Bayer AG
Communications
51368 Leverkusen
Germany
Phone +49 214 30-1
www.bayer.com/en/media

News Release

Bayer Investor and Media Update
Tuesday, February 17, 2026
Leverkusen

(Please check against delivery)

(2026-1500e)

Bill Anderson,
Chairman of the Board of Management (CEO):

Today marks an important milestone for the company. Two years ago, we committed to significantly containing litigation. Today, we're putting forward a major step in that direction. The Monsanto company has reached agreement with a nationwide class of plaintiffs to settle current and potential future cases in the U.S. glyphosate litigation. Under the settlement, which awaits court approval, Monsanto will make capped annual payments that decline over time, spread out over a period of up to 21 years.

Why are we doing this? I will give you three main reasons.

First, this is a choice for speed and containment over a protracted legal battle. Instead of spending decades in legal disputes, we're choosing to focus the company on its true mission. Litigation uncertainty has plagued the company for years, and this settlement gives the company a road to closure. The proposed settlement comes at a price, but we have a plan to finance it, and it's distributed over many years. And we're making good on one of the central promises we made two years ago. This is a move to liberate the company from the litigation burden so our people can dedicate resources to cell and gene therapies, drought-resistant seed hybrids, and better ways of taking care of everyday health. I'm confident that will yield a bigger impact for Health for all, Hunger for none, and a better return for investors.

Second, the timing was right. For three years, we've upped our containment efforts. Eventually, we reached a point when plaintiff lawyers were willing to come to the table. After many months of difficult negotiations, Monsanto reached a deal. And that agreement is now subject to approval from a court in Missouri, where the vast majority of cases are pending.

Third, we're settling because this move complements the Supreme Court review of our case, in a way that could provide the tightest possible form of containment. In fact, the two are independently necessary and mutually reinforcing. Let me elaborate. Today's agreement addresses the bulk of eligible current and future cases. It wouldn't even be possible without the Supreme Court's decision to accept our case. Beyond that, the stakes of the Supreme Court's decision are large. A decision in our favor would address cases not covered by the settlement, including significant adverse pending judgements.

Plus, a favorable decision from the Supreme Court would both disincentivize and cover potential opt-outs from the settlement. What's just as critical is the question of federal preemption. And that's where the Supreme Court's ruling is absolutely essential. Their decision on this issue has massive consequences for manufacturers of crop protection products, both products on the market today and in development, as well as for US farmers, who urgently need clarity on how crop protection products are regulated in the United States of America.

Any lack of regulatory clarity on this matter could jeopardize the availability of these vital products, with potentially severe consequences for American farmers and the American food system. It's time for the courts, as well as lawmakers at the federal and state levels, to act. Take this example: we're preparing to launch the first new herbicide in a generation, icafolin. And we're likely going to launch it in Brazil before we launch it in the U.S. American farmers and consumers deserve better. The issue is urgent. It's bigger than glyphosate. It demands clarity on future innovation that this settlement will not provide — but the U.S. Supreme Court can. That's why we've taken a multi-pronged approach and we will continue our diverse containment efforts beyond today's announcement.

Now, this isn't the first attempt at a class settlement. We need to acknowledge that. And we've learned from that experience in designing this agreement. My colleague Bill Dodero will go through that with you.

Separate from the class, the company also has reached agreements to settle certain cases in PCB litigation, as well as additional glyphosate cases, on confidential terms. In total, these resolutions, including litigation costs, will lead to an increase of the provision and liabilities.

I'll hand over to Wolfgang to break that down for you and give you some further detail on the financials.

Wolfgang Nickl,
Chief Financial Officer:

You'll hear three things from me. The first is a breakdown of our revised provision. The second is direction on what this means for our cash flow projections. And the third is our plan to finance these resolutions.

First, on the provision and liabilities for litigation, which we've increased from 7.8 billion euros to 11.8 billion euros. This is made up of two main components. First, on glyphosate, it includes the class, separate strategically necessary glyphosate settlements, defense and other litigation-related costs. Beyond that, there are the PCB cases, including Sky Valley Education Center verdicts and two settlements we've made with U.S. states, as well as additional defense costs.

My second point is on the litigation-related cash implications, which we expect to total approximately 5 billion euros in 2026. Under the proposed class settlement agreement, the largest of the annual payments would be funded this year. Additionally, we have to pay out settlements for both glyphosate, outside of the class, and PCBs in 2026. Therefore, we're expecting a negative free cash flow in 2026. We will provide more detail with the communication of our full year results, which we are moving to March 4th.

As Bill mentioned earlier, one of the core drivers of our containment strategy is giving the company and its stakeholders more clarity and the ability to forecast. Here's our current view regarding litigation-related payments in the mid-term. After taking the cash impacts in 2026, we anticipate annual payments of all litigation-related payments closer to roughly 1 billion euros for the subsequent five years, at which point they drop significantly for the remainder of the up to 21-year-period. I share all of this for modeling purposes. Let me remind you, all of this is contingent on many factors, including final approval of the class settlement.

Finally, on the financing, we have worked out a plan. That plan secures our liquidity, including refinancing needs. The immediate financing is secured with a bank loan facility of 8 billion U.S. dollars, which we signed today. Ultimately, the financing is planned to utilize senior bonds and instruments receiving equity-credit by rating agencies. We are not planning to use the previously authorized capital increase.

Bill Anderson,
Chairman of the Board of Management (CEO):

In terms of next steps, the class settlement will now move through the approval process. In parallel, we will present our case to the Supreme Court, with a hearing scheduled for April 27th. Further, the company will continue to advocate for and defend regulation that is science-based and provides clarity for American farmers. Today's announcement is not our sole path to containment, but a major step in our multi-pronged strategy. We will closely follow the next steps. We will remain prepared for all possible outcomes, and everything remains on the table.

