

Thank you for revising your manuscript. I've read the revised manuscript and your response letter again and am mostly satisfied with your responses. I do have two remaining comments and a handful of minor comments aimed at clarification.

Remaining comments:

1. My first comment relates to the unit of analysis (field, farm, region?) and the aim of the paper (lines 73-75). I still struggle to understand what the aim of the paper is, as it consists of two parts. The first part is about the biophysical damage of extremes and droughts, and the second part relates to farm-level revenue losses. I am a bit confused here, as you work with regional/district-level data and present your results (i.e. Figures 3-7) at a regional level as well. Can you clarify how you measure farm-level revenues with regional data? Or is the unit of analysis regional/district-level? Please check throughout your whole manuscript if it is regional.
2. My second comment relates to the focus on droughts or droughts and other extreme weather events in the current manuscript. Having read your work again, I have to admit that I still feel the manuscript predominantly focuses on droughts and less on other extremes. You now acknowledge this in the limitations (lines 500-505), where you highlight that these other extremes are not considered in the counterfactual.

Besides that, the vast majority of the results focus on droughts. Section 3.4 should be about droughts and other extremes, but I find it still to be dominated by droughts, with little mention of other extremes. Can you describe this a bit better in the main text? Figure 6 is clear, so you could build on that.

A handful of minor comments, most of them for clarification:

- You often refer to "regions" (e.g. line 187) and sometimes to "districts" (e.g. lines 227-229). Can you define somewhere what you mean by these? Do regions consist of districts (i.e. a region is bigger than a district), or are they synonyms?
- Figures 3, 4, and 5: Check the legend and be consistent. Figures 3 and 5 refer to "drought losses," while Figure 4 refers to "drought damages." Should this be consistently "damage"?
- Figure 4: "mn" should be "millions."
- Lines 395-400: I would refrain from referring to specific districts without specifying where in Germany these districts are located. For non-German readers, that is hard to understand. Specify where Mecklenburg-Vorpommern, Lower Saxony, and Saxony-Anhalt are located.
- Lines 408-410: "Contrary to intuition,... specific crop affected." Explain what extremes have a positive effect on yield anomalies.
- Lines 430-435: Thanks for running all these robustness checks and sensitivity analyses. Can you add a couple of lines explaining these findings? What explains the lower and/or upper range? And how do these results increase your confidence in your main model specification?
- Lines 506-508: "This study presents a conceptual framework ... in agriculture." You just removed the conceptual framework when you revised the paper. Maybe rephrase it to "provides an empirical illustration"? I would also change "economic impacts" to "economic damage" in that sentence to maintain consistency throughout the paper.
- You suggest future research both at the end of the discussion (lines 504-505) and at the end of the conclusions (lines 531-535). I suggest merging these. Either at the end of the discussion or the conclusion is fine.