farming. Given its potential, digital farming should be a priority of government's strategic plans and reflected in agricultural policymaking. Preconditions for the success of digital technologies in farming include robust data access and privacy policies, rural connectivity, agriculture, and environmental regulations incorporating the capabilities of digital technologies.

Principles and governance for transparent policy engagement

[Bayer Societal Engagement \(BASE\) Principles](#) provide the basis for all our external engagement and shape the way we interact with stakeholders such as legislators, regulators, and civil society organizations. Our [Code of Conduct for Responsible Lobbying](#) provides us with binding rules for our involvement in political matters and creates transparency in our collaboration with representatives of political institutions. Together, both guidelines represent our guiding compass for transparent and fair political engagement and lobbying.

Transparency is a key priority for Bayer. We are committed to building and strengthening trust by making information accessible from a whole range of areas. Therefore, we are about to publish our first Advocacy Transparency Report where we outline our principles, governance, strategies, and priorities, and spending on Bayer's policy engagement and political advocacy. Further information on our political engagement is published on our [website](#) and in our [Sustainability Report 2023](#).

Bayer's advocacy governance aims to provide employee guidance, accountability, oversight, and risk management. Political advocacy spans three divisions Crop Science, Pharmaceuticals and Consumer Health as well as the

country organizations. The Global Public Affairs team is part of the Public Affairs, Science, and Sustainability & Health, Safety, and Environment (PASS & HSE) function. The Global Public Affairs Head is a member of the PASS & HSE Leadership Team and leads the Global Public Affairs Leadership Team, which is comprised of the public affairs leads in each of the three divisions and the key markets. Together, they identify key policy priorities and align strategies. Relevant issues and topics for our governmental affairs and political engagement work are regularly reported and discussed directly with the Board of Management. The Head of PASS & HSE provides the Board of Management with a Public Affairs update once per quarter. The Supervisory Board is directly involved in decisions of fundamental importance to the company and confers with the Board of Management on the company's strategic alignment. In addition, the Workers' Council (also represented in the Supervisory Board) receives regular updates on political developments that have significant impact on Bayer.



To ensure transparency in our climate policy engagement, we publish an annual overview of [our engagement activities on climate policy](#) in addition to this industry association review. This time, we have also disclosed our membership fees for the associations assessed in this report. The membership fee rates are usually set by the respective association and cannot be influenced.

Industry association membership fees

Membership fees in 2022 (EUR)	Industry associations
>1M	// CropLife Europe // Verband forschender Arzneimittelhersteller // CropLife International // Verband der Chemischen Industrie // Pharmaceutical Research and Manufacturers of America // Industrieverband Agrar
500,000 - <1M	// Association of the British Pharmaceutical Industry // Phyteis // Cefic // US Chamber of Commerce // Efpia
100,000 - <500,000	// Agrofarma // Federchimica // Biotechnology Innovation Organization // France Chimie // Bundesverband der Deutschen Industrie // Global Self-Care Federation // Consumer Healthcare Products Australia // Medicines Australia // CropLife Australia // PAGB // CropLife Canada
50,000 - <100,000	// Brazilian Association of the Chemistry Industry // SINDUSFARMA // Food, Health & Consumer Products of Canada // Japan Pharmaceutical Manufacturers Association
<50,000	// AmCham China // CropLife America // AmCham Mexico // EU Chamber of Commerce in China // Argentine Business Council for Sustainable Development // Federation of Indian Chambers of Commerce and Industry // Assobiotec // Forética // Association of Enterprises with Foreign Investment // Indian Chemical Council // Brazilian Business Council for Sustainable Development // Industrial Union Argentina // BusinessEurope // Mexican-German Commerce Chamber // Canada Grains Council // National Confederation of Industry // CESPEDES // The Associated Chambers of Commerce and Industry of India // China-Brazil Business Council // Union Française des Semenciers // Confederation of British Industry // Confederation of Indian Industry
No direct fees	// AAPRESID // Agriculture Biotechnology Council // AmCham Argentina

Approach to industry association review

Adjusted policy criteria for this review

Our climate commitments and, thus, our global climate policy position remain valid. Thus, the policy criteria from the [2021 Review](#) were used as the basis for evaluation of the industry associations. A small adjustment to the criteria on carbon offsetting and natural climate solutions was made. Use of carbon offsetting and natural climate solutions to mitigate climate change. Specifically, we changed “to deliver net zero” to “mitigate climate change” as we now support the use of carbon offsets and natural climate solutions only to mitigate climate change, no longer to deliver net zero.

Two key criteria were used to gauge the scope for alignment, with related sub-criteria for consideration:

i) Explicitly publicly support alignment with the Paris Agreement (or not), covering:

// The Paris Agreement and meeting its goals.

// The transition to achieving net zero emissions, including an interim target.

// Policies that enable the transition to net zero

Organizations were assessed based on needing to demonstrate a positive and public advocacy position on each of the above.

ii) Does not contravene relevant policies that Bayer has on:

// Lowering GHG emissions per kg of harvested produce in major agricultural markets by 30% by 2030.

// Promoting technologies and innovation that improve climate performance, including energy efficiency.

// Sourcing 100% of procured electricity from renewable sources of energy by 2030.

// Support for market-based approaches to carbon pricing and trading.

// Acknowledgment of climate-related trade measures within the rules-based international trade system.

// Use of carbon offsetting and natural climate solutions to mitigate climate change.

Industry association selection

Selection of relevant membership bodies for inclusion was based on one or more of the following criteria as in our first review in 2021:

// The organization in question is active in Bayer's biggest markets, as determined by related company metrics, for example sales revenue, number of employees in market or scope 1 and 2 emissions footprint.

