Debt Investor Information

Status: FY 2020
As of 25 February 2021
Cautionary Statements Regarding Forward-Looking Information

Forward-Looking Statements
This release may contain forward-looking statements based on current assumptions and forecasts made by Bayer management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer’s public reports which are available on the Bayer website at www.bayer.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.
Our Business Areas

**Crop Science**
- Innovative chemical & biological crop protection, seeds & traits, digital technologies & services

**Pharmaceuticals**
- Prescription drugs

**Consumer Health**
- Over-the-counter medicines, dietary supplements and dermatology products
We address megatrends that impact lives across the globe

**Megatrends through 2050**

<table>
<thead>
<tr>
<th>Aging population</th>
<th>Growing population</th>
<th>Pressure on ecosystems</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age 60+</strong></td>
<td></td>
<td>Significant loss in arable land per capita³</td>
</tr>
<tr>
<td>+ &gt; 100%</td>
<td>+ 2.2bn people¹</td>
<td>- 20%</td>
</tr>
<tr>
<td>1.0</td>
<td>7.6</td>
<td>2,129</td>
</tr>
<tr>
<td>People aged 60 and older, in bn</td>
<td>People, in bn</td>
<td>area, in m²</td>
</tr>
<tr>
<td>2017</td>
<td>2050</td>
<td>2017</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Age 80+</strong></td>
<td></td>
<td>+ Harvest losses from climate change⁴</td>
</tr>
<tr>
<td>+ &gt; 200%</td>
<td>+ 50%</td>
<td>- 17%</td>
</tr>
<tr>
<td></td>
<td>More food and feed required to meet growing demand²</td>
<td></td>
</tr>
<tr>
<td></td>
<td>to meet growing demand²</td>
<td></td>
</tr>
<tr>
<td>Number of people aged 80 and older to increase from 137m to 425m¹</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


/// Bayer Debt Investor Relations /// Status: FY 2020
Bayer has set Measurable Group-level targets for Sustainable Development until 2030.

Sustainability is an Integral Part of our Business Strategy

### Help more PEOPLE thrive
- **Support** 100m smallholder farmers in LMIC¹)
- **Provide** 100m women in LMIC with access to modern contraception
- **Expand** access to self-care for 100m people in underserved²) communities

### Decrease ECOLOGICAL footprint
- **Climate neutrality at own sites**
- **Reduced emissions in our supply chain**

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¹) LMIC: low- and middle-income countries - All countries included in the World Bank list as per 1 July 2019
²) underserved: Economically or medically

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Transformation into a Leader in Health & Nutrition Completed

**Group Profile**

- Past:
  - HealthCare
  - Basic and Fine Chemicals
  - Specialty Products
  - Consumer Care, Diagnostics
  - Animal Health

- Today:
  - Crop-Science
  - Polymers
  - Polyure-thanes, Coatings, Fibres

**Measures**

- Organic top-line growth and profitability improvement
- Transformational M&A in all of today’s businesses
- Synergies realized from strategic acquisitions
- Value crystallized through optimally-timed divestments
- Growth ahead of competition in health and nutrition
- Driving long term profitable growth
- Strong free cash flow generation
- Disciplined capital allocation

**Focus**

Shaping the future of health & nutrition

// Bayer Debt Investor Relations // Status: FY 2020
Our Strategic Priorities

**Group Strategic Priorities**

1. **Positioning businesses to mega-trends**
   Contribution to health and nutrition

2. **Developing innovative products**
   Leadership in our relevant markets

3. **Sustainability**
   Long-term, sustainable growth

4. **Focusing on our key strength**
   Innovation & operational performance

**Divisional Focus**

- **Crop Science**
  Create a leading innovation engine that transforms agriculture

- **Pharmaceuticals**
  Driving performance and delivering new growth opportunities

- **Consumer Health**
  Maintain a leading OTC position and improve profitability

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1 We also seek to make a responsible contribution to the United Nations Sustainable Development Goals “Good Health and Well-Being” (SDG 3) and “Zero Hunger” (SDG 2)
Bayer Key Financials

2020 Sales in €bn\(^1\)

- Consumer Health: 5.1
- Crop Science: 18.8
- Pharma: 17.2
- Other: 0.3
- Group: €41.4

2020 EBITDA before Special Items in €bn\(^1\)

- Pharma: 6.0
- Consumer Health: 1.1
- Crop Science: 4.5

Research & Development Expenses 2020 in €bn\(^1\)

