



**Bayer AG Financial Statements**

2025

Health for all, Hunger for none

The Management Report of Bayer AG is combined with the Management Report of the Bayer Group. The Combined Management Report is published in Bayer's Annual Report for 2025. The Financial Statements and the Combined Management Report of the Bayer Group and Bayer AG for fiscal 2025 have been sent to the operator of the Company Register and are accessible via the Company Register website.

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# Income Statements

€ million	Note	2024	2025
Net sales	[1]	14,866	14,116
Increase or decrease in inventories of finished goods and work in process		(43)	(101)
Other own work capitalized		33	29
Other operating income	[2]	3,108	3,589
Cost of materials	[3]	(10,351)	(9,945)
Expenses for raw materials, supplies and purchased goods		(4,138)	(4,104)
Expenses for purchased services		(6,213)	(5,841)
Personnel expenses	[4]	(2,543)	(2,420)
Wages and salaries		(2,180)	(2,074)
Social expenses and expenses for pensions and other benefits		(363)	(346)
<i>of which for pensions</i>		(83)	(79)
Write-downs	[5]	(91)	(131)
Other operating expenses	[6]	(8,025)	(7,070)
<b>Operating income</b>		<b>(3,046)</b>	<b>(1,933)</b>
Income from investments in affiliated companies – net	[7]	11,292	2,233
Interest income/expense – net	[8]	(968)	(260)
Other financial income/expense – net	[9]	60	20
<b>Nonoperating income</b>		<b>10,384</b>	<b>1,993</b>
Income taxes	[10]	1	83
Other taxes		(11)	(27)
<b>Income after taxes/net income</b>		<b>7,328</b>	<b>116</b>
Allocation to other retained earnings		(3,664)	(8)
<b>Distributable profit</b>		<b>3,664</b>	<b>108</b>

# Statements of Financial Position

€ million	Note	Dec. 31, 2024	Dec. 31, 2025
<b>ASSETS</b>			
<b>Noncurrent assets</b>			
Intangible assets	[11]	398	382
Property, plant and equipment	[12]	43	40
Investments	[13]	89,619	87,145
		<b>90,060</b>	<b>87,567</b>
<b>Current assets</b>			
Inventories	[14]	2,821	2,689
Receivables and other assets			
Trade accounts receivable	[15]	1,846	1,784
Accounts receivable from subsidiaries	[16]	2,425	4,164
Other assets	[17]	315	530
	[18]	4,586	6,478
Marketable securities	[19]	872	714
Cash and cash equivalents		3,378	3,840
		<b>11,657</b>	<b>13,721</b>
<b>Deferred charges</b>	[20]	<b>189</b>	<b>180</b>
<b>Surplus from offsetting</b>	[21]	<b>116</b>	<b>323</b>
		<b>102,022</b>	<b>101,791</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
	[22]		
Capital stock		2,515	2,515
Capital reserves		18,845	18,845
Other retained earnings		18,237	21,802
Distributable profit		3,664	108
		<b>43,261</b>	<b>43,270</b>
<b>Provisions</b>			
Provisions for pensions	[23]	2,405	2,044
Other provisions	[24]	2,441	2,506
		<b>4,846</b>	<b>4,550</b>
<b>Other liabilities</b>			
Bonds	[25]	16,395	16,286
Liabilities to banks		10	812
Down payments received on orders		3	3
Trade accounts payable	[26]	1,871	1,831
Payables to subsidiaries	[27]	34,730	33,922
Miscellaneous liabilities	[28]	892	1,112
	[29]	<b>53,901</b>	<b>53,966</b>
<b>Deferred income</b>	[30]	<b>14</b>	<b>5</b>
		<b>102,022</b>	<b>101,791</b>

# Notes

## Accounting policies

The Financial Statements of Bayer AG, Leverkusen, Germany (which is entered in the commercial register of the Local Court of Cologne, Germany, HRB 48248), are prepared in accordance with the German Commercial Code (HGB), the German Stock Corporation Act (AktG) and the German Energy Industry Act (EnWG).

Business lease agreements are in place between Bayer AG on the one hand, and Bayer Pharma AG and Bayer CropScience AG – the former parent companies of the respective divisions – on the other. Bayer AG as lessee manages these two companies' operational businesses on the basis of these agreements. The agreements were initially concluded as of 2017 for a term of one calendar year and are each extended by successive periods of one year unless written notice of termination effective as of the end of the preceding year is given six months in advance by either party. As of 2025, none of the parties had terminated the agreements.

Bayer AG is a generator and supplier of utilities at multiple locations and thus constitutes an energy utility as defined in Section 3, No. 18 of the German Energy Industry Act (EnWG). In addition, since utility supply networks are operated by a subsidiary, Bayer AG also constitutes a vertically integrated energy utility under Section 3, No. 38 of the German Energy Industry Act (EnWG).

Certain items in the income statement and statement of financial position are combined for the sake of clarity; they are explained in the Notes. Likewise for reasons of clarity, "of which" information required for certain items in the Financial Statements is presented in the Notes only. Financial income and expenses whose disclosure is not covered by a legally required item are reported under other financial income or expense.

A declaration of compliance with the German Corporate Governance Code has been issued pursuant to Section 161 of the German Stock Corporation Act (AktG) and made permanently available to stockholders online as part of the Declaration on Corporate Governance pursuant to Section 289f of the German Commercial Code (HGB). It can be downloaded from [www.bayer.com/en/investors/corporate-governance](http://www.bayer.com/en/investors/corporate-governance).

As the parent company, Bayer AG prepares the Consolidated Financial Statements for both the largest and the smallest scope of consolidation. As in the previous year, the Management Report of Bayer AG has been combined with the Management Report of the Bayer Group pursuant to Section 315, Paragraph 3 of the German Commercial Code (HGB) in conjunction with Section 298, Paragraph 2 of the German Commercial Code (HGB).

## Recognition and valuation principles

Intangible assets that have been acquired are recognized at cost and amortized on a straight-line basis (pro rata temporis) over their estimated useful lives on an individual basis. Self-generated intangible assets are not capitalized.

Property, plant and equipment is carried at the cost of acquisition or construction less depreciation of assets that are subject to wear and tear in line with their individual useful lives. The straight-line method of depreciation is normally used. Interest expense for borrowings is not accounted for under the cost of goods sold.

Depreciation of the individual categories of property, plant and equipment, and amortization of the individual categories of intangible assets are based on the following useful lives:

### Useful life of intangible assets and property, plant and equipment

Software	3 to 7 years
Other concessions, industrial property rights, similar rights and assets, and licenses thereunder	max. 30 years
Commercial buildings	10 to 40 years
Infrastructure facilities	12 to 20 years
Plant facilities	12 to 20 years
Plant and equipment	8 to 20 years
Laboratory and research equipment	3 to 5 years
Factory and office equipment	6 to 12 years
Communication technology	3 to 15 years
Vehicles	5 to 8 years

Assets that can be utilized separately and are subject to depletion are depreciated in full in the year of acquisition if their cost of acquisition or construction does not exceed €800.

Write-downs are made for any declines in value that go beyond the depletion reflected in depreciation or amortization and are expected to be permanent. If the reasons for a write-down no longer apply, a write-back is made, provided that this does not cause the carrying amount to exceed the cost of acquisition or construction less depreciation or amortization.

The cost of construction of self-constructed property, plant and equipment comprises the direct cost of materials, direct manufacturing expenses, appropriate allocations of material and manufacturing overheads, and an appropriate share of the depreciation of assets used in construction.

Investments in subsidiaries and affiliated companies as well as securities recognized in noncurrent assets are carried at cost, less write-downs for any decline in value that is expected to be permanent.