// The association is active in a country with significant GHG emissions for Bayer, regardless of the scale of Bayer's presence in that market.

// It is a notable industry group working internationally. Some associations are not limited to a single geographical entity, and it would be remiss of us not to include those in our assessment.

The respective industry associations in turn:

// Engage in or contribute to the climate change discussion; or

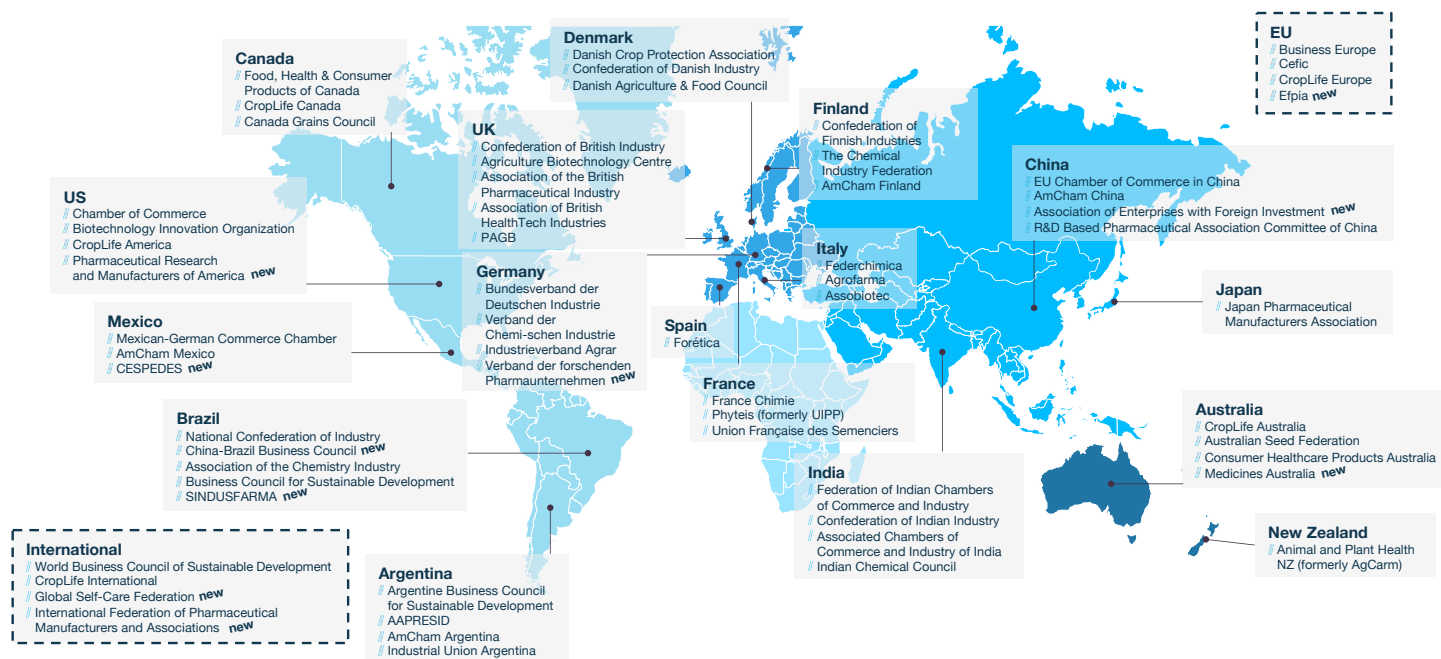
// Undertake direct advocacy/lobbying engagement on climate-related policy; or

// Has a public policy position on climate change; or

// Could reasonably be expected to have a position on climate-related policy given the nature of its work.

To strengthen the climate policy discussion across many sectors, we have started to include a greater number of healthcare industry associations for our largest markets, namely the US, China, Brazil, and Germany as well as the EU and the international level. Overall, we have included eight new industry associations as outlined in the visualization.

Industry associations included in the review



In addition to the US National Association of Manufacturers, from which we have already tendered in 2022 ([see Industry Association Climate Review – Engagement Update 2022](#)), we have further excluded the following 11 associations from this year's review for various reasons:

- // AmCham Brazil, AmCham Germany, Digital Europe, the Australian Food and Grocery Council, Mexico's National Employers Confederation, and India's Research and Information System for Developing Countries as it has turned out that these associations are not decisive for Bayer's climate policy activities;
- // Coalizão Brasil Clima, Florestas e Agricultura and UN Global PAC Brazil as we intend to focus on associations where we can create a bigger impact;
- // The Polish Association for Sustainable Agriculture and the Polish-German Chamber of Commerce for current resource reasons on site;
- // The Russian Union of Industrialists and Entrepreneurs as Bayer has withdrawn any active participation due to the ongoing invasion of Russia in Ukraine while remaining a member of the association. Consequently, Bayer cannot verify or engage in climate-related positions. We are currently evaluating our memberships considering the current political situation in Russia.

Methodology

Based on the developed approach led by a project team comprising Bayer public affairs and sustainability professionals outlined in the [first Industry Association Climate Review 2021](#), the whole assessment was conducted by an external consultant to ensure an independent analysis. Multi-source content was gathered and considered in this process, covering material from across association websites, media articles, social media, and public statements from the bodies' principal executives. Research teams undertook desktop research, seeking a comprehensive picture of positions adopted by associations in their relevant territories. A central team then reviewed the findings to ensure consistency. Categorizations of alignment with Bayer's positions on relevant climate-related policy are outlined on pages 15 to 17.

The project is supervised at the most senior levels of the organization by Bayer's Global Public Affairs Leadership Team including approval for final actions. The project sponsor is Matthias Berninger, Head Global Public Affairs, Science and Sustainability & Health, Safety and Environment who is leading both public affairs and sustainability strategies and implementation actions.