- CAPEX: 3.1
- R&D: 7.1

Free Cash Flow in €bn

- 2016: 5.8
- 2017: 5.2
- 2018: 4.7
- 2019: 4.2
- 2020: 1.3

Net Financial Debt in €bn

- 2016: 11.8
- 2017: 3.6
- 2018: 35.7
- 2019: 34.1
- 2020: 30.0

1: As initially reported

// Bayer Debt Investor Relations // Status: FY 2020
## Group Outlook 2021

### Outlook 2021

<table>
<thead>
<tr>
<th>Category</th>
<th>At constant currencies(^1)</th>
<th>Expected currency impact(^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>€42bn - €43bn</td>
<td>~ -€2bn</td>
</tr>
<tr>
<td>EBITDA margin (before special items)</td>
<td>~ 27%</td>
<td>~ -70bps</td>
</tr>
<tr>
<td>Core EPS</td>
<td>€6.10 – €6.30</td>
<td>~ -€50ct</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>~ -€3bn - -€4bn(^3)</td>
<td>No major impact</td>
</tr>
<tr>
<td>Net financial debt</td>
<td>~ €36bn - €37bn</td>
<td>~ -€1bn</td>
</tr>
</tbody>
</table>

\(^1\) Reflects our 2021 plan at the average actual currencies for 2020

\(^2\) Currency assumptions based on month-end December spot rates (1 EUR=) 1.23 USD, 6.37 BRL, 8.00 CNY, 127 JPY, 24.4 MXN, 91.9 RUB. Impact is calculated as difference to constant currencies.

\(^3\) Settlement payouts of ~€8bn included

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Bayer Pursues Conservative Financial Policy…

Key objectives
- Ensure liquidity and creditworthiness
- Long term target of investment grade rating in single A category
- Sustained increase in enterprise value

Financing instruments
- Syndicated credit facilities
- Global Commercial Paper program
- Senior bonds in different currencies
- Hybrid bonds
- Equity-linked instruments

Prudent debt management with excellent access to diverse sources of liquidity
… and Remains Committed to Rating in Single A Target Category

Development of Ratings and Leverage

<table>
<thead>
<tr>
<th>Agency</th>
<th>Long Term Rating over time</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P</td>
<td>BBB+ A- BBB</td>
</tr>
<tr>
<td>Moody’s</td>
<td>Baa1 A3 A- BBB+</td>
</tr>
<tr>
<td>Fitch</td>
<td></td>
</tr>
</tbody>
</table>

(Net Financial Debt + Pensions – 50% of Hybrid Volume) / reported EBITDA before special items

<table>
<thead>
<tr>
<th>Agency</th>
<th>LT-Rating</th>
<th>Outlook</th>
<th>ST-Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P</td>
<td>BBB</td>
<td>Stable</td>
<td>A2</td>
</tr>
<tr>
<td>Moody’s</td>
<td>Baa1</td>
<td>Negative</td>
<td>P2</td>
</tr>
<tr>
<td>Fitch</td>
<td>BBB+</td>
<td>Stable</td>
<td>F2</td>
</tr>
</tbody>
</table>

1 Figures as reported in the respective year’s annual report without restatements
2 Ratios of years were closing of acquisition took place are not fully comparable as EBITDA before special items of acquired business is only considered for months after closing
3 Full year 2018 multiple results in 3.7x instead of 4.4x if based on 2018 unaudited pro forma EBITDA of combined business as shown on Capital Markets Day in December 2018
4 Solicited since 2018

Proven track record of disciplined deleveraging

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Bayer’s Maturity Profile is Well Balanced

**Currency Exposure incl. Derivatives**

as of December 31, 2020

**Bond and Loan Maturity Profile (€bn)**

as of December 31, 2020

1 Converted at quarter-end FX rates EURUSD 1.23 and EURJPY 126; including $3.8bn USD term loan and €0.75bn EUR bond which were repaid end of January 2021; not included: €4bn senior bonds issued beginning of January 2021 (€ 1.2bn maturing in 2025, €1bn maturing in 2029, €1bn maturing in 2031 and €0.8bn maturing in 2036)

2 Based on quarter-end FX rates

// Bayer Debt Investor Relations // Status: FY 2020
### Overview of Bayer’s Funding Structure

