Debt Investor Information

Status: Q3 2022 / FY 2021
As of 8 November 2022
Cautionary Statements Regarding Forward-Looking Information

This presentation 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 http://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
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 Debt Investor Relations // Status: Q3 2022 / FY 2021
Leadership and Innovation Set the Course for Our Future Growth

<table>
<thead>
<tr>
<th>Key Growth Drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term megatrend tailwinds are propelling growing demand in the Life Sciences</td>
</tr>
<tr>
<td>Number one position in Ag inputs and leading positions in key Pharma and Consumer categories</td>
</tr>
<tr>
<td>World-class innovation: technological breakthroughs driven by the bio-revolution</td>
</tr>
<tr>
<td>Accelerated transformation and further efficiency gains in our operations</td>
</tr>
<tr>
<td>Focus on sustainability to create new value</td>
</tr>
</tbody>
</table>

### Crop Science Innovation Pipeline

<table>
<thead>
<tr>
<th>Key Mid-/Late-Stage Pipeline Opportunities:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Short Stature Corn</td>
</tr>
<tr>
<td>• Soybean Herbicide Trait Stack with Five-Tolerances</td>
</tr>
</tbody>
</table>

**Key Current Launch Products:**
- TENDFLEX
- VTPRO4
- INTACTA
- SmartStax PRO
- DELARO
- Fox Supra (Indiflin)\(^1\)

**Annual R&D Investment:** €2.0bn

Note: Subject to regulatory approvals and pending registrations. Represents a subset of the pipeline.

\(^1\) In collaboration with Sumitomo Chemical Co., Ltd.

### Pharmaceuticals Innovation Pipeline

<table>
<thead>
<tr>
<th>Key Mid-/Late-Stage Pipeline Opportunities:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Finerenone</td>
</tr>
<tr>
<td>• Factor XI(a) portfolio</td>
</tr>
<tr>
<td>• Non-diabetic CKD</td>
</tr>
<tr>
<td>• Heart Failure</td>
</tr>
<tr>
<td>• Thrombo-embolic diseases</td>
</tr>
<tr>
<td>• Vasomotor symptoms during menopause</td>
</tr>
</tbody>
</table>

**Key Current Launch Products:**
- NUBEQA
- Kerendia
- Verquo
- VITRACKI
- VITARKI

**Annual R&D Investment:** €2.7bn
Global Megatrends in Health & Nutrition
Attractive Macro Drivers of Our Strategy and Underpin the Need for Innovation

Megatrends through 2050

Societal Needs

Our Mission

We leverage science to address these societal needs — with the ultimate goal to improve people’s lives

Pharma/Consumer Health

Ageing Population

Population of people age 60+ more than doubling¹
>20% of total population¹

Preserve and restore health

Growing Population

+2.2bn people¹
+50%

Secure sufficient supply of quality food

Crop Science

Pressure on Ecosystems

-17%
-20%

Use natural resources more efficiently and responsibly

2016 2050

Harvest losses from climate change³

Significant loss in arable land per capita⁴

² FAO 2017, (FAO Global Perspective Studies)
³ Nelson et. al, (2014); FAO 2016 “Climate change and food security”

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**Ambitious Measurable Targets for Sustainable Development**

2030 Targets in Line with UN SDGs and Our Vision: *Health for All, Hunger for None*

*Help More PEOPLE Thrive: Drive Growth in Underserved Regions*

- Support **100m** smallholder farmers in LMICs
- Provide **100m** women in LMICs with access to modern contraception
- Expand **access to self-care for 100m** people in underserved communities

*Decrease ECOLOGICAL Footprint: Drive Growth Through Sustainable Resource Use*

- Climate neutrality at own sites + reduced emissions in our supply chain
  - 42% reduction target for Scope 1 & 2
  - 12.3% reduction target for Scope 3
- + Net Zero emission target until 2050 in line with long term goal of Paris Agreement (Scope 1, 2 & 3)

Established a Sustainability Council comprised of highly renowned experts to provide advice and review progress on sustainable business strategy and social innovation in consultation with our CEO and Boards

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1 Baseline (2019). Numbers reflect people; preliminary figures; pending external audit: ~42m smallholder farmers; ~38m women; ~41m people; 3.7m tCO2e for Scope 1&2; 10m tCO2e for Scope 3.