Results of alignment review

There has been a clear overall improvement in instances of full alignment across the associations assessed. This is now 36% higher, with 66 additional instances of policy alignment across the positions assessed. This is matched by a consequential and significant 80% fall in the number of instances of 'no position'. Associations are increasingly developing policy positions where previously they were absent.

Bayer is contributing to this positive trend across markets in our day-to-day interactions with industry associations, alongside the engagement process set out on page 18. In addition to initiatives by individual actors, however, the larger political and economic context has also developed in favor of more climate-friendly policies, as climate change becomes an increasingly important and practical area of focus across wider sectors of the economy.

A partial increase in associations achieving just 'partial alignment' across key topics is also clear. An increase of six instances represents a 7% increase overall. While potentially counterintuitive, this still represents progress, as associations move through the policy development process (with most previously having been classed as 'no position'). Bayer would expect and will actively encourage these policy positions to evolve to support limiting global warming to 1.5°C and supporting the net zero transition.

The significant moves seen in 'endorsement of the Paris Agreement' and 'promotion of the transition to net zero' can be explained as two key foundational aspects of the transition. We are still pleased to see changes made on more specific topics such as 'lowering GHG emissions of agriculture' role of 'natural climate solutions to mitigate climate change'. As the transition continues to be navigated globally – growing in complexity while societally we experience the growing impacts of already unavoidable climate change – the importance of navigating detailed and more niche policy issues will continue to grow.

There are notable changes in alignment across a range of policy positions assessed:

	2021 total	2023 total	Difference
Aligned	186	252	66
Partial misaligned	72	78	6
No position	317	235	-82
Misaligned	10	2	-8

Significantly, there are eight fewer instances of overall material misalignment, namely at the US Chamber of Commerce, Associated Chambers of Commerce and Industry of India (ASSOCHAM), and the Unión Industrial Argentina (UIA). However, these also included the US National Association of Manufacturers and Russian Union of Industrialists & Entrepreneurs (RSPP) which are not included in this year's review.

Two instances are still evident concerning the policy stance of Industrieverband Agrar (IVA) in Germany and Unión Industrial Argentina (UIA). Detail on Bayer's response can be found on page 18, in line with our longstanding engagement and escalation process.

Changes across each policy position between 2021 and 2023

		Aligned	Partial misaligned	Misaligned	No position
Endorse the Paris Agreement	2021	23	9	0	33
	2023	30	13	0	20
	Change	7	4	0	-13
Promote the transition to Net Zero	2021	14	17	3	31
	2023	28	19	0	16
	Change	14	2	-3	-15
Promote policies to enable Net Zero	2021	24	13	2	26
	2023	35	11	0	17
	Change	11	-2	-2	-9
Lower GHG emissions in agriculture by 30%	2021	19	7	1	38
	2023	23	6	1	33
	Change	4	-1	0	-5
Promote technologies & innovation to improve climate performance	2021	43	3	1	18
	2023	50	4	0	9
	Change	7	1	-1	-9
Source 100% of electricity from renewables by 2030	2021	14	15	2	34
	2023	20	13	1	29
	Change	6	-2	-1	-5
Market-based approaches to carbon pricing & trading	2021	19	5	0	41
	2023	22	5	0	36
	Change	3	0	0	-5
Acknowledge climate-related trade measures within rules-based trade system	2021	9	1	1	54
	2023	16	2	0	45
	Change	7	1	-1	-9
Carbon offsetting & natural climate solutions to mitigate climate change	2021	21	2	0	42
	2023	29	4	0	30
	Change	8	2	0	-12

Complete industry association assessments

A summary of the full industry association assessment across all relevant criteria is set out below. More details on instances of material and partial misalignment are also provided in the Appendix.

● Aligned ● Partial misaligned ● Misaligned ● No position

	Territory	Paris Agreement	Transition to net zero	Policies to enable net zero	Lower GHG emissions in agriculture by 30%	Promote technologies & innovation to improve climate performance	Source 100% of electricity from renewables by 2030	Market-based approaches to carbon pricing & trading	Acknowledge climate-related trade measures within rules-based trade system	Carbon offsetting & natural climate solutions to deliver net zero
AAPRESID	Argentina	●	●	●	●	●	●	●	●	●
Agcarm New Zealand	New Zealand	●	●	●	●	●	●	●	●	●
Agricultural Biotechnology Council ABC	United Kingdom	●	● ▲	●	●	●	●	●	●	●
Agrofarma	Italy	●	●	●	● ▲	● ▲	● ▲	●	●	●
AmCham Argentina	Argentina	●	● ▲	●	● ▲	●	● ▲	●	●	●
AmCham China	China	●	● ▲	● ▲	● ▲	● ▲	●	●	●	●
AmCham Finland	Finland	● ▲	● ▲	● ▲	●	●	● ▲	●	●	● ▲
AmCham Mexico	Mexico	●	●	●	●	●	●	●	●	●
Assobiotec	Italy	● ▲	● ▲	●	●	●	●	●	●	●
Associação Brasileira da Indústria Química (ABIQUIM)	Brazil	●	● ▲	● ▼	●	● ▲	●	● ▼	●	●
Association of British HealthTech Industries (ABHI)	United Kingdom	●	● ▲	● ▲	●	●	●	●	●	● ▲
Association of Enterprises with Foreign Investment	China	●	●	●	●	●	●	●	●	●
Association of the British Pharmaceutical Industry (ABPI)	United Kingdom	● ▲	●	●	●	●	●	●	●	●
Australian Seed Federation	Australia	●	●	●	●	●	●	●	●	● ▲
Biotechnology Innovation Organization	United States	●	●	●	●	●	●	●	●	●
Brazil-China Business Council	Brazil	●	●	●	●	●	●	●	●	●
Brazilian Business Council for Sustainable Development (CEBDS)	Brazil	●	● ▲	● ▲	●	●	●	●	● ▲	●
Bundesverband der Deutschen Industrie (BDI)	Germany	●	● ▲	● ▲	●	●	●	●	●	●
Business Europe	European Union	●	●	●	●	●	●	●	●	● ▲
Canada Grains Council	Canada	●	●	●	●	● ▲	●	●	● ▲	●
CEFIC	European Union	●	● ▲	● ▲	●	●	●	●	●	●