#### Net Financial Debt

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds and notes / promissory notes</td>
<td>€33,569</td>
<td>€37,695</td>
<td>€36,745</td>
</tr>
<tr>
<td>of which hybrid bonds ²</td>
<td>€4,528</td>
<td>€4,531</td>
<td>€4,532</td>
</tr>
<tr>
<td>Liabilities to banks ³</td>
<td>€4,062</td>
<td>€3,882</td>
<td>€3,671</td>
</tr>
<tr>
<td>Lease Liabilities</td>
<td>€1,251</td>
<td>€1,146</td>
<td>€1,137</td>
</tr>
<tr>
<td>Liabilities from derivatives ⁴</td>
<td>€123</td>
<td>€71</td>
<td>€136</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>€89</td>
<td>€656</td>
<td>€77</td>
</tr>
<tr>
<td>Receivables from derivatives ⁴</td>
<td>(€76)</td>
<td>(€249)</td>
<td>(€141)</td>
</tr>
<tr>
<td><strong>Financial debt</strong></td>
<td>€39,018</td>
<td>€43,201</td>
<td>€41,625</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>(€3,185)</td>
<td>(€5,067)</td>
<td>(€4,191)</td>
</tr>
<tr>
<td>Current financial assets ⁵</td>
<td>(€1,765)</td>
<td>(€9,866)</td>
<td>(€7,393)</td>
</tr>
<tr>
<td><strong>Net financial debt</strong></td>
<td>€34,068</td>
<td>€28,268</td>
<td>€30,041</td>
</tr>
</tbody>
</table>

1 For definition see Annual Report 2020, A 2.3 “Alternative Performance Measures Used by the Bayer Group.”
2 Classified as debt according to IFRS
3 Including both financial and nonfinancial liabilities
4 Including the market values of interest-rate and currency hedges of recorded transactions
5 Including short-term receivables with maturities between 3 and 12 months outstanding from banks and other companies, financial investments in debt and equity instruments that were recorded as current on first-time recognition, and shares in Elanco and Covestro

#### Nominal Volume of Major Instruments (bn) as of December 31, 2020

- **Senior EUR Bonds**: €12.3 bn
- **Senior USD Bonds**: $24.7 bn
- **JPY Private Placements**: ¥20.0 bn
- **Hybrid EUR Bonds**: €4.6 bn
- **USD Term Loan**: $3.8 bn
- **Syndicated Loan Facility**: €4.5 bn
- **Commercial Paper Program**: $8.0 bn

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Main Issuing Entities at Bayer Group

- **Bayer AG**
  - Germany
  - Instruments issued or guaranteed by Bayer AG
  - Indirect Hold through other entities

- **Bayer Holding Ltd.**
  - Japan
  - JPY Bonds

- **Bayer US Finance LLC**
  - USA
  - USD Bonds

- **Bayer US Finance II LLC**
  - USA
  - USD Bonds

- **Bayer Corp.**
  - USA
  - USD Bonds

- **Monsanto Company**
  - USA
  - USD Bonds

- **Bayer Capital Corp. B.V.**
  - Netherlands
  - EUR Bonds

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// Bayer Debt Investor Relations // Status: FY 2020
2 Hybrid Bonds at Bayer

### Hybrid Bonds

<table>
<thead>
<tr>
<th>Year</th>
<th>Bond</th>
<th>Issuance</th>
<th>1st Call Date</th>
<th>Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>NC10</td>
<td>Jul 14</td>
<td>Jul 24</td>
<td>Jul 74</td>
</tr>
<tr>
<td>2019</td>
<td>NC7.5</td>
<td>Apr 15</td>
<td>Oct 22</td>
<td>Jul 74</td>
</tr>
<tr>
<td>2022</td>
<td>NC8</td>
<td>Nov 19</td>
<td>Aug 27</td>
<td>May 79</td>
</tr>
<tr>
<td>2025</td>
<td>NC5.5</td>
<td>Nov 19</td>
<td>Feb 25</td>
<td>May 79</td>
</tr>
</tbody>
</table>

### Hybrid Bond Details

<table>
<thead>
<tr>
<th>Bond</th>
<th>Coupon (in%)</th>
<th>Outstanding Volume (in bn €)</th>
<th>Initial Credit Spread</th>
<th>1st Step-Up</th>
<th>2nd Step-Up</th>
</tr>
</thead>
<tbody>
<tr>
<td>NC10</td>
<td>3.75</td>
<td>1.5</td>
<td>230 bps spread + 5Y Swap¹</td>
<td>+25 bps/Jul 24</td>
<td>+75 bps/Jul 44</td>
</tr>
<tr>
<td>NC7.5</td>
<td>2.45</td>
<td>1.3</td>
<td>200.7 bps spread + 5Y Swap¹</td>
<td>+25 bps/Oct 27</td>
<td>+75 bps/Jul 42</td>
</tr>
<tr>
<td>NC8</td>
<td>3.125</td>
<td>0.75</td>
<td>310.8 bps spread + 5Y Swap¹</td>
<td>+25 bps/Nov 32</td>
<td>+75 bps/Nov 47</td>
</tr>
<tr>
<td>NC5.5</td>
<td>2.375</td>
<td>1</td>
<td>264.7 bps spread + 5Y Swap¹</td>
<td>+25 bps/May 30</td>
<td>+75 bps/May 45</td>
</tr>
</tbody>
</table>