2 LMICs: low and middle income countries - All countries included in the World Bank list as per 1 July 2019

3 Underserved defined in economical/medical terms

4 Scope 1: emissions from own operations; Scope 2: emissions from purchased energy; Scope 3: emissions along the value chain

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We Create Value by Accelerating our Transformation

Driving Innovation and Returns

1. Enable growth
   • Clear plan for translating innovation into top-line growth

2. Drive profitability
   • Comprehensive transformation program launched

3. Focus on cash
   • Strong capacity to generate cash

4. Sustainability
   • Inclusive growth by helping more people thrive, and decreasing our ecological footprint

5. Disciplined capital allocation
   • Priorities: deleveraging, dividends, external growth investments

Value creation
We Focus on Cash Generation

**Improve Free Cash Flow**
Optimize *working capital* focusing on overdue management, inventory and payables; prioritizing *CapEx*

**Adapt Incentive Scheme**
Free Cash Flow integrated as a key performance metric in our *short-term incentive* plan for all managerial employees

**Capital Employed / Divestments**
Optimization of *fixed asset* portfolio, for example sale of property

**Sale of businesses / brands** below division level (e.g., ES\(^1\) professional)

**Litigation Pay-outs & Special Items**
Our Free Cash Flow is impacted by *litigation* pay-outs and cash-effective *one-time costs* for transformation

\(^1\) Environmental Science
Bayer Key Financials

2021 Sales in €bn
- Consumer Health 5,3
- Crop Science 20,2
- Pharma 18,3
- Other 0,2
- Group €44.1

2021 EBITDA before Special Items in €bn
- Pharma 5,8
- Crop Science 4,7
- Consumer Health 1,2

Capital Expenditures 2021 in €bn
- CAPEX 3,0
- R&D 5,4

Research & Development Expenses 2021 in €bn
- Pharma 3,6
- Crop Science 35,7
- Consumer Health 34,1

Free Cash Flow in €bn
- 2017 5,2
- 2018 4,7
- 2019 4,2
- 2020 1,3
- 2021 1,4

Net Financial Debt in €bn
- 2017 3,6
- 2018 35,7
- 2019 34,1
- 2020 30,0
- 2021 33,1

Notes:
- 2021 figures and net financial debt figures as initially reported; Net financial debt increase in 2021 mainly due to litigation payments
- Free cash flow was initially reported in 2018; 2017 free cash flow figure were taken from 2019 annual report; Free cash flow includes litigation payments

// Bayer Debt Investor Relations // Status: Q3 2022 / FY 2021
FY 2022: Group P&L Outlook Confirmed

At constant currencies | Estimated currency impact¹
--- | ---
Net Sales | €47bn – €48bn | ~ + €3.5bn
EBITDA margin (before special items) | 26 - 27% | ~ - 0.7%pts
Core EPS | ~ €7.30 | ~ + €0.40
Free cash flow | ~ €3.0bn² | not material
Net financial debt | ~ €31bn | ~ + €2.0bn

¹ Currency assumptions based on month-end Sept 2022 spot rates (1 EUR=) 0.97 USD, 5.24 BRL, 6.94 CNY, 140.94 JPY, 58.11 RUB. Impact calculated as difference to constant currencies.
² Incl. net settlement payments of approx. -€2.0bn

ES divestment effects included; at constant currencies (based on 2021 average Actual rates)

- Increased by 0.5bn due to lower net settlement payments
- Updated for ES divestment proceeds of €2.1bn in 2022
- Now including ES divestment effect
Bayer Pursues a 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 a Rating in the 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>A  BBB+  A-  BBB</td>
</tr>
<tr>
<td>Moody's</td>
<td>A3</td>
</tr>
<tr>
<td>Fitch</td>
<td>BBB+  A-  A  BBB+</td>
</tr>
</tbody>
</table>

1 Figures as reported in the respective year’s annual report without restatements
2 Ratios of years where 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 Increase of ratio mainly driven by litigation payments
5 Solicited since 2018

Agency LT- Outlook ST- Rating Rating
S&P BBB Stable A2
Moody’s Baa2 Negative P2
Fitch BBB+ Stable F2

Proven track record of disciplined deleveraging
Bayer’s Maturity Profile is Well Balanced

**Bonds Maturity Profile (€bn)**
as of September 30, 2022

- **2022**: €2.2bn
- **2023**: €3.1bn
- **2024**: €3.9bn
- **2025**: €3.8bn
- **2026**: €3.2bn
- **2027**: €1.3bn
- **2028**: €1.4bn
- **2029**: €1.5bn
- **2030**: €1.3bn
- **>=2033**: €35.9bn

**Currency Exposure incl. Derivatives**
as of September 30, 2022

- **USD**: €35.9bn
- **JPY**: €21.2bn
- **EUR**: €3.9bn

1 Converted at quarter-end FX rates EURUSD 0.97; Total of €1.1 bn senior bonds already repaid in 2022; € 1.3 bn Hybrid bonds with first call date in October 2022 already refinanced in March 2022

2 Based on quarter-end FX rates

// Bayer Debt Investor Relations // Status: Q3 2022 / FY 2021
## Overview of Bayer’s Funding Structure