● Aligned ● Partial misaligned ● Misaligned ● No position

	Territory	Paris Agreement	Transition to net zero	Policies to enable net zero	Lower GHG emissions in agriculture by 30%	Promote technologies & innovation to improve climate performance	Source 100% of electricity from renewables by 2030	Market-based approaches to carbon pricing & trading	Acknowledge climate-related trade measures within rules-based trade system	Carbon offsetting & natural climate solutions to deliver net zero
CESPEDES	Mexico	●	●	●	●	●	●	●	●	●
Confederation of British Industry	United Kingdom	●	●	●	●	●	●▲	●	●▲	●
Confederation of Danish Industry	Denmark	●	●	●	●	●	●	●▲	●	●
Confederation of Finnish Industries	Finland	●	●	●	●	●	●▲	●	●	●
Confederation of Indian Industry (CII)	India	●	●	●▲	●	●	●	●▲	●	●
Consejo Empresario Argentino para el desarrollo sostenible / Argentine Business Council for Sustainable Development (CEADS)	Argentina	●▲	●▲	●	●	●	●	●	●	●
Consumer Healthcare Products Australia	Australia	●	●	●	●	●	●	●	●	●
CropLife America	United States	●▲	●▲	●	●	●	●	●	●	●
CropLife Australia	Australia	●▲	●▲	●	●	●	●	●	●	●
CropLife Canada	Canada	●▲	●▲	●▲	●	●▲	●	●	●▲	●
CropLife Europe	European Union	●	●	●	●	●	●	●▲	●▲	●
Croplife International	International	●▲	●	●	●	●	●	●	●	●
Danish Agriculture & Food Council	Denmark	●	●	●	●	●	●	●	●	●
Danish Crop Protection Association	Denmark	●	●	●	●	●	●	●	●	●▲
Efpia	European Union	●	●	●	●	●	●	●	●	●
EU Chamber of Commerce in China	China	●	●	●	●	●	●	●▲	●▲	●
Federation of Indian Chambers of Commerce and Industry (FICCI)	India	●▲	●	●	●	●	●	●	●▲	●▲
Federchimica	Italy	●▲	●▲	●▲	●▲	●	●	●	●	●▲
Food, Health & Consumer Products of Canada (FHCP)	Canada	●▲	●▲	●▲	●	●▲	●	●	●	●▲
Forética	Spain	●	●	●	●▲	●▲	●	●▲	●	●
France Chimie	France	●	●	●	●	●	●	●	●	●▲
Global Self-Care Federation	International	●	●	●	●	●	●	●	●	●
Indian Chemical Council	India	●▲	●▲	●▲	●	●▲	●	●▲	●	●

Climate policy engagement in industry associations

Engagement process

Bayer continues to act on the findings raised in this analysis. Priority will be placed on engaging those industry associations highlighted as materially misaligned, but we will also be addressing instances of partial misalignment and no positions. In our [Engagement Update](#) published in 2022, we have outlined our engagement steps and challenges for the material misalignments identified in the 2021 review. In addition, we have also exemplarily illustrated our increased scope of activities to raise awareness for climate policy in other associations.

We remain committed to the engagement process divided into two phases, which is explained in detail in the 2021 Review. Engagement comes first, as Bayer raises the relevant issue with our trade association and seeks an amicable resolution. We expect that this process proves sufficient in the majority – if not all – instances of misalignment within one year after publication. Where necessary, however, we will move to remediation. Marking an escalation of the process, this would see Bayer exert pressure to influence the association's lobbying position. We will be working hard to leverage our influence to secure a change in policy position; however, such a situation could ultimately result in Bayer leaving the organization in question.

We are fully prepared to do what is required to secure the best outcome but believe that exerting influence from inside will ultimately have a greater positive impact than ending a relationship with an association.

Addressing material misalignments with associations identified in the review

In our 2021 Industry Association Climate Review we identified a total of 10 material misalignments in positions of our associations connected to six different associations. In 2022, we outlined the progress we have seen in the Engagement Update. Overall, we saw either a change in the respective association or assessed that we can make a greater impact on their position by further engaging rather than leaving the association – an observation confirmed by this year's review. While two of the identified associations, the National Association of Manufacturers, U.S., and the Russian Union of Industrialists & Entrepreneurs were no longer included in this year's review as outlined on page 12, only two of the identified material misalignments remain.

We would like to highlight the U.S. Chamber of Commerce and the Associated Chambers of Commerce and Industry of India, whose respective positions have evolved from a material misalignment to a partial misalignment with Bayer's climate positions. In addition, we identified a move from a material misaligned to an aligned position on promoting technologies and innovation that improve climate performance by Unión Industrial Argentina.

Besides the overall positive trend towards a more climate-friendly policy positioning across the reviewed associations, we have two remaining material misaligned positions. As the former material misalignments have proven that we can make a greater impact on their position by further engaging rather than leaving the association, we have decided to remain in the two associations for the time being. However, according to our engagement and remediation process, we will take different actions as detailed below.

