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News Release

Bayer Carbon Initiative:

Bayer launches its decarbonization program for agriculture in Europe

- In line with the political objectives of the EU Green Deal, the program's main goal is to fight climate change by establishing carbon farming practices at farmers' level with benefits for the entire agricultural value chain
 - Program kicks off with over 25 farmers across seven countries in the EU and beyond: France, Spain, Belgium, Denmark, Germany, United Kingdom and Ukraine
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Monheim, June 29, 2021 – Today, Bayer announced the European launch of its global Carbon Initiative. The main goal is the decarbonization of the food value chain focusing on farmers' activities for a more resilient and sustainable food system. It brings together farmers and food value chain players to explore future reward structures for farmers implementing new carbon reduction practices and thus contributing to the Green Deal objectives of the European Commission. The new European Carbon Program recognizes the pivotal role growers and their land can play in helping to create lasting, positive environmental impacts and is an integral part of Bayer's sustainability commitments specifically aimed at reducing field greenhouse gas (GHG) emission by 30% in 2030.

“Our Carbon Program actively contributes to the development of carbon farming activities in Europe by working directly with farmers in their role as primary producers and involving companies throughout the food value chain. This collaboration at a food value chain level will help decarbonize the European food system in a way that works for farmers, the environment and consumers,” said Lionnel Alexandre, Carbon Business Venture Lead for Europe, Middle East and Africa at Bayer Crop Science. “The main idea is to reward growers for adopting climate-smart farming practices like using cover crops, tillage reduction, crop rotations and precision nitrogen application. These activities sequester

carbon in the soil while improving soil health, resilience and productivity as well as limit emissions.”

To support these operations, Bayer will develop a digital tool which will allow farmers to claim rewards based on accurate and verified data. It will be compliant with current data privacy standards and will be reliable and simple to operate for every farmer. This digital Monitoring, Reporting and Verification (MRV) solution builds on Bayer’s industry-leading digital farming platform Climate FieldView™.

The 27 participating farmers from seven countries are collectively contributing about 500 hectares of land from their farms based in France, Spain, Belgium, Denmark, Germany as well as Ukraine and the United Kingdom. Central to the European Carbon Program is the practice of co-creation: farmers, Bayer experts and food value chain players work together in a carbon farming lab where they can jointly test activities and generate learnings. Discussions with several food processors and retailers are ongoing, and they are expected to join the Carbon Program by the end of the year.

After establishing the current carbon content in the participating farmers’ lands as the baseline for the project, farmers will implement climate smart farming practices like using cover crops and tillage reduction. This implementation of new practices will be continuously monitored and improved. The learnings and the further insights gained from the participating project partners from across the food value chain will inform the design and implementation of an accurate and reliable digital MRV tool. The program is expected to deliver this new digital solution in the next three years, while its implementation within Climate FieldView™ is planned for the third year.

“An intact soil structure and organic matter soil management are decisive for securing my income”, said Stefanie Peters, Agro-Farm GmbH Nauen and part of the Bayer ForwardFarm network. “In my opinion, carbon farming, the sequestration of carbon in the soil, can make a great contribution to this. I am also looking forward to working with a variety of partners within Bayer’s carbon program.”

The European launch is part of the company’s [Global Carbon Initiative](#) which launched in the U.S. and in Brazil in July 2020. In these countries, Bayer is the first agriculture company to offer all the necessary technologies in terms of seeds and traits, crop

protection and digital solutions, cost-efficient MRV and certification according to internationally recognized standards.

Alexandre Teillet, Head of New Business Models at Bayer Crop Science for Europe, Middle East and Africa, summed up: “Our vision is that in the future, food retailers or food processors will be able to work with confidence on effective carbon emission reduction projects involving their partner farms from their specific supply chains. At the same time, farmers, as primary producers of a stable and longer food value chain, shall be rewarded in a transparent and fair way – for their effective carbon emission reductions conducted through their farming practices everywhere in the world.”

This European Carbon Program kick-off is the latest addition to Bayer’s actions to help decarbonize Food Systems in Europe. Earlier this year, the company announced its participation into the [EU Carbon + Farming Coalition](#) which is driving a farmer-centric approach for designing Food Systems decarbonization solutions in the region. The Coalition will also deliver to the European Commission a set of recommendations to help framing EU policies that will enhance climate smart solutions adoption at scale.

More quotes about the European Carbon Program by participating farmers from Belgium, Denmark, Germany, France, Spain and the UK are available upon request.

About Bayer

Bayer is a global enterprise with core competencies in the life science fields of health care and nutrition. Its products and services are designed to help people and planet thrive by supporting efforts to master the major challenges presented by a growing and aging global population. Bayer is committed to drive sustainable development and generate a positive impact with its businesses. At the same time, the Group aims to increase its earning power and create value through innovation and growth. The Bayer brand stands for trust, reliability and quality throughout the world. In fiscal 2020, the Group employed around 100,000 people and had sales of 41.4 billion euros. R&D expenses before special items amounted to 4.9 billion euros. For more information, go to www.bayer.com.

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ah (2021-0105E)

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