Before handing it over, I'll close with an important point. To be clear: Today's announcement does not take away from the truth, a truth that scientists and regulators around the planet continue to uphold: that glyphosate is a safe and essential tool for farmers in the U.S. and around the world. This settlement comes at a cost, even beyond its direct monetary price. It has cost employees their jobs. It's diverted funding away from new medicines and new seeds and towards litigation, an industry that costs the average U.S. household more than four thousand dollars every year. So, while this settlement is necessary for the company today, we maintain our significant objections to the broken tort system that makes it necessary.

Now I'll ask Bill Dodero to provide more information on the proposed settlement.

Bill Dodero,
Global Head of Litigation and Head of Law, Patents and Compliance North America:

I will provide you with more details on the class settlement, but first I want to expand on a few key points that Bill made.

The goal in reaching this class settlement and pursuing our Supreme Court case is to reach the greatest possible closure for the Roundup™ litigation. By that we mean addressing all of the present and potential claims of Non-Hodgkin-lymphoma (NHL) allegedly due to Roundup™ exposure, and either foreclosing them or resolving them as quickly as possible. That is the best and surest path to enable Bayer to get back to its mission. To do this, both the class settlement and Supreme Court case are necessary, and they mutually reinforce one another.

Let me explain how:

First, The Supreme Court case, entitled *Durnell*, is critical to resolving substantial outstanding damage awards with pending appeals, which are not covered by the class settlement. It also would cover opt-outs from the settlement – that is, claimants who are eligible to participate in the class but choose not to. Overall, it would foreclose present and future claims grounded on state label-based warning theories – which is the central allegation in all the Roundup™ cases to date. And, as Bill mentioned, it would provide much needed, definitive guidance from the United States Supreme Court, which recently agreed to decide whether the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) preempts a label-based failure to warn claim where EPA has not required the warning. Clarity here is critical to support innovation, and for us to continue to provide vital tools to U.S farmers and food security to Americans.

Significantly, the potential impact of *Durnell* is not limited to glyphosate/Roundup™, NHL claims or even the agricultural industry. The outcome can have broader impact because other federal statutes that govern medical devices, poultry products, meat and motor vehicles, among others, contain the same or very similar federal preemption language. And courts deciding cases often give weight to how statutory language has been interpreted, even if it is contained in different laws.

The class settlement, in turn, is designed to resolve Roundup™ claims alleging NHL injuries regardless of the legal theory on which they are based. It provides a resolution for any litigation remaining after the Supreme Court's decision, regardless of claim, preventing further delay to closure. The settlement also enables us to bring containment to this litigation through a structured process, with defined payments.

Now I will turn to the details of the class settlement:

The settlement was negotiated with and is supported by several leading nationally recognized plaintiff law firms including the Holland Law Firm, Ketchmark & McCreight, Motley Rice, Seeger Weiss, Waters Kraus Paul & Siegel, and Williams Hart & Boundas. We believe the class terms and strong support demonstrate that the settlement is fair to plaintiffs and will be key to the approval of the Missouri court. The settlement requires final court approval and is subject to any appeals.

The settlement class covers both current and potential future plaintiffs nationwide who were exposed to Roundup™ before February 17, 2026 and either: Have a medical diagnosis of NHL now. Or receive a medical diagnosis of NHL within 16 years after the settlement is effective.

It is a long-term claims program, reflecting the long latency of NHL, that will run for up to 21 years.

There will be a robust notice process to alert members of the class of the settlement, and they will have the opportunity to object or opt out if they wish. Monsanto will have the right to terminate the settlement without payment of claims if the number of opt outs is excessive.

Monsanto will make annual payments to support the class and claims program – and these will be capped and decline over time, which provides certainty for the company. Payments to eligible class members will be tiered and prioritized based on type of exposure, age at diagnosis, and the type of NHL.

Finally, let me address two key questions that I suspect are on many of your minds:
First, what happens next: Today, plaintiffs' counsel representing the class filed a motion for preliminary approval of the settlement with the Circuit Court of the City of St. Louis, Missouri. Next, the court will decide whether to preliminarily approve the settlement. Once this happens, class members will get notice of the settlement and be informed about their right to object or opt out if they wish. The court will then hold a fairness hearing and decide whether to give the settlement final approval, which may be subject to appeals.

Second, for those who may recall the Roundup™ class settlement proposed in 2020, I want to stress a few key differences between the settlement today and that earlier program: The new proposed settlement is a long-term compensation program, with funding up to 21 years, and is structured to address the needs of both present and future claimants through a common claims program. The prior proposed class settlement was a short-term program limited to four years with less funding, and future litigation beyond four years was subject to the findings of an expert science panel. There is no science panel in the current class settlement. It is a traditional long-term compensation program like that used in other mass-tort settlements.

In sum, the class settlement and Supreme Court case are the best path forward to contain the Roundup™ litigation so we can return to the work that is core to our mission. Thank you for making the time to join us today.

Bill Anderson,
Chairman of the Board of Management (CEO):

To close, what we're sharing today aims to enable the company to focus on its mission: Health for all, Hunger for none. Eighty-eight thousand people at Bayer are motivated by that mission every day. They're behind our growing Pharmaceuticals pipeline. We recently announced a breakthrough in stroke prevention, which we aim to bring to patients as fast as possible. They're behind our plans to launch an unrivaled number of blockbusters in agriculture over the next decade. And they're behind our ambition to bring brands like Aspirin™, Claritin™, Bepanthen™, and Elevit™ to more households around the world – particularly in places that lack access today. We see a compelling future for this company and today is an important step in clearing the path.