// Policy criteria: 100% of procured electricity from renewable energies

Unión Industrial Argentina (UIA), Argentina

Bayer's planned action	
<p>The public position of the UIA remains unchanged. Although we see support for moving towards wider use of renewable energy in conversations, this movement is not gaining traction due to the continuing difficult economic situation of the country that heavily impacts the industry. However, since we have seen a positive development in the other misaligned position of the UIA, Bayer will continue to engage in regular meetings for climate policy in line with our climate targets to secure 100% renewable energies.</p>	
Association's position development in 2022 update	Bayer's engagement
<p>The public position of the UIA remains unchanged. Nevertheless, there is support for moving towards wider use of renewable energy in conversations. Due to the overall economic situation of the country that heavily impacts industry, however, this movement is not gaining traction.</p>	<p>Bayer engages in regular meetings with the UIA and will continue to engage for climate policy and to foster climate-friendly business models.</p>
Material misalignment in 2021 review	
<p>Association position:</p> <p>The UIA supports the use of all energy sources available in Argentina's territory, including hydrocarbons alongside renewables. It suggests the economic and environmental feasibility of its production and use should be taken into account.</p>	<p>Bayer position:</p> <p>Do not contravene relevant policies that Bayer has on sourcing 100% of procured electricity from renewable energies by 2030.</p> <p>We are committed to reducing our Scope 1 & 2 emissions by 42% by the end of 2029 compared to our 2019 baseline. Part of our approach requires a switch to 100% renewable energies and supporting climate-neutral technologies. We do not support ongoing investment in hydrocarbons.</p>

// Policy criteria: 30% reduction in GHG emissions per kg of harvested produce

Industrieverband Agrar (IVA), Germany

Bayer's planned action	
<p>Given the still existing lack of publicly declared acknowledgment of the urgent need to reduce GHG emissions at the IVA, we have recently initiated a very targeted discussion based on the review results at the highest levels of the association and use corresponding best practice examples, for example from CropLife Europe. In addition to this, we are currently discussing internal remediation measures such as a reduction of our membership fees. In any case, we are still very pleased if more companies in the agricultural sector would join a critical review of the association's climate positions.</p>	
Association's position development in 2022 update	Bayer's engagement
<p>There is still a lack of publicly declared acknowledgment of the urgent need to reduce GHG emissions at the IVA. The association focuses on climate action driven by increasing the efficiency of existing infrastructure.</p>	<p>Bayer is collaborating and engaging with the IVA in various dialogues to advance more proactive communication in leading the way forward for the agriculture sector. Since Bayer is the first company to review climate lobbying efforts of associations in the agriculture sector, we welcome support in this initiative to jointly drive change.</p>
Material misalignment in 2021 review	
<p>Association position:</p> <p>IVA advocates that intensive agriculture produces fewer emissions per grain in comparison to organic farming. This does not acknowledge that regardless of process, there is an urgent need to reduce GHG emissions from all forms of farming.</p>	<p>Bayer position:</p> <p>Do not contravene relevant policies that Bayer has on lowering GHG emissions per kg of harvested produce in major agricultural markets by 30%. We want to help reduce GHG emissions in major agricultural markets – per kilogram of crop yield – by 30% by 2030. This includes Bayer helping farmers to use climate-friendly methods, such as reducing ploughing and using digital solutions to reduce CO₂ emissions.</p>

Examples of advocating for climate-friendly policies in industry associations

“Multinacionales con España” creates an extensive plan to promote green products

As part of the “Multinacionales con España” association, Bayer collaborates with Spanish institutions to tackle some of society’s most pressing sustainability issues. The latest initiative that Bayer supported through this association is called [“Ecodesign and Business”](#), a report containing a multitude of proposals to promote the design of all products with sustainability in mind, or “ecodesign”.

Among the proposals is to incentivize climate awareness in product design with fiscal measures like tax incentives, new collaboration avenues between the public and private sectors, and uniform standards to measure product sustainability performance. In the report, Bayer also serves as an example of good sustainability practice, an additional way in which Bayer is aiming to set and improve the industry standard.

Confederation of Indian Industry (CII) to work on emission reduction in agriculture

CII is a membership association aiming to pivot the engagement of various industry sectors in the direction of India’s national development. As one of the most important associations in India with over 9000 members from the public and private sectors, the CII must balance the diverse viewpoints of its wide range of members. In this context, Bayer successfully initiated a collaboration with all relevant stakeholders to develop a CII Task Force on Sustainable Agriculture. To ensure the long-term sustainability of Indian agriculture, the Bayer-initiated Agriculture Committee developed comprehensive targets that were successfully met in 2022 and are set to be further continued and enhanced in 2023. Among others, the Sustainable Agriculture Task Force is collaborating with industry partners and experts to identify efficient technologies for emission reduction and improved water management. Additionally, the Task Force is launching an industry-led pilot project to maximize the impact of sustainable practices in rice production, especially in terms of water conservation.



EU discussion on carbon removals in the VCI, Germany

As the national chemical industry association, the VCI represents the interests of German chemical companies and German subsidiaries of foreign enterprises, representing over 90% of the German chemical industry. Against the background of the current EU discussion on a certification scheme for carbon removals, the VCI has also developed a position on carbon removal and the EU legislative initiative with its member companies. In these discussions, Bayer was intensively engaged given the strategic importance of carbon removals for our climate strategy as well as for the agricultural sector. Despite many discussions at expert level as well as in the highest climate committee, the VCI position differs significantly from ours, which is why we have decided to differentiate ourselves from the VCI on this specific issue.

We essentially differ in this: while the VCI is advocating for consideration of industrial CCU without permanency requirements under the carbon removal framework, Bayer is advocating for maintaining the mitigation hierarchy and keeping the removal framework of the EU focused on technical and nature-based removal solutions. As part of nature-based solutions, Bayer is focusing its advocacy engagement on the consideration of carbon farming in the EU certification scheme (see our position on the next page).