¹ Swap is reset every fifths year starting with the first call date

Bayer Debt Investor Relations // Status: FY 2020
### Tranche Final

<table>
<thead>
<tr>
<th>Initial Amount in $bn</th>
<th>Outstanding in $bn Dec. 31 2019</th>
<th>Dec. 31 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan A1</td>
<td>39.9</td>
<td>-</td>
</tr>
<tr>
<td>Loan A2</td>
<td>7.0</td>
<td>-</td>
</tr>
</tbody>
</table>

### Term Loan

<table>
<thead>
<tr>
<th>Initial Amount in $bn</th>
<th>Outstanding in $bn Dec. 31 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan B1</td>
<td>4.0</td>
</tr>
<tr>
<td>Loan B2</td>
<td>6.0</td>
</tr>
</tbody>
</table>

1: Fully repaid in January 2021
### Commercial Paper Program

Commercial Paper (CP) is a short-term unsecured debt instrument. CP are normally issued at a discount and redeemed at nominal value. The term of CP generally lies between 1 and 364 days. Bayer’s CP program allows the company to issue in both the U.S. market (USCP) and the Euro market (ECP). It is structured as a SEC regulation’s section 4(a)(2) program so that there are no restrictions related to the use of proceeds.

| Issuer                                      | Bayer AG, Germany  
|                                            | Bayer Corporation, USA  
| Guarantor                                   | Bayer AG  
| Total Amount                                | $8bn or equivalent  
| Dealer                                     | ECP: Barclays, Bayerische Landesbank, Citigroup, Goldman Sachs, ING  
| Issue and Paying Agent                     | ECP: The Bank of New York Mellon, London Branch  
|                                            | USCP: The Bank of New York Mellon  

### Syndicated Loan Facility

The multicurrency Syndicated Loan Facility can be used for general corporate purposes and is primarily a back-up line. Thus, it is not intended to be drawn in the course of ordinary business. The participating banks form Bayer’s global banking group. Last renewed in December 2018, the credit facility was self-arranged.

| Borrower                      | Bayer AG, Germany  
|                              | Bayer Corporation, USA  
| Total Amount                  | €4.5bn, thereof €1.5bn/$1.5bn Swingline  
| Signing                       | December 2018  
| Initial Tenor                 | 5Y + two 1Y extension options (first extension option already used)  
| Syndicate Size                | 23 Banks  
| Purpose                       | General Corporate Purposes  

// Bayer Debt Investor Relations // Status: FY 2020
## Upcoming Events 2021

<table>
<thead>
<tr>
<th>Date</th>
<th>Event/ Publication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thursday, February 25, 2021</td>
<td>Annual Report 2020</td>
</tr>
<tr>
<td>Wednesday/Thursday, March 10/11, 2021</td>
<td>Virtual Capital Markets Day 2021</td>
</tr>
<tr>
<td>Tuesday, April 27, 2021</td>
<td>Annual Stockholders’ Meeting</td>
</tr>
<tr>
<td>Wednesday, May 12, 2021</td>
<td>Q1 2021 Quarterly Statement</td>
</tr>
<tr>
<td>Thursday, August 5, 2021</td>
<td>Half-Year Report 2021</td>
</tr>
</tbody>
</table>

Please note that the event calendar might be subject to changes.

// Bayer Debt Investor Relations // Status: FY 2020
<table>
<thead>
<tr>
<th>Contact Name</th>
<th>Position</th>
<th>Building</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Sven Vorstius</td>
<td>Head of Corporate Funding</td>
<td>Q 26</td>
<td>D-51368 Leverkusen</td>
</tr>
<tr>
<td></td>
<td>E-Mail: <a href="mailto:Sven.Vorstius@bayer.com">Sven.Vorstius@bayer.com</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dr. Jürgen Beunink</td>
<td>Senior Manager Investor Relations</td>
<td>W 11</td>
<td>D-51368 Leverkusen</td>
</tr>
<tr>
<td></td>
<td>E-Mail: <a href="mailto:Juergen.Beunink@bayer.com">Juergen.Beunink@bayer.com</a></td>
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</tbody>
</table>