### Net Financial Debt\(^1\)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds and notes / promissory notes</td>
<td>€36,745</td>
<td>€37,593</td>
<td>€39,343</td>
</tr>
<tr>
<td>of which hybrid bonds(^2)</td>
<td>€4,532</td>
<td>€4,537</td>
<td>€4,527</td>
</tr>
<tr>
<td>Liabilities to banks(^3)</td>
<td>€3,669</td>
<td>€773</td>
<td>€3,543</td>
</tr>
<tr>
<td>Lease Liabilities</td>
<td>€1,143</td>
<td>€1,165</td>
<td>€1,287</td>
</tr>
<tr>
<td>Liabilities from derivatives(^4)</td>
<td>€136</td>
<td>€69</td>
<td>€90</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>€77</td>
<td>€1,272</td>
<td>€528</td>
</tr>
<tr>
<td>Receivables from derivatives(^4)</td>
<td>(€141)</td>
<td>(€114)</td>
<td>(€143)</td>
</tr>
<tr>
<td><strong>Financial debt</strong></td>
<td><strong>€41,629</strong></td>
<td><strong>€40,758</strong></td>
<td><strong>€44,648</strong></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>(€4,191)</td>
<td>(€4,564)</td>
<td>(€4,361)</td>
</tr>
<tr>
<td>Current financial assets(^5)</td>
<td>(€7,393)</td>
<td>(€3,057)</td>
<td>(€4,403)</td>
</tr>
<tr>
<td><strong>Net financial debt</strong></td>
<td><strong>€30,045</strong></td>
<td><strong>€33,137</strong></td>
<td><strong>€35,884</strong></td>
</tr>
</tbody>
</table>

### Nominal Volume of Major Instruments (bn)

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Nominal Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior EUR Bonds</td>
<td>€14.8</td>
</tr>
<tr>
<td>Senior USD Bonds</td>
<td>$19.9</td>
</tr>
<tr>
<td>Hybrid EUR Bonds</td>
<td>€4.6</td>
</tr>
<tr>
<td>Loan Facility</td>
<td>€3.0</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>€0.5</td>
</tr>
<tr>
<td>Syndicated Loan Facility</td>
<td>€4.5</td>
</tr>
</tbody>
</table>

\(^1\) For definition see Annual Report 2021, 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

// Bayer Debt Investor Relations // Status: Q3 2022 / FY 2021
Main Issuing Entities at Bayer Group

- Bayer AG, Germany
- Bayer Holding Ltd., Japan
- Bayer US Finance LLC, USA
- Bayer US Finance II LLC, USA
- Bayer Corp., USA
- Monsanto Company, USA
- Bayer Capital Corp. B.V., Netherlands

- Hybrid Bonds
- EUR Bonds
- JPY Bonds
- USD Bonds
- USD Bonds
- USD Bonds
- USD Bonds

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

// Bayer Debt Investor Relations // Status: Q3 2022 / FY 2021
## Hybrid Bonds at Bayer

<table>
<thead>
<tr>
<th>Hybrid 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>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>
<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>4.5</td>
<td>0.5</td>
<td>375.1 bps spread + 5Y Swap¹</td>
<td>+25 bps/Sept 32</td>
<td>+75 bps/Sept 47</td>
</tr>
<tr>
<td>NC8.5</td>
<td>5.375</td>
<td>0.8</td>
<td>445.8 bps spread + 5Y Swap¹</td>
<td>+25 bps/Sept 35</td>
<td>+75 bps/Sept 50</td>
</tr>
</tbody>
</table>

¹ Swap is reset every fifth year starting with the first reset date
² Optional Redemption Date

// Bayer Debt Investor Relations // Status: Q3 2022 / FY 2021
Sources of Liquidity

### 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.

<table>
<thead>
<tr>
<th>Borrower</th>
<th>Bayer AG, Germany // Bayer Corporation, USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Amount</td>
<td>€4.5bn, thereof €1.5bn/$1.5bn Swingline</td>
</tr>
<tr>
<td>Signing</td>
<td>December 2018, amended with an ESG feature in July 2021</td>
</tr>
<tr>
<td>Initial Tenor</td>
<td>5Y + two 1Y extension options (second extension option also used)</td>
</tr>
<tr>
<td>Syndicate Size</td>
<td>23 Banks</td>
</tr>
<tr>
<td>Purpose</td>
<td>General Corporate Purposes</td>
</tr>
</tbody>
</table>

### 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.

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Bayer AG, Germany // Bayer Corporation, USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guarantor</td>
<td>Bayer AG</td>
</tr>
<tr>
<td>Total Amount</td>
<td>$8bn or equivalent</td>
</tr>
</tbody>
</table>
# Upcoming Events 2022/2023

<table>
<thead>
<tr>
<th>Date</th>
<th>Event/ Publication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuesday, November 8, 2022</td>
<td>Q3 2022 Quarterly Statement</td>
</tr>
<tr>
<td>Friday, April 28, 2023</td>
<td>Annual Stockholders' Meeting 2023</td>
</tr>
<tr>
<td>Thursday, May 11, 2023</td>
<td>Q1 2023 Quarterly Statement</td>
</tr>
</tbody>
</table>

Please note that the event calendar might be subject to changes
Contacts at Bayer

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