Additionally, we generally advocate for maintaining the mitigation hierarchy. It also follows that we define carbon capture at source as emission reduction; therefore, carbon recycling should not be considered under a carbon removal scheme as requested by the VCI. It should only be considered as a reduction if the usage after capture ensures permanency. Bayer is reducing its emissions along a 1.5°C pathway and using offsetting only for the emissions beyond this reduction pathway. In the end removals should only be used to compensate for hard to reduce emissions or emissions that cannot be reduced. As the EU-ETS is based on a reduction pathway, it should not be eligible for removal certificates at this stage as this would violate the mitigation hierarchy. The same applies to policy discussions on CCU and CCS, which should be regulated separately from a carbon removal certification scheme since these should be considered as emission reductions.

Bayer's position on the European Commission legislative proposal for a Regulation establishing a Union certification framework for carbon removals (as of May 2023)

Bayer welcomes the regulation proposal that provides a solid starting point for an EU harmonized voluntary certification framework. We believe carbon removals are important to mitigate climate change, but we want to stress that climate mitigation first and foremost must be realized through GHG emission reduction. Carbon removals should only be used to balance GHG emissions that cannot be or are hard to reduce. In the long run, they should contribute to reversing climate change.

Our contribution to this proposal focuses on arable carbon farming (the growth of annual crops such as wheat, potato, oil seed rape etc. on arable land) on mineral soils and includes the below features. We published our detailed position on an European carbon removal certification scheme [here](#).

// **Create certification of GHG emission reduction:**

We share the opinion that a certification framework is important to guarantee the quality of removals. Climate mitigation, however, covers carbon removals and GHG emission reductions. To assess the quality of a climate mitigation effort, certification of both is needed. In the case of carbon farming, GHG emission reduction and carbon removal often go hand in hand. Many carbon farming practices reduce GHG emissions and contribute to removing carbon. Being able to prove both through certification would support the climate mitigation effort required.

// **Provide guidance on the use of carbon removals:**

To reach the Paris goal of staying below 1.5°C, GHG emissions should be reduced along a strict 1.5°C pathway. Carbon removals should only be used as an additional measure to GHG emission reduction to accelerate climate mitigation.

// **Separate carbon removals from biogenic carbon emissions:**

In the proposal, emission reductions should not be confused with carbon removals. For carbon farming on mineral soils, only net increases in removals should be certified. Emission reduction from a biogenic carbon pool could be considered a co-benefit.

// **Ensure proper capacity building:**

Bayer agrees to the importance to support individual farmers with the necessary technical advice to effectively remove carbon. However, this should not only be the responsibility of producers, but also of other legal entities representing operators and certification bodies.

// Strengthen the efficacy of the voluntary framework:

The Regulation will create a voluntary framework that is not yet linked to any mandatory regime on carbon accounting such as EU ETS, Effort Sharing Regulation, LULUCF Regulation, or other. While Bayer supports a stronger 'compliance' link, we understand the policy decision to create a voluntary space to gain experience before deciding on a compliance system. The Regulation means to create an open, horizontal, and decentralized governance structure. We appreciate the experimental space for further development of carbon farming and the appropriate certification this voluntary framework creates.

// Ensure simplicity of baseline setting in carbon

farming: Bayer supports a harmonized, standardized baseline, as it offers opportunities to reward front runners while incentivizing ones behind to catch up. An even more practical approach could be a flat standardized baseline for carbon farming on arable mineral soils. Under a flat baseline, all net increases in soil carbon are certifiable in principle. The benefits of a flat baseline will be reduced transaction costs and stronger incentives for operators to engage in certified removal activities.

// Facilitate long-term carbon storage in farming:

Bayer appreciates the proposal of the Commission to ensure long-term storage. Considering the carbon removed released again after the ending of the monitoring period could however disincentivize investments in carbon removals. To enable project longevity, we propose the possibility to extend the monitoring period the inclusiveness of carbon removal portfolio-wide permanence mechanisms.

// Include social and economic sustainability

objectives: Carbon farming can and should serve more sustainability objectives than climate mitigation. Important co-benefits to include are farm productivity, security of agricultural production, quality of agricultural produce, and farmers' economic return to ensure farming remains an attractive sector to work in.

// Develop an outcome-based carbon removal

certification framework: Farming practices that can contribute to carbon removals or the generation of co-benefits do not necessarily do so. Their performance greatly depends on field implementation and other conditions. An outcome-based system provides the best guarantee that farmers can deliver on outcomes.



Next steps

This updated assessment of Bayer's industry association climate alignment highlights important progress. However, it also shows there is more still to do. Building on engagement initiated over the past two years, we will continue to focus on areas where Bayer can achieve an outsized impact.

This includes a focus on conversations with associations where there is still a lack of positions on key climate policy issues. The emphasis we have placed on engaging agricultural sector organizations has coincided with a broader appreciation of its importance in terms of climate change mitigation, resilience, and adaptation. This remains important work.

In parallel, climate change is a big threat to global public health. As previously stated, we will also focus on greater breadth and depth, in working with health and life sciences groups, in building on understanding, dialogue, and sophistication in their interaction with the climate-related policy agenda.

Bayer remains committed to actively advocating for policies that support the delivery of the Paris Agreement and demonstrating transparency in the process. We will publish an Engagement Update next year, covering among other topics, action taken in addressing areas of misalignment and refocusing wider engagement. This will be followed by another comprehensive assessment in 2025.



Appendix


Instances of material misalignment

Below is detail on each instance of material misalignment, ordered by policy criteria, identified during the assessment process. Each organization is now the focus of the engagement process. Where relevant this will lead to Bayer pursuing remediation options as outlined on page 18.