Loans receivable that are interest-free or bear low rates of interest are carried at present value. The loans also include *jouissance right capital (Genussrechtskapital)* provided to the pension funds and drawings on effective initial funds, which are carried at nominal value. Other loans receivable are carried at nominal value. Existing risks are taken into account through write-downs for any decline in value that is expected to be permanent.

Where the reasons for write-downs made in previous years no longer apply or only partially apply, the respective items are written back accordingly, provided that the write-back does not cause the carrying amount to exceed the cost of acquisition.

Inventories are valued as follows: raw materials, supplies and goods purchased for resale at the average cost of acquisition less write-downs, and finished goods at the average cost of production. This comprises the direct cost of materials, direct manufacturing expenses, and appropriate allocations of material and manufacturing overheads, including manufacturing-related depletion of noncurrent assets. Interest expense for borrowings is not accounted for under the cost of goods sold. Write-downs are recognized if the fair value is below the carrying amount.

Receivables and other assets are stated at nominal value, less any necessary write-downs. The amounts of such write-downs reflect the probability of default. Non-interest-bearing or low-interest receivables that are due in more than one year are recognized at their discounted value.

Cash and bank deposits held in euros are recognized at their nominal value; such assets held in foreign currencies are translated at the spot rate on the closing date of the Financial Statements.

The deferred charges on the statement of financial position contain expenditures prior to the closing date that will give rise to expense in a defined subsequent period. Also included are the differences between the issue and settlement amount for bonds issued by Bayer AG that will be amortized over the maturity of the bonds.

The amounts required to cover credit balances on employees' long-term worktime accounts and certain pension obligations are invested indirectly via intermediate investment vehicles through a Belgian investment company operating as a SICAV (*Société d'investissement à capital variable*). They are invested in generally liquid international fixed-income bonds, shares, real estate and alternative investments. The assets are administered on behalf of Bayer AG by Bayer Pension Trust e. V. (BPT), Germany. All investments are protected from other creditors in the event that the employer files for insolvency. They are measured at fair value. This is derived from stock market prices and market interest rates. The trust assets held by BPT are offset against the underlying obligations. If the obligations exceed the assets, a provision is recorded. If the value of the securities exceeds the obligations, it is recorded in the statement of financial position as a surplus from offsetting; this was the case in 2025. Accordingly, in the income statement, income from the trust assets is offset against the interest portion of the corresponding obligations and changes in the discount rate.

Deferred taxes are assessed for temporary differences between the amounts of assets, liabilities, deferred income and deferred charges in the accounting statements and those in the tax statements. This assessment takes into account not only the differences reflected in Bayer AG's own statement of financial position, but also those existing at subsidiaries with which it forms a fiscal entity for tax purposes and in which it holds an equity interest. In addition to the temporary differences, tax loss carryforwards are taken into account. Deferred taxes are calculated on the basis of the combined income tax rate for the fiscal entity headed by Bayer AG and take into account the expected period in which temporary differences are reversed. The gradual lowering of the corporate tax rate from 15% to 10% from 2028 onwards (pursuant to the law for an immediate tax investment program to strengthen Germany as a business location) will result in the tax rate to be applied falling gradually from 29.47% to 24.43%. The combined income tax rate comprises corporate income tax, trade tax and the solidarity surcharge. In the case of partnerships, however, deferred taxes relating to temporary differences in the statement of financial position are calculated using a combined income tax rate that includes only corporate income tax and the solidarity surcharge; this combined rate will gradually fall from 15.83% to 10.55%. Based on the relevant exception, deferred taxes related to Pillar Two are not recognized nor is information thereon disclosed. Any resulting tax liability is recognized as a deferred tax liability in the statement of financial position. In the event of a tax receivable, the option to recognize the deferred tax asset is not exercised. In 2025, there was a deferred tax asset, which therefore was not recognized in the statement of financial position.

The capital stock of Bayer AG is divided into 982,424,082 no-par registered shares, each of which has a theoretical proportionate interest of €2.56 in the total capital stock of €2,515,005,649.92.

Provisions for pensions are computed using the projected unit credit method on the basis of biometric probability using the Heubeck 2018 G reference tables. Expected future salary and pension increases are taken into account. Currently, we assume that salaries will increase by 2.50% (2024: 2.50%) annually and pensions by 2.00% (2024: 2.00%) annually. For pension entitlements granted since January 1, 2000, an annual pension increase of 1.00% is generally accounted for as this has been promised to the employees. The discount rate used for pension provisions as of December 31, 2025, was 2.06% (December 31, 2024: 1.90%), which is the average market interest rate for the past 10 years for instruments with an assumed remaining maturity of 15 years, as published by the Deutsche Bundesbank for December 2025. Income and expenses from effects arising from valuation changes due to the development of the discount rate are recognized in nonoperating income under interest income/expense (net).

Other provisions are established to cover all foreseeable risks and uncertain liabilities arising from pending transactions based on reasonable estimates of the future settlement amounts of such commitments. Future price and cost increases are taken into account where there are sufficient objective indications that such increases will most probably occur. Provisions maturing in more than one year are discounted to present value using the average market interest rate for the past seven years, based on their remaining maturities. For longer-term personnel-related provisions, such as provisions for long-service anniversaries, a discount rate of 2.22% (2024: 1.96%) is used for an assumed period of 15 years until utilization. Shorter-term personnel-related provisions, such as those for obligations under early retirement arrangements, are discounted using a rate that corresponds to their maturity, which in 2025 was three years. The discount rate was 1.83% (2024: 1.48%). These correspond to the rates published or expected by the Deutsche Bundesbank for December 2025.

Liabilities are recognized at the settlement amount as of the closing date. Noncurrent liabilities relating to pension obligations are discounted using the average market interest rate in the past seven years applicable to their maturity.

Foreign currency receivables and liabilities, forward exchange contracts and other currency derivatives are recognized using the mark-to-market method. For this purpose, foreign currency receivables and payables are measured at spot rates, with gains only recognized if they relate to receivables and liabilities with a remaining maturity of up to one year. Where the corresponding currency derivatives entered into for hedging purposes do not form part of hedging relationships, they are valued at year-end closing rates. Provisions for impending losses are established for any resulting net unrealizable losses, while net unrealizable gains are not recognized. Where hedging relationships have been formed, unrealized gains and losses on the hedged items are then offset in each currency using the net hedge presentation method.

The deferred income on the statement of financial position contains payments received prior to the closing date that will give rise to income in a specific future period. These mainly comprise payments for goods or services yet to be delivered or performed.

Contingent liabilities arising from sureties and debt guarantees are shown at the amounts equivalent to the loans or commitments actually outstanding on the closing date.

*Since some of the figures in this report are rounded, the totals provided may in some cases deviate from the sum of the individual figures.*

# Notes to the Income Statements

## Sales

<b>Sales by business unit</b>		
€ million	2024	2025
Pharmaceuticals	8,750	8,158
Crop Science	4,903	4,328
Enabling Functions	1,213	1,630
	<b>14,866</b>	<b>14,116</b>

<b>Sales by region</b>		
€ million	2024	2025
Europe/Middle East/Africa	6,961	6,006
North America	3,555	4,037
Asia/Pacific	3,331	3,014
Latin America	1,019	1,059
	<b>14,866</b>	<b>14,116</b>

In 2024, intra-Group services provided to a partner company were offset against services received from said partner company, meaning the respective sales and cost of materials (expenses for purchased services) were not reported separately. As such, there is only a limited degree of comparability between 2025 and 2024 sales. Had the respective services provided and utilized been presented separately in 2024, and thus in line with 2025, the 2024 sales figure for the Enabling Functions in the North America region would have been €470 million higher, as would the cost of materials (expenses for purchased services).

## Other operating income

<b>Other operating income</b>		
€ million	2024	2025
Income from currency translation	2,557	3,182
<i>realized exchange gains</i>	2,518	3,057
<i>unrealized exchange gains</i>	39	125
Gains from the disposal of noncurrent assets	5	11
Income from the reversal of provisions	323	177
<i>of which provisions for restructuring</i>	115	109
<i>of which provisions for pensions</i>	82	0
<i>of which provisions for Aspire programs</i>	64	13
Insurance payouts	98	21
State grants for research and development	6	5
Miscellaneous operating income	119	193
	<b>3,108</b>	<b>3,589</b>

Other operating income includes prior-period income of €154 million relating to the derecognition of an intra-Group liability in connection with cost reimbursements for restructuring measures. The liability was recognized in the Financial Statements for 2023. The respective income should have offset expenses by an equal amount in 2024.

## Cost of materials

The primarily sales-related business lease fees paid to the lessors Bayer CropScience AG and Bayer Pharma AG are shown under expenses for purchased services. The same applies to license fees incurred relating to the use of production and marketing rights.

Energy costs are shown under expenses for raw materials, supplies and purchased goods.

In line with the explanations provided under "1. Sales", the cost of materials would have been €470 million higher in 2024.

## Personnel expenses/employees

Personnel expenses do not contain the interest portion of personnel-related provisions, especially pension provisions, which is included in net interest expense.

The average number of employees at Bayer AG in 2025 was 15,328, subdivided as follows:

Employees	2025	
	Female	Male
Senior executives and senior managers	1,241	2,333
Junior managers and nonmanagerial employees	4,091	7,663
	<b>5,332</b>	<b>9,996</b>

Part-time employees are included in this figure on a prorated basis.

## Write-downs

In 2025, write-downs of €54 million (2024: €3 million) were made on intangible assets. These write-downs mainly pertained to terminated development collaborations in the Pharmaceuticals Division (€30 million) and the Crop Science Division (€24 million).

## Other operating expenses

<b>Other operating expenses</b>		
€ million	2024	2025
Expenses from currency translation	2,692	3,008
<i>realized exchange losses</i>	2,425	3,007
<i>unrealized exchange losses</i>	267	1
Expenses for severance payments	924	186
Expenses for logistics	200	179
Information expenses	393	421
Training expenses	20	17
External personnel expenses	101	88
Expenses for waste disposal	104	100
Dues and fees	45	41
Expenses for insurance and damage claims	129	112
Marketing and selling expenses	376	391
Rental and leasing expenses	773	487
Expenses for services	85	84
Research expenses	1,232	1,131
Consulting, auditing and administration expenses	250	233
Expenses for patents, trademarks and licenses	196	164
Donations, grants/funding	22	24
Expenses from write-downs of miscellaneous receivables	25	0
Expenses from the assumption of restructuring costs	115	92
Miscellaneous operating expenses	343	312
	<b>8,025</b>	<b>7,070</b>

## Income from investments in affiliated companies – net

<b>Income from investments in affiliated companies – net</b>		
€ million	2024	2025
Income from affiliated companies	2,301	240
<i>of which subsidiaries</i>	2,301	240
Income from profit and loss transfer agreements with subsidiaries	9,037	2,908
Expenses from profit and loss transfer agreements with subsidiaries	(37)	(884)
Write-downs of investments in affiliated companies	(9)	(31)
	<b>11,292</b>	<b>2,233</b>

Details of the income and expenses from investments in affiliated companies are given in the Combined Management Report of Bayer AG and the Bayer Group.

The write-downs of investments in subsidiaries in 2025 comprised €3 million (2024: €9 million) for Bayer S. A., Chile. There was also a write-down of €28 million on investments in other affiliated companies.

## Interest income/expense – net

<b>Interest income/expense – net</b>		
€ million	2024	2025
<b>Interest income</b>		
Income from other securities and loans recognized in noncurrent assets	614	594
<i>of which from subsidiaries</i>	568	554
Other interest and similar income	539	753
<i>of which from subsidiaries</i>	117	186
<i>of which interest income portion of pension and other noncurrent personnel-related provisions (net)</i>	267	495
	<b>1,153</b>	<b>1,347</b>
<b>Interest expense</b>		
Interest and similar expenses	(2,121)	(1,607)
<i>of which to subsidiaries</i>	(1,641)	(1,040)
<i>of which interest expense portion of other noncurrent provisions</i>	(10)	(34)
	<b>(2,121)</b>	<b>(1,607)</b>
	<b>(968)</b>	<b>(260)</b>

The development of the net interest position is explained in the Combined Management Report of Bayer AG and the Bayer Group.

Expenses relating to the interest portion of pension and other noncurrent personnel-related provisions, including the impact of changes in the discount rate, are netted against the income/expense from the assets held by Bayer Pension Trust e. V. (BPT), Germany. The assets held by BPT serve the sole purpose of meeting pension obligations and the obligations arising from credit balances on employees' long-term worktime accounts. The Trust's assets are protected from other creditors.

The income/expense from plan assets was netted with the interest portion of pension and other personnel-related provisions as follows:

<b>Netting of the interest portion of pension and personnel-related provisions with income/expense from plan assets</b>		
€ million	2024	2025
Interest portion of pension and other noncurrent personnel-related provisions and income/expense from changes in the discount rate (gross)	(46)	31
Income/expense from assets held by Bayer Pension Trust e. V.	313	464
	<b>267</b>	<b>495</b>

## Other financial income/expense – net

Other financial income/expense – net	2024	2025
€ million		
<b>Other financial income</b>		
Income from personnel-related provisions – financial portion	29	–
Allocation to pension provisions assigned to subsidiaries	8	15
Guarantee fees for sureties granted	42	37
Income from the disposal of bonds	2	–
Miscellaneous financial income	1	–
	<b>82</b>	<b>52</b>
<b>Other financial expense</b>		
Changes in provisions for pensions and other noncurrent personnel-related provisions (excluding interest portion)	–	(14)
Bond fees	(4)	(2)
Commitment fees for credit facilities	(10)	(16)
Miscellaneous financial expenses	(8)	–
	<b>(22)</b>	<b>(32)</b>
	<b>60</b>	<b>20</b>

The interest portion of allocations to pension and other noncurrent personnel-related provisions is included in interest expense. Other financial income and expense contains further changes in pension provisions, not related to the interest portion nor arising from utilization, pertaining to former employees of Bayer AG who retired before the hive-down of the business areas and service areas (effective date: July 1, 2002) or who left the company before then and have vested pension rights. Changes of this kind occur in the event of changes in actuarial valuation parameters.

The expenses for allocations to the above provisions for employees who retired or left the company before July 1, 2002, are generally reimbursed by the subsidiaries on a prorated basis under the respective carve-out agreements.

## Income taxes

Income taxes comprise amounts paid or owed for corporate income tax, trade tax and the solidarity surcharge, as well as income taxes paid outside Germany. In 2025, the company recorded income from income taxes of €83 million. This figure included income of €115 million from 2024.

As permitted by the option set out in Section 274, Paragraph 1, Sentence 2 of the German Commercial Code (HGB), the €308 million excess of deferred tax assets over deferred tax liabilities at year-end 2025 was not recognized.

Deferred tax assets mainly resulted from the valuation of pension obligations being higher in the accounting statements than in the tax statements. Other deferred tax assets resulted from provisions that are not tax-deductible, such as those for impending losses and pre-retirement leave, and from differences in the measurement of, for example, provisions for early retirement and service anniversaries, as well as interests in partnerships. There was also a deferred tax asset relating to an as yet unused tax loss carryforward.

Deferred tax liabilities principally arose from measurement differences with respect to investments in subsidiaries, intangible assets, inventories and receivables and other assets that arose from unrealized foreign exchange gains.

# Notes to the Statements of Financial Position

## Intangible assets

€ million	Acquired concessions, industrial property rights, similar rights and assets, and licenses thereunder	Advance payments	Total
Gross carrying amounts, Dec. 31, 2024	826	159	985
Additions	26	82	108
Retirements	89	–	89
Transfers	11	(11)	–
<b>Gross carrying amounts, Dec. 31, 2025</b>	<b>774</b>	<b>230</b>	<b>1,004</b>
Accumulated amortization and write-downs, Dec. 31, 2024	587	–	587
Amortization and write-downs	119	–	119
Retirements	84	–	84
<b>Accumulated amortization and write-downs, Dec. 31, 2025</b>	<b>622</b>	<b>–</b>	<b>622</b>
<b>Net carrying amounts, Dec. 31, 2025</b>	<b>152</b>	<b>230</b>	<b>382</b>
Net carrying amounts, Dec. 31, 2024	239	159	398

## Property, plant and equipment

€ million	Land and buildings	Plant and equipment	Furniture, fixtures and other equipment	Advance payments and assets under construction	Total
Gross carrying amounts, Dec. 31, 2024	63	18	57	6	144
Additions	–	2	5	5	12
Retirements	–	–	4	–	4
Transfers	–	1	4	(5)	–
<b>Gross carrying amounts, Dec. 31, 2025</b>	<b>63</b>	<b>21</b>	<b>62</b>	<b>6</b>	<b>152</b>
Accumulated depreciation and write-downs, Dec. 31, 2024	61	8	32	–	101
Depreciation and write-downs	–	2	10	–	12
Retirements	–	–	1	–	1
<b>Accumulated depreciation and write-downs, Dec. 31, 2025</b>	<b>61</b>	<b>10</b>	<b>41</b>	<b>–</b>	<b>112</b>
<b>Net carrying amounts, Dec. 31, 2025</b>	<b>2</b>	<b>11</b>	<b>21</b>	<b>6</b>	<b>40</b>
Net carrying amounts, Dec. 31, 2024	2	10	25	6	43

## Investments

### Investments

€ million	Investments in subsidiaries	Loans to subsidiaries	Investments in other affiliated companies	Securities included in investments	Other loans	Total
Gross carrying amounts, Dec. 31, 2024	71,451	16,930	203	–	1,347	89,931
Additions	–	59	8	–	–	67
Retirements	672	1,918	–	–	–	2,590
<b>Gross carrying amounts, Dec. 31, 2025</b>	<b>70,779</b>	<b>15,071</b>	<b>211</b>	<b>–</b>	<b>1,347</b>	<b>87,408</b>
Accumulated write-downs, Dec. 31, 2024	307	4	–	–	1	312
Write-downs	3	–	28	–	–	31
Retirements	80	–	–	–	–	80
<b>Accumulated write-downs, Dec. 31, 2025</b>	<b>230</b>	<b>4</b>	<b>28</b>	<b>–</b>	<b>1</b>	<b>263</b>
<b>Net carrying amounts, Dec. 31, 2025</b>	<b>70,549</b>	<b>15,067</b>	<b>183</b>	<b>–</b>	<b>1,346</b>	<b>87,145</b>
Net carrying amounts, Dec. 31, 2024	71,144	16,926	203	–	1,346	89,619

Investments in subsidiaries fell to €70,549 million (2024: €71,144 million). Two capital decreases at Bayer Hispania, S.L.U., Spain, accounted for €592 million of the retirements. The divestment of the fully written off company Bayer New UK M3939 LLC, United States, to Monsanto US Treasury LLC, United States, resulted in €80 million in retirements under gross carrying amounts and under write-downs, respectively.

Retirements under loans to subsidiaries amounted to €1,918 million in 2025, and resulted mainly from repayments of €1,850 million from Bayer Pharma AG and of €65 million from Bayer Gesellschaft für Beteiligungen mbH.

With respect to investments in other affiliated companies, we recorded a write-down of €28 million.

Other loans mainly comprised jouissance right capital (*Genussrechtskapital*) and the capital provided for the effective initial fund. Bayer AG undertook to provide jouissance right capital with a nominal volume of €150 million for Bayer-Pensionskasse VVaG under a jouissance rights framework agreement. This repayable capital has been drawn in three €50 million installments, with each installment being provided for a period of at least five years.

In 2008, Bayer AG established a repayable effective initial fund of €800 million for Bayer-Pensionskasse VVaG, Germany, which was increased by €800 million in 2012 and then by a further €500 million in 2022 to a total of €2,100 million. Of this amount, the pension fund has so far drawn €1,135 million (2024: €1,135 million). The jouissance right capital and the capital provided for the effective initial fund are interest-bearing, but interest is only payable under certain contractually agreed conditions. Interest must be deferred if it would result in the pension fund reporting a net loss. The jouissance right capital and the amount drawn from the effective initial fund are contained in other loans.

In 2019, Bayer AG established an additional effective initial fund of €189 million for Rheinische Pensionskasse VVaG, thereby increasing the effective initial fund to a total of €192 million. Of this amount, Rheinische Pensionskasse VVaG has so far drawn €60 million (2024: €60 million).

Further information on the development of financial assets is given in the Combined Management Report of Bayer AG and the Bayer Group.

Details of the subsidiary and affiliated companies of Bayer AG pursuant to Section 285, Numbers 11, 11a and 11b of the German Commercial Code (HGB) are included in the Financial Statements that have been sent to the operator of the Company Register. They are also available at [www.bayer.com/shareownership2025](http://www.bayer.com/shareownership2025).

## Inventories

<b>Inventories</b>		
€ million	Dec. 31, 2024	Dec. 31, 2025
Raw materials and supplies	771	748
Work in process	1,234	1,101
Finished goods	698	729
Goods purchased for resale	118	111
	<b>2,821</b>	<b>2,689</b>

## Trade accounts receivable

<b>Trade accounts receivable</b>		
€ million	Dec. 31, 2024	Dec. 31, 2025
Accounts receivable from subsidiaries	1,498	1,477
Accounts receivable from other customers	348	307
	<b>1,846</b>	<b>1,784</b>

## Accounts receivable from subsidiaries

Accounts receivable from subsidiaries mainly comprised financial receivables (e.g., in connection with loans or overnight funds), receivables pertaining to accrued interest, and claims to profits to be transferred from subsidiaries that form a fiscal entity with Bayer AG.

## Other assets

<b>Other assets</b>		
€ million	Dec. 31, 2024	Dec. 31, 2025
Payroll receivables	9	14
Accrued interest	2	4
Claims for tax refunds	219	421
Receivables from call deposits and current account at non-banks	9	6
Advance payments disbursed	5	5
Other	71	80
	<b>315</b>	<b>530</b>

The other assets included €4 million (2024: €2 million) for assets that did not legally come into being until after year end. These consisted entirely of accrued interest.

## Receivables and other assets maturing in more than one year

As in the previous year, all receivables and other assets were due in less than one year.

## Marketable securities

The €714 million in marketable securities reported here are short-term euro investments with indefinite maturities (2024: €872 million).

## Deferred charges

The deferred charges as of December 31, 2025, included unamortized discounts totaling €43 million pertaining to bonds issued by Bayer AG. The amount of €48 million recognized at the start of the year was increased by €10 million due to additions and was diminished by €15 million due to reversals.

Likewise reported here are accrued charges of €12 million (2024: €15 million) for a revolving credit facility.

The remaining deferred charges comprised prepaid premiums for business insurance and other accrued charges.

## Surplus from offsetting

Obligations arising from credit balances on employees' long-term worktime accounts and from pension commitments are either fully or partially secured. The assets invested under individual contractual trust arrangements (CTAs) are offset against the underlying obligations. Any positive difference from the offsetting of these assets against the underlying obligations is capitalized as a surplus from offsetting, while any negative difference is reflected in provisions. As of December 31, 2025, the offset resulted in a positive difference of €323 million (2024: €116 million), of which €249 million (2024: €109 million) pertained to obligations from long-term worktime accounts and €74 million (2024: €7 million) to pension commitments.

<b>Surplus from offsetting</b>		
€ million	Dec. 31, 2024	Dec. 31, 2025
Settlement value of obligations relating to credit balances on employees' long-term worktime accounts	410	382
Fair value of assets invested with Bayer Pension Trust e. V.	519	631
<b>Excess of assets over obligations relating to long-term worktime accounts (surplus from offsetting)</b>	<b>109</b>	<b>249</b>
Acquisition cost of assets invested with Bayer Pension Trust e. V.	454	520

€ million	Dec. 31, 2024	Dec. 31, 2025
Settlement value of pension commitments	730	698
Fair value of assets invested with Bayer Pension Trust e. V.	737	772
<b>Excess of assets over obligations relating to pension commitments (surplus from offsetting)</b>	<b>7</b>	<b>74</b>
Acquisition cost of assets invested with Bayer Pension Trust e. V.	552	534

The collateral assets are measured at fair value. Their fair value as of December 31, 2025, was €5,942 million. Offsetting €1,403 million of the collateral assets against underlying obligations resulted in a positive difference, which was recorded as a surplus from offsetting; offsetting of the remaining €4,539 million against obligations was reported under provisions for pensions.

## Equity

Changes in equity in 2025 were as follows:

€ million	Dec. 31, 2024	Dividend for 2024	Net income	Allocation to other retained earnings	Dec. 31, 2025
Capital stock	2,515	0	0	0	2,515
Capital reserve	18,845	0	0	0	18,845
Other retained earnings	18,237	0	0	3,564	21,802
Distributable profit	3,664	(108)	116	(3,564)	108
	<b>43,261</b>	<b>(108)</b>	<b>116</b>	<b>0</b>	<b>43,270</b>

The capital stock of Bayer AG remained unchanged at €2,515,005,649.92. As in the previous year, it was divided into 982,424,082 no-par registered shares and was fully paid up, with each share conferring one voting right. The “Allocation to other retained earnings” figure in the table above comprised €3,556 million pertaining to the Annual Stockholders’ Meeting resolution on the use of the distributable profit for 2024, and an amount of €8 million resulting from the net income for 2025.

At the Annual Stockholders’ Meeting of April 25, 2025, stockholders voted to approve the creation of authorized capital.

As per this resolution, the Board of Management is authorized to increase the capital stock until April 24, 2028, subject to Supervisory Board approval, by way of a one-off issuance or multiple partial issuances, including in various tranches issued simultaneously, up to a total of €875,000,000 against cash contributions (Authorized Capital 2025). The new shares will be eligible for dividends from the beginning of the fiscal year in which they are issued. Insofar as is legally permissible, the Board of Management may, subject to Supervisory Board approval, in derogation of the above and of Section 60, Paragraph 2 of the German Stock Corporation Act (AktG), determine that the new shares will be eligible for dividends from the beginning of a fiscal year that has already passed and for which, at the date of their issue, no resolution has yet been passed by the Annual Stockholders’ Meeting on the use of the distributable profit. The Board of Management is authorized, subject to Supervisory Board approval, to define the other details of capital increases from Authorized Capital 2025 and the implementation of such increases.

Stockholders shall in general be granted subscription rights. The subscription rights can also be directly granted to the stockholders in accordance with Section 186, Paragraph 5 of the German Stock Corporation Act (AktG), by allocating the new shares to a credit or securities institution or a company operated in accordance with Section 53, Paragraph 1, Sentence 1 of the German Banking Act (KWG) or Section 53b, Paragraph 1, Sentence 1 or Paragraph 7 of the German Banking Act (KWG) or a consortium of such institutions to be named by the Board of Management, together with the obligation to offer these shares to the stockholders for subscription. However, the Board of Management is authorized, subject to Supervisory Board approval, to disapply stockholders’ subscription rights in whole or in part where such action would be required in order to prevent any fractional shares from arising as a result of the subscription ratio as part of any such capital increase. The Board of Management shall decide, subject to Supervisory Board approval, on the details of the rights attached to the shares and all additional conditions governing their issuance, including the issue price.

The authorized capital has not been utilized to date.

For the purpose of the employee stock participation program BayShare, Bayer AG acquired 478,896 no-par registered shares at an average price of €29.55 per share on November 13, 2025, pursuant to Section 71, Paragraph 1, No. 8 of the German Stock Corporation Act (AktG). These shares corresponded to €1,225,973.76, or 0.05%, of the capital stock. The value of these shares was €14,149,972.20 at the date of acquisition. Of the shares acquired, 472,211.98 were placed in employees' share deposit accounts in November 2025 at a price of €29.65 per share. The remaining 6,684.02 shares were sold on the stock market at a price of €36.20 per share. This generated a gain of €93,053.17 in total. Bayer AG did not hold any own shares as of December 31, 2025.

### **Information on amounts barred from distribution pursuant to Section 253, Paragraph 6 and Section 268, Paragraph 8 of the German Commercial Code (HGB)**

The provisions for pensions recognized in the statement of financial position (before deduction of the corresponding assets) were calculated on the basis of the relevant average market interest rate for the past 10 years. If the average for the past seven years had been used, the obligations would have been €166 million lower.

To secure pension obligations and credit balances on employees' long-term worktime accounts, funds have been transferred to Bayer Pension Trust e. V. (BPT), Germany, under several CTAs. They may only be used for the specified purpose and are protected from other creditors in the event that the employer becomes insolvent. They are measured at fair value. The total fair value of the fund assets of all the CTAs was €1,459 million above their total acquisition cost of €4,483 million.

The negative difference between the pension obligations based on the average interest rates for ten and seven years cannot be offset against the difference between the higher fair value and the acquisition cost of the assets held by BPT, which means that an amount barred from distribution (Section 268, Paragraph 8 of the German Commercial Code (HGB)) of €1,459 million remains. Since the freely available retained earnings amount to €21,802 million, there is no restriction on the use of the distributable profit of €108 million.

### **Notifications of direct and indirect stockholdings pursuant to Section 33, Paragraph 1 of the Securities Trading Act (WpHG)**

As of the closing date, we had received the following notifications of stockholdings in Bayer AG pursuant to Section 33, Paragraph 1 of the German Securities Trading Act (WpHG). In cases where stockholdings reached, exceeded or fell below the thresholds set out in this legislation on several occasions, only the most recent notification is shown.

**Voting rights notifications**

<b>Name, domicile and country of the reporting company</b>	<b>Date of change</b>	<b>Notification according to WpHG</b>	<b>Percent</b>	<b>Shares</b>		
BlackRock, Inc., Wilmington, USA	Jul. 29, 2025	§ 34 WpHG	7.220	70,968,365		
		§ 38 (1) Nr. 1 WpHG Right to recall	0.020	164,282		
		§ 38 (1) Nr. 2 WpHG Call option	0.080	786,800		
		§ 38 (1) Nr. 2 WpHG Contract for difference	0.003	34,290		
		§ 39 WpHG	7.323	71,953,737		
Republic of Singapore, Singapore	Apr. 18, 2018	§ 34 WpHG	3.970	34,078,853		
		§ 38 (1) Nr. 2 WpHG Put option	0.200	1,684,676		
		§ 39 WpHG	4.170	35,763,529		
Harris Associates L.P., Wilmington, USA	Apr. 29, 2025	§ 34 WpHG	2.980	29,285,913		
		§ 39 WpHG	2.980	29,285,913		
Massachusetts Financial Services Company, Boston, USA	Dec. 1, 2023	§ 34 WpHG	2.900	28,474,699		
		§ 39 WpHG	2.900	28,474,699		
The Goldman Sachs Group, Inc., Wilmington, USA	Dec. 19, 2025	§ 34 WpHG	0.510	4,942,757		
		§ 38 (1) Nr. 1 WpHG Right to recall	0.460	4,541,060		
		§ 38 (1) Nr. 1 WpHG Right of use	0.320	3,187,398		
		§ 38 (1) Nr. 1 WpHG Swap	0.030	249,954		
		§ 38 (1) Nr. 1 WpHG Call option	0.720	7,053,936		
		§ 38 (1) Nr. 1 WpHG Call warrant	0.030	321,760		
		§ 38 (1) Nr. 2 WpHG Call option	0.003	33,047		
		§ 38 (1) Nr. 2 WpHG Put option	0.980	9,639,800		
		§ 38 (1) Nr. 2 WpHG Swap	0.740	7,247,449		
		§ 38 (1) Nr. 2 WpHG Call warrant	0.170	1,641,370		
		§ 38 (1) Nr. 2 WpHG Future	0.360	3,573,485		
		§ 39 WpHG	4.323	42,432,016		
		The Kingdom of Norway, Oslo, Norway	Aug. 25, 2023	§ 34 WpHG	2.940	28,861,165
				§ 39 WpHG	2.940	28,861,165
Silchester International Investors LLP, London, United Kingdom	Aug. 29, 2025	§ 34 WpHG	2.990	29,409,766		
		§ 39 WpHG	2.990	29,409,766		
Amundi S.A., Paris, France	May 16, 2025	§ 34 WpHG	2.970	29,188,372		
		§ 38 (1) Nr. 1 WpHG Right to recall	0.020	224,489		
		§ 39 WpHG	2.990	29,412,861		
Dodge & Cox, San Francisco, USA	Feb. 13, 2025	§ 34 WpHG	3.030	29,795,718		
		§ 39 WpHG	3.030	29,795,718		

For further details, please see the individual voting rights notifications received, which are published on our website at [www.bayer.com/en/investors/voting-rights-announcements](http://www.bayer.com/en/investors/voting-rights-announcements).

## Provisions for pensions

This item includes provisions for current and future pension entitlements.

It also includes commitments to former employees of the business areas and service areas hived down into separate legal entities in 2002 and 2003 who retired before July 1, 2002, or who left the company before this date and have vested pension rights. The respective companies reimburse Bayer AG for these expenses as a matter of course.

Obligations arising from pension commitments are partially secured by assets invested with Bayer Pension Trust e. V., Leverkusen. Any positive difference from the offsetting of these assets against the underlying obligations is capitalized as a surplus from offsetting, while any negative difference is reflected in provisions.

Further information on the CTA is given in Note [21].

<b>Provisions for pensions</b>		
€ million	Dec. 31, 2024	Dec. 31, 2025
Settlement value of pension commitments	6,762	6,583
Fair value of assets invested with Bayer Pension Trust e. V.	4,357	4,539
<b>Net value of pension commitments (provisions)</b>	<b>(2,405)</b>	<b>(2,044)</b>
Acquisition cost of assets invested with Bayer Pension Trust e. V.	3,554	3,430

The deficit due to unrecognized pension obligations from indirect commitments under Article 28, Paragraph 2 of the Introductory Law to the German Commercial Code (EGHGB) amounted to €927 million.

## Other provisions

<b>Other provisions</b>		
€ million	Dec. 31, 2024	Dec. 31, 2025
Provisions for taxes	497	371
Other provisions for	1,944	2,135
– early retirement	18	10
– service-anniversary obligations	93	81
– stock programs for employees	41	96
– restructuring related to personnel	612	308
– restructuring not related to personnel	77	42
– variable one-time payments to employees	356	426
– litigations	19	3
– rebates/bonuses	16	26
– impending losses	590	668
– miscellaneous provisions	122	475
	<b>2,441</b>	<b>2,506</b>

## Bonds

Bonds with a total volume of €16,286 million existed as of December 31, 2025 (December 31, 2024: €16,395 million). They comprised:

Bonds	Nominal value	Stated rate	Effective rate	Dec. 31, 2024	Dec. 31, 2025
		%	%	€ million	€ million
Hybrid bond 2019/2079 <sup>1</sup>	€1,000 million	2.375	2.597	83	–
Hybrid bond 2019/2079 <sup>2</sup>	€750 million	3.125	3.192	750	750
Hybrid bond 2022/2082 <sup>3</sup>	€800 million	5.375	5.564	800	800
Hybrid bond 2022/2082 <sup>4</sup>	€500 million	4.500	4.713	500	500
Hybrid bond 2023/2083 <sup>5</sup>	€750 million	6.625	6.839	750	750
Hybrid bond 2023/2083 <sup>6</sup>	€1,000 million	7.000	7.184	1,000	1,000
Hybrid bond 2024/2054 <sup>7</sup>	€750 million	5.500	5.668	750	750
Bond 2020/2027	€1,500 million	0.750	0.898	1,500	1,500
Bond 2020/2030	€1,500 million	1.125	1.163	1,500	1,500
Bond 2020/2032	€1,500 million	1.375	1.412	1,500	1,500
Bond 2021/2025	€1,200 million	0.050	0.053	1,200	–
Bond 2021/2029	€1,000 million	0.375	0.484	1,000	1,000
Bond 2021/2031	€1,000 million	0.625	0.749	1,000	1,000
Bond 2021/2036	€800 million	1.000	1.089	800	800
Bond 2023/2026	€750 million	4.000	4.027	750	750
Bond 2023/2029	€750 million	4.250	4.277	750	750
Bond 2023/2033	€1,500 million	4.625	4.741	1,500	1,500
Bond 2024/2026	CNY2,000 million	2.200	2.297	262	244
Bond 2025/2028	CNY2,000 million	2.400	2.475	–	264
Bond 2025/2028	CNY1,000 million	1.980	2.051	–	122
Bond 2025/2030	CNY1,000 million	2.230	2.284	–	122
Bond 2025/2027 <sup>8</sup>	€400 million	2.618	2.862	–	400
Bond 2025/2030	CHF140 million	1.075	1.133	–	150
Bond 2025/2034	CHF125 million	1.645	1.682	–	134
				<b>16,395</b>	<b>16,286</b>

<sup>1</sup> Redeemable at 12 months' notice from 2025; fixed interest rate until 2025, thereafter floating rate based on 5-year swap rate

<sup>2</sup> Redeemable at 12 months' notice from 2027; fixed interest rate until 2027, thereafter floating rate based on 5-year swap rate

<sup>3</sup> Redeemable at 12 months' notice from 2030; fixed interest rate until 2030

<sup>4</sup> Redeemable at 12 months' notice from 2027; fixed interest rate until 2027

<sup>5</sup> Redeemable at 12 months' notice from 2028; fixed interest rate until 2028

<sup>6</sup> Redeemable at 12 months' notice from 2031; fixed interest rate until 2031

<sup>7</sup> Redeemable at 12 months' notice from 2029; fixed interest rate until 2029

<sup>8</sup> Floating interest rate based on three-month Euribor

## Trade accounts payable

Trade accounts payable	Dec. 31, 2024	Dec. 31, 2025
€ million		
Payables to subsidiaries	416	503
Payables to other suppliers	1,455	1,328
	<b>1,871</b>	<b>1,831</b>

## Payables to subsidiaries

The payables to subsidiaries mainly comprised financial liabilities such as loans and overnight funds made available to Bayer AG by subsidiaries, plus the respective accrued interest.

## Miscellaneous liabilities

### Miscellaneous liabilities

€ million	Dec. 31, 2024	Dec. 31, 2025
Commercial paper/short-term borrowings	–	326
Accrued interest	146	169
Short-term investments with Bayer AG	30	39
Liabilities from hedges	19	20
Social insurance liabilities	2	–
Liabilities from employees' income and church taxes	82	67
Liabilities relating to income and sales taxes	47	69
Current account liabilities	27	8
Liabilities to employees relating to restructuring measures	512	399
Other	27	15
	<b>892</b>	<b>1,112</b>

As in the previous year, the other miscellaneous liabilities included payroll and other operating liabilities.

## Further information on liabilities

### Maturity structure of other liabilities

€ million	Dec. 31, 2024		Dec. 31, 2025	
	Maturing in 2025	Maturing after 2025	Maturing in 2026	Maturing after 2026
Bonds	1,283	15,112	994	15,292
Liabilities to banks	10	–	12	800
Down payments received on orders	3	–	3	–
Trade accounts payable	1,871	–	1,831	–
Payables to subsidiaries	34,730	–	33,922	–
Miscellaneous liabilities	892	–	1,112	–
	<b>38,789</b>	<b>15,112</b>	<b>37,874</b>	<b>16,092</b>

Of the total other liabilities, €6,734 million (2024: €8,100 million) had residual maturities of more than five years and were attributable mainly to bonds (€5,934 million) and liabilities to banks (€800 million).

The total other liabilities included €169 million (2024: €146 million) in liabilities that did not legally come into being until after year end. These consisted almost entirely of accrued interest.

## Deferred income

Deferred income consisted mainly of payments for goods or services to be delivered or performed in the future.

# Other Information

## Contingent liabilities

Liabilities arising from debt guarantees totaled €20,880 million (2024: €24,397 million). They were issued in favor of subsidiaries. Based on our knowledge of their respective economic situations, all of these companies are able to meet the underlying liabilities. The company's liability in this regard is not expected to materialize.

### Debt guarantees

	Dec. 31, 2024	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2025
	Nominal amount	€ million	Nominal amount	€ million
<b>Guarantees for current and former Group companies</b>				
Bayer Capital Corporation B.V., Netherlands				
– 1.500% DIP notes, maturing in 2026	€1,750 million	1,750	€1,750 million	1,750
– 2.125% DIP notes, maturing in 2029	€1,500 million	1,500	€1,500 million	1,500
Bayer Corporation, USA				
– 6.650% notes, maturing in 2028	US\$350 million	337	US\$350 million	298
– Commercial paper	–	–	US\$744 million	633
– Liabilities to banks	US\$75 million	72	US\$63 million	53
Bayer US Finance LLC, USA				
– 6.125% notes, maturing in 2026	US\$1,000 million	962	US\$1,000 million	851
– 6.250% notes, maturing in 2029	US\$1,000 million	962	US\$1,000 million	851
– 6.375% notes, maturing in 2030	US\$1,250 million	1,203	US\$1,250 million	1,063
– 6.500% notes, maturing in 2033	US\$1,750 million	1,684	US\$1,750 million	1,488
– 6.875% notes, maturing in 2053	US\$750 million	722	US\$750 million	638
Bayer US Finance II LLC, USA				
– 2.850% notes, maturing in 2025	US\$250 million	240	–	–
– 5.500% notes, maturing in 2025	US\$276 million	266	–	–
– 4.250% notes, maturing in 2025	US\$2,500 million	2,405	–	–
– 4.375% notes, maturing in 2028	US\$3,500 million	3,367	US\$3,500 million	2,977
– 4.200% notes, maturing in 2034	US\$427 million	411	US\$427 million	363
– 5.500% notes, maturing in 2035	US\$318 million	306	US\$318 million	271
– 5.875% notes, maturing in 2038	US\$212 million	204	US\$212 million	181
– 4.625% notes, maturing in 2038	US\$1,000 million	962	US\$1,000 million	851
– 3.600% notes, maturing in 2042	US\$241 million	232	US\$241 million	205
– 4.650% notes, maturing in 2043	US\$292 million	281	US\$292 million	248
– 4.400% notes, maturing in 2044	US\$916 million	881	US\$916 million	779
– 3.950% notes, maturing in 2045	US\$449 million	432	US\$449 million	382
– 4.875% notes, maturing in 2048	US\$2,000 million	1,924	US\$2,000 million	1,701
– 4.700% notes, maturing in 2064	US\$727 million	699	US\$727 million	618
– Commodity derivatives	US\$3 million	3	US\$3 million	2
– Promissory note	–	–	US\$357 million	304
Monsanto Company, USA				
– Lease contracts	US\$99 million	95	US\$95 million	82
– Appeal bonds	US\$2,526 million	2,431	US\$3,210 million	2,731
Bayer Real Estate GmbH, Germany				
– Contractual obligations to Bayer-Pensionskasse VVaG	€50 million	50	€47 million	47
Guarantees for other Group companies		16		13
		<b>24,397</b>		<b>20,880</b>

Bayer AG issued commitments for its subsidiaries Bayer CropScience Beteiligungsgesellschaft mbH, Zweite Bayer Real Estate VV GmbH, Dritte Bayer Real Estate VV GmbH, Monsanto Agrar Deutschland GmbH, Gloryfeel GmbH, Gloryfeel Global GmbH, Natsana GmbH, Tauron Ventures GmbH and natural elements GmbH, under which it assumed liability until the end of 2026 for obligations of these companies that arose in 2025. Based on our knowledge of their respective economic situations, these companies are able to meet the underlying obligations. The company's liability in this regard is not expected to materialize.

The company remains liable for pension obligations of €444 million (2024: €436 million) that were transferred to a subsidiary through a liability assumption agreement or via carve-outs. The company's liability in this regard is not expected to materialize. To our knowledge, the subsidiary concerned is able to meet the respective obligations.

In connection with the sale of the Animal Health business to Elanco Animal Health Incorporated, agreements were reached regarding the potential settlement of tax claims that may result in corresponding liabilities. The materialization of these liabilities depends on the outcome of a tax audit.

## Other financial commitments

In addition to provisions, other liabilities and contingent liabilities, there were also other financial commitments.

### Other financial commitments

	€ million
Rental and lease agreements	6,262
<i>of which with subsidiaries</i>	6,097
Collaboration agreements	1,916
<i>of which with subsidiaries</i>	1,069
Planned or ongoing capital expenditure projects (with order commitments)	219
<i>of which with subsidiaries</i>	1
Effective initial fund of Bayer-Pensionskasse VVaG	965
Effective initial fund of Rheinische Pensionskasse VVaG	132
	<b>9,494</b>

## Derivatives/hedging relationships

In the course of their business, Bayer AG and companies in the Bayer Group are exposed to foreign exchange, interest-rate and price risks, which are hedged principally by means of derivatives. Most of these are over-the-counter (OTC) instruments. Derivative financial instruments are employed on the basis of uniform guidelines and are subject to strict internal controls. Apart from a few low-value exceptions, their use is confined to the hedging of the Bayer Group's operating business and of the related investments and financing transactions. The instruments used for currency hedging are mainly forward exchange contracts and currency options. Interest-rate swaps are used to hedge interest rates. Stock options are used to hedge fluctuations in the value of commitments to employees under stock-based compensation programs. Commodity futures are used to hedge price risks.

The main objective of using derivatives is to reduce fluctuations in earnings and cash flows associated with changes in foreign exchange rates, interest rates, share prices and market prices.

There is a risk that the value of derivatives could change as a result of fluctuations in underlying parameters such as exchange rates, interest rates, share prices or market prices. Where derivatives are designated as hedges, possible declines in their value are offset by corresponding increases in the value of the hedged contracts.

In the case of derivatives with a positive fair value, a credit or default risk arises if the counterparties cannot meet their obligations. To minimize this risk, contract limits are assigned to the individual banks according to their creditworthiness.

The notional amount of financial derivatives contracts concluded with external counterparties was €20.3 billion as of December 31, 2025 (December 31, 2024: €20.3 billion). Back-to-back derivatives contracts in a notional amount of €8.9 billion (December 31, 2024: €8.4 billion) were concluded with Group companies. The total notional amount of derivatives, including those forming hedging relationships, was therefore €29.2 billion (December 31, 2024: €28.7 billion). The derivatives comprised the following:

Derivatives € million	Notional amounts		Positive fair values		Negative fair values	
	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025
Currency contracts	24,404	23,456	355	222	(247)	(256)
Currency options	3,884	4,774	31	47	(31)	(22)
Interest-rate/currency swaps	–	406	–	4	–	–
Commodity futures	20	19	–	–	–	–
Stock options	380	519	34	108	(44)	(78)
	<b>28,688</b>	<b>29,174</b>	<b>420</b>	<b>381</b>	<b>(322)</b>	<b>(356)</b>

## Measurement methods

The fair values of financial derivatives are measured by the usual methods based on the market data available at the measurement date. The following principles are applied:

- // Forward exchange contracts are measured individually at their forward rates on the closing date. The forward rates depend on spot rates, including time spreads.
- // The fair values of currency options are determined using a Black-Scholes model.
- // The fair values of interest-rate swaps are determined by discounting expected future cash flows. Discounting applies market interest rates for the remaining term of these instruments.
- // The fair values of stock options are determined by a Monte Carlo simulation.

## Hedging relationships

Due to existing and planned transactions, the company is subject to currency, interest-rate and share-price risks that in most cases are hedged through the use of financial derivatives that are in certain cases pooled together to form hedging relationships. The table below presents the obligations that would arise without the hedging.

Hedging relationships				
€ million	Type of risk	Hedging relationship	Amount of the underlying transaction	Hedged risk
				Dec. 31, 2025
Hedging of currency risks through currency contracts and options				
– Planned future sales	Currency risk	Macro-hedge	3,239	64

The negative ineffectiveness of hedges, which would have required provisions to be established, did not occur in 2025 or 2024. Anticipated foreign exchange exposure is regularly based on financial planning for the next 12 months that is used to derive transactional foreign exchange exposure. For sales and purchase transactions in foreign currencies that are considered highly probable, any arising surplus of sales is hedged. The planning horizon for anticipated future transactions is 12 months.

### Derivatives that do not form hedging relationships

Financial derivatives that do not form hedging relationships were used to hedge a portion of the obligations arising from the Aspire stock-based compensation program of Bayer AG. The customized forward trade contracts concluded for this purpose had a positive fair value of €30 million. Forward exchange transactions that do not form hedging relationships had a negative fair value of €177 million, which was recognized in provisions for impending losses.

### Items in the statement of financial position and carrying amounts

The carrying amounts of hedging transactions that did not form hedging relationships or that led to ineffectiveness were recognized under the following items in the statement of financial position:

€ million	Item in the statement of financial position	Carrying amount
		<b>Dec. 31, 2025</b>
Options premiums paid	Other assets	32
Provisions for impending losses from forward exchange transactions	Other provisions	177
Options premiums received	Other liabilities	32

## Legal risks

As a global company with extensive business activities, the Bayer Group is exposed to numerous legal risks, particularly in the areas of product liability, competition and antitrust law, anticorruption, patent disputes, tax assessments and environmental matters. The outcome of any current or future proceedings cannot normally be predicted. It is therefore possible that legal or regulatory judgments or future settlements could give rise to expenses that are not covered, or not fully covered, by insurers' compensation payments and could significantly affect our sales and earnings. The legal proceedings referred to below do not represent an exhaustive list of all legal proceedings, but rather those legal proceedings we currently consider to be material.

The legal risks outlined in the following are presented irrespective of whether claims are asserted or threatened solely or directly against Bayer AG, or only against Group companies. Nothing in the descriptions that follow represents an acknowledgement by Bayer AG of any legal responsibility whatsoever or, in particular, of a joint or contingent liability of Bayer AG for claims filed primarily or exclusively against Group companies. The legal risks described are those to which Bayer AG is exposed either directly or through subsidiaries. For information on the corresponding provisions established at subsidiaries, please see the Notes to the Consolidated Financial Statements of the Bayer Group as of December 31, 2025.

## Product-related litigation

**Class actions over neonicotinoids in Canada:** Proposed class actions against Bayer have been filed in Quebec and Ontario (Canada) concerning crop protection products containing the active substances imidacloprid and clothianidin (neonicotinoids). The plaintiffs are honey producers, who have filed a proposed nationwide class action in Ontario and a Quebec-only class action in Quebec. The plaintiffs are seeking compensatory and punitive damages and allege that Bayer and another crop protection company were negligent in the design, development, marketing and sale of neonicotinoid pesticides. The proposed Ontario class action is in a very early procedural phase. In Quebec, a court certified a class proposed by the plaintiffs in 2018. The plaintiffs failed to set the case down for trial within the required time frame. In February 2026, the court rejected their application for relief from this default, and the case was consequently discontinued. The plaintiffs still have the right to appeal against the decision. Bayer believes it has meritorious defenses and intends to defend itself vigorously.

**Roundup™ (glyphosate):** A large number of lawsuits from plaintiffs claiming to have been exposed to glyphosate-based products manufactured by Bayer's subsidiary Monsanto Company ("Monsanto") have been served upon Monsanto in the United States. Glyphosate is the active ingredient contained in a number of Monsanto's herbicides, including Roundup™-branded products. Plaintiffs allege personal injuries resulting from exposure to those products, including non-Hodgkin lymphoma ("NHL") and multiple myeloma, and are seeking compensatory and punitive damages. The plaintiffs are claiming, inter alia, that the glyphosate-based herbicide products are defective and that Monsanto knew, or should have known, of the risks allegedly associated with such products and failed to adequately warn its users. Additional lawsuits are anticipated. The majority of plaintiffs have brought actions in state courts in Missouri.

In February 2026, Monsanto reached agreement on two significant settlements regarding Roundup™ claims: a proposed US nationwide class settlement and a separate agreement settling certain other Roundup™ claims on mutually acceptable terms. The settlement agreements do not contain any admission of liability or wrongdoing. They are aimed at significantly containing the Roundup™ litigation.

The proposed class settlement is designed to resolve current and future glyphosate-related claims alleging NHL injuries regardless of legal theory through a long-term claims program.

The scope of the proposed settlement class covers persons who allege exposure to Roundup™ prior to the settlement date and have a medical diagnosis of NHL or receive a medical diagnosis of NHL before the end of a 16-year period following the effective date of the settlement, which occurs after final trial