

Sustainability Annual Report



Bayer UK & Ireland 2024

The need to deliver a more sustainable future is upon us.

Rising global temperatures, increasingly volatile weather events, a growing world population and the increasing burden on natural ecosystems are among the biggest challenges humanity is facing.

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

To view our published global Sustainability Report please follow the link (<https://www.bayer.com/en/sustainability/sustainability-reports>) and track our progress and impact.

Within the UK & Ireland, our customers, consumers, patients, farmers and colleagues have a passion and demand for progress and action on sustainability, and we adopt many of our global principles in addressing this, as well as many local additions.

We have the ambition to support Climate Change by reducing our carbon emissions from our own operations (scope 1 & 2) by 42% and those of our value chain (scope 3) by 25% by 2030*.

We also strive to achieve Net Zero within the UK & Ireland by 2045.

*vs a base year of 2019 – aligned to global base lines

UK&I Corporate



- ❖ **Carbon Footprint UK & Ireland** accelerates our Net Zero commitment ahead of global, to 2045
- ❖ **Carbon Reduction** continued carbon emissions reduction year on year, reaching -49.7% vs 2019
- ❖ **Sustainable Business Travel** launch of the sustainable business travel guide to reduce carbon emissions and educate on best transport methods
- ❖ **Volunteering UK&I** 66% more volunteering involvement vs 2023
- ❖ **Education & Awareness** webinar/learning sessions, workshops and team sessions, annual survey launched
- ❖ **Waste Reduction** reduced product disposals by +£690k across Pharmaceuticals and Consumer Health
- ❖ **Diversity, Equity & Inclusion** workshops, resources and events to champion everything DE&I
- ❖ **BayLab** saw its 12,000th student go through its doors
- ❖ **STEM Ambassadors** our Grads and Apprentices reached out to local schools to provide lessons and experiments
- ❖ **Collaboration** Green Park Sustainability Council work in collaboration to drive benefits for the entire business park
- ❖ **Levy Funding** Bayer donates £180k fund to South Central Ambulance Service
- ❖ **Engaged MP** visit of local Reading MP to gather support on sustainability policy topics

Divisions in the UK&I



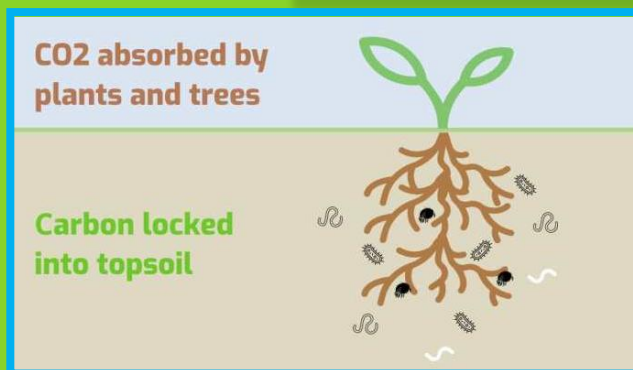
Consumer Health

- ❖ Partnered with Superdrug & MUA Make up to amplify 'The Truth Undressed' with the 'Let's Talk' campaign to break down stereotypes and stigma surrounding bodies.
- ❖ First ever **connect packaging**. On three NPDs* QR code for access to information for visually impaired
- ❖ **Amazon logistics** emissions reduction of 76% vs 2022
- ❖ First Berocca **product launched without cardboard carton** – making outer 34% lighter than standard
- ❖ **Bepanthen removes plastic wrapping** to reduce weight and plastic
- ❖ Bayer achieves **top tier ESG score** in 2024 AGS



MUA = Makeup Academy
NPD = New Product Development
ESG = Environment, Social, Governance
AGS = Advantage Group Survey

Crop Science



- ❖ Growth of **MagicTrap**, innovation supporting sustainable needs
- ❖ Supporting the debate on **genome editing** for seed development which could support global food security
- ❖ **Carbon pilot farm project** explored how farms can reduce their carbon emissions through different practices and innovation such as soil sequestration
- ❖ **Reduced logistics carbon emissions** by 25% vs 2023
- ❖ **Reduced Business Travel** emissions by 12% vs 2023

Science for a better life

Divisions in the UK&I



Pharmaceuticals

- ❖ **NHS collaboration** with Moorfields hospital on sustainability initiatives
- ❖ +58k hours spent **educating and engaging with HCPs** in calls and meetings
- ❖ **2024 Pharma Conference** our most sustainable yet, with multiple initiatives promoting sustainability
- ❖ Progress made on our **electric vehicle** fleet now at +30% of all vehicles
- ❖ Achieved top 2% score of all suppliers on the **Evergreen Assessment**
- ❖ **Ireland team** show incredible support for Bumbleance, Charity of the Year, with €9.6k raised and donated

Enabling Functions



- ❖ **Opinion piece published** in Chamber UK on sustainability policy impact and support
- ❖ +10k paper invoices saved through converting to **electronic invoicing**
- ❖ **Reduced medicines wastage** through labelling agreement we trigger through the MHRA. Stopping £770k of scrappage since 2022
- ❖ **Reduced logistics emissions** by 11.5% vs 2023 and 16.5% vs 2019
- ❖ **Engaged four Government departments** across key UK sustainability policy
- ❖ **Bayer donates £180k Levy Funding** to South Central Ambulance Service



Global sustainability ambition & targets



Health for all, Hunger for none

A growing world population and the increasing burden on natural ecosystems are among the biggest challenges humanity is facing. As a global leader in healthcare and nutrition, Bayer can contribute more than any other enterprise to solving global challenges through its business. With this goal in mind, Bayer is committed to ambitious targets that it aims to achieve through its own business activity and the endeavors of its employees.

Sustainable Development Goals (SDGs) on which we have the greatest impact through our business activities

Our sustainability strategy is aligned with the global SDGs of the United Nations. From climate action to more sustainable agriculture and food security, from access to healthcare products to empowering women, we are working consistently and purposefully to reduce risks and increase our positive impact.



¹ LMICs: low- and middle-income countries
² These targets are accounted for in the long-term variable compensation (LT) of our Board of Management and our LTI-entitled managerial employees.
³ GHG: greenhouse gas emissions
⁴ Comprises direct emissions (Scope 1) and indirect emissions (Scope 2, market-based) from Bayer sites whose annual energy consumption exceeds 1.5 terajoules
⁵ In accordance with the criteria set out by the Science Based Targets initiative (SBTi), the following Scope 3 categories of the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting & Reporting Standard are relevant for Bayer: (3.1) purchased goods and services, (3.2) capital goods, (3.3) fuel- and energy-related activities, (3.4) (upstream) transportation and distribution and (3.6) business travel.
⁶ Entire Scope 1, 2 & 3 emissions. Scope 3 includes all categories defined in the GHG Protocol.
⁷ Our reduction target refers to an overall base year greenhouse gas intensity that includes the weighted emission intensities of 17 crop-country combinations (CCC).
⁸ The crop-country combinations Italy-Corn and Spain-Corn were not selected based on these factors but were additionally included because data were already available.
⁹ Water productivity is defined as kg of crop yield per volume of water applied (kg/m³).
¹⁰ Baseline validation still ongoing
¹¹ Our water target is currently focusing on the DirectAcres Initiative, which aims at supporting farmers shift successfully from transplanted puddled rice to mechanized direct seeded rice.
¹² Where safety permits and regulations allow

Key Facts & Messages



Bayer UK & Ireland 2024

- ❖ Our **UK&I Carbon Footprint** has reduced by 49.7% since 2019 for our combined Scope 1, 2 & 3
- ❖ Over **12k students** have gone through our Reading **BayLab** since 2016, education young people on STEM subjects
- ❖ **Multi-award-winning Truth Undressed program**, breaking taboo's and educating young women in schools and social media about their intimate health and anatomy
- ❖ Consumer Health launches a **recyclable blister pack** solution and continues to sponsor the take back and recycling of blister packs in partnership with Superdrug.
- ❖ Bayer continues efforts to **reduce medicines wastage** with a further £690k drop in disposals vs 2023