// Policy criteria: 30% reduction in GHG emissions per kg of harvested produce

Industry association: Industrieverband Agrar (IVA)


Country: Germany

Policy criteria	Association position	Bayer position
Do not contravene relevant policies that Bayer has on lowering GHG emissions per kg of harvested produce in major agricultural markets by 30%.	IVA advocates that intensive agriculture produces less emissions per grain in comparison to organic farming. In so doing, IVA failed to make clear the urgent need to reduce GHG emissions from all forms of farming, regardless of type.	We want to help reduce GHG emissions in major agricultural markets – per kilogram of crop yield – by 30% by 2030. This includes Bayer helping farmers to use climate friendly methods, such as reducing ploughing and using digital solutions to reduce CO ₂ emissions.
 Source: https://www.iva.de/umwelt/klimaschutz		

// Policy criteria: 100% of procured electricity from renewable energy sources

Industry association: Unión Industrial Argentina (UIA)

Country: Argentina

Policy criteria	Association position	Bayer position
Do not contravene relevant policies that Bayer has on sourcing 100% of procured electricity from renewable energy by 2030.	The UIA supports the increased, large-scale exploitation of the Vaca Muerta shale formation so that it can continue to be a significant source of fossil fuel energy for the country. It is the world's second largest shale gas reserve and fourth largest shale oil reserve. The UIA also supports extracted gas to be shared with neighboring countries like Chile and Bolivia.	We are committed to reducing our Scope 1 & 2 emissions by 42% by the end of 2029 compared to our 2019 baseline. Part of our approach requires a switch to 100% renewable energies and supporting climate-neutral technologies. We do not support ongoing investment in hydrocarbons.
 Source: https://www.uia.org.ar/energia/3377/seminario-de-la-uia-sobre-eficiencia-energetica/		

Instances of partial misalignment

Below is an overview of each instance of partial misalignment, ordered by policy, that were identified during the assessment process. Each organization is now the focus of the engagement process (see page 18). Given the number of organizations in question it is impracticable and somewhat duplicative to disclose additional context on the specific instance of partial misalignment.

This is available on request depending on the stakeholder in question. Should engagement prove unsuccessful, further detail will also be disclosed as Bayer pursues the remediation process.

// Policy criteria: Publicly support the Paris Agreement and its goals

Bayer position

We are dedicated to a climate policy that is in harmony with our ambitious climate targets and therefore advocate for decarbonization measures in line with the Paris Agreement.

Partially misaligned industry associations	Country
Agrofarm	Italy
AmCham Mexico	Mexico
Assobiotec	Italy
Association of British HealthTech Industries (ABHI)	United Kingdom
CESPEDES	Mexico
Consejo Empresario Argentino para el desarrollo sostenible / Argentine Business Council for Sustainable Development (CEADS)	Argentina
CropLife America	United States
CropLife Australia	Australia
CropLife Europe	European Union
France Chimie	France
Indian Chemical Council	India
Union Industrial Argentina (UIA)	Argentina
Verband forschender Arzneimittelhersteller (VFA)	Germany

// Policy criteria: Publicly support the transition to net zero

Bayer position

A science-based approach to combating climate change recommends the transition to net zero emissions by 2050. We have set ourselves the target to achieve net zero GHG emissions including our entire value chain by 2050 or sooner and signed the Business Ambition for 1.5°C. In line with its own positions, Bayer expects industry associations to engage for the transition to net zero.

Partially misaligned industry associations	Country
AmCham China	China
Assiobiotec	Italy
Associação Brasileira da Indústria Química (ABIQUIM)	Brazil
Brazil-China Business Council	Brazil
Consejo Empresario Argentino para el desarrollo sostenible / Argentine Business Council for Sustainable Development (CEADS)	Argentina
CropLife America	United States
CropLife Australia	Australia
Croplife International	International
EU Chamber of Commerce in China	China
France Chimie	France
Indian Chemical Council	India
Industrieverband Agrar (IVA)	Germany
Japan Pharmaceutical Manufacturers Association (JPMA)	Japan
Mexican-German Commerce Chamber (CAMEXA)	Mexico
National Confederation of Industry (CNI)	Brazil
Phyteis (formerly Union des Industries de la Protection des Plantes or UIPP)	France
Union Industrial Argentina (UIA)	Argentina
US Chamber of Commerce	United States
Verband der Chemischen Industrie (VCI)	Germany

// Policy criteria: Publicly support policies that enable the transition to net zero

Bayer position

We are dedicated to a climate policy that is in harmony with our ambitious climate targets and therefore advocate for decarbonization measures in line with the Paris Agreement. The net zero transformation catalyzes the development of new technologies, business models and operational practices in industry and agriculture. Innovation for climate mitigation and adaptation should be inclusive towards all promising technologies. Bayer supports regulatory frameworks and policy initiatives that promote innovative low carbon and carbon neutral products, processes and business models and strengthen industry competitiveness at the same time.

Partially misaligned industry associations	Country
AmCham China	China
AmCham Mexico	Mexico
Associação Brasileira da Indústria Química (ABIQUM)	Brazil
Canada Grains Council	Canada
CESPEDES	Mexico
Croplife International	International
France Chimie	France
Japan Pharmaceutical Manufacturers Association (JPMA)	Japan
Mexican-German Commerce Chamber (CAMEXA)	Mexico
PAGB - the Consumer Healthcare Association	United Kingdom
Union Industrial Argentina (UIA)	Argentina

// Policy criteria: Do not contravene relevant policies that Bayer has on lowering GHG emissions per kg of harvested produce in major agricultural markets by 30%.

Bayer position

Bayer is working with farmers to reduce the ecological footprint of agriculture, which currently accounts for about 25% of GHG emissions worldwide. We want to help reduce GHG emissions in major agricultural markets – per kilogram of crop yield – by 30% by 2030. This applies to the most emitting cropping systems in regions Bayer operates. This includes Bayer helping farmers to use climate-friendly methods, such as reducing ploughing and using digital solutions, to reduce CO₂ emissions.

Partially misaligned industry associations	Country
AmCham China	China
AmCham Mexico	Mexico
Brazilian Business Council for Sustainable Development (CEBDS)	Brazil
Canada Grains Council	Canada
CropLife America	United States
Federchimica	Italy

// Policy criteria: Do not contravene relevant policies that Bayer has on promoting technologies and innovation that improve climate performance, including energy efficiency.

Bayer position

The net zero transformation catalyzes the development of new technologies, business models and operational practices in industry and agriculture. Innovation for climate mitigation and adaptation should be inclusive towards all promising technologies. Bayer supports regulatory frameworks and policy initiatives that promote innovative low carbon and carbon neutral products, processes and business models and strengthen industry competitiveness at the same time.

Partially misaligned industry associations	Country
Associação Brasileira da Indústria Química (ABIQUIM)	Brazil
Australian Seed Federation	Australia
CESPEDES	Mexico
Consejo Empresario Argentino para el desarrollo sostenible / Argentine Business Council for Sustainable Development (CEADS)	Argentina

// Policy criteria: Do not contravene relevant policies that Bayer has on sourcing 100% of procured electricity from renewable energies by 2030.

Bayer position

We will reduce our Scope 1 & 2 emissions by 42% until end of 2029 compared to our 2019 baseline. This target has been approved by the Science Based Target initiative as aligned with a 1.5°C pathway. To accomplish this, we will combine measures, such as more efficient inward and outward ventilation systems, a move to climate-neutral technologies, such as geothermal energy for heating and cooling and a switch to 100% purchased electricity from renewable sources.

Renewable energies are the basis for climate-neutral production. Climate neutrality will be achieved to a large extent by switching from fossil fuels to renewable energies. To foster the energy transition, governments need to ensure cost competitive alternatives to fossil fuels, to guarantee security of supply of renewable energies and to ensure the availability of adequate systems for purchasing renewable energies.

Partially misaligned industry associations	Country
AmCham Mexico	Mexico
Associação Brasileira da Indústria Química (ABIQUIM)	Brazil
Brazilian Business Council for Sustainable Development (CEBDS)	Brazil
CEFIC	European Union
EU Chamber of Commerce in China	China
Federation of Indian Chambers of Commerce and Industry (FICCI)	India
Federchimica	Italy
Forética	Spain
Mexican-German Commerce Chamber (CAMEXA)	Mexico
National Confederation of Industry (CNI)	Brazil
The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	India
US Chamber of Commerce	United States
Verband forschender Arzneimittelhersteller (VFA)	Germany

// Policy criteria: Do not contravene relevant policies that Bayer has on support for a market-based approaches to carbon pricing and trading.

Bayer position

A carbon price mechanism is a key regulatory instrument. Market-based approaches like cap and trading systems are highly efficient to foster the development of carbon-low or carbon-neutral technologies and products without predefining technologies. Sector-specific features need to be recognized (no one size fits all-approach). Given the need for carbon neutrality steps across the globe, Bayer supports a global carbon market – at least at a G20 level. If this is not applicable, regional carbon pricing mechanisms with installed carbon leakage protection are preferable to national ones in any case. Internally, we align our capex spending with our ambition to achieve net zero GHG emissions by 2050, in line with the global goal to limit global warming to 1.5°C. To drive internal change, we have set ourselves an internal carbon price of €100 per metric ton when calculating our capital expenditure projects and additionally conduct ecological assessments of relevant investments.

Partially misaligned industry associations	Country
Assobiotec	Italy
EU Chamber of Commerce in China	China
Indian Chemical Council	India
Japan Pharmaceutical Manufacturers Association (JPMA)	Japan
Verband der Chemischen Industrie (VCI)	Germany

// Policy criteria: Do not contravene relevant policies that Bayer has on acknowledgment of climate-related trade measures within the rules-based international trade system.

Bayer position

Climate neutrality should be embedded into both industry and agriculture policy strategies to transform to a climate-neutral and sustainable economy while preserving competitiveness at the same time. Action plans to establish additional incentive mechanisms for good practices supporting GHG emission reduction targets in industry and agriculture are widely and globally necessary. Bayer favours rule-based free trade, thus, country-based measures always need to be in line with WTO framework and further international agreements.

Partially misaligned industry associations	Country
Brazilian Business Council for Sustainable Development (CEBDS)	Brazil
EU Chamber of Commerce in China	China

// Policy criteria: Do not contravene relevant policies that Bayer has on carbon offsetting & natural climate solutions to mitigate net zero.

Bayer position

In agriculture, a certification to a recognized standard is key so that farmers will be able to quantify, verify, certify and sell their GHG emission savings as carbon credits to industries willing to offset their carbon footprint. Pricing for these high-quality offsets should be appropriate to outweigh the implementation, verification and certification costs ensuring the return for investment for farmers. We strongly encourage public and private sector investments in innovations that support sustainable intensification of food production and advocate for policies and foster market mechanism that enable such innovations to provide opportunities for ecosystem diversity improvements and carbon removals due to the reduced land footprint of agriculture.

Partially misaligned industry associations	Country
AmCham Finland	Finland
CropLife Australia	Australia
Federchimica	Italy
Food, Health & Consumer Products of Canada (FHCP)	Canada

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Kai Mornhinweg, kai.mornhinweg@bayer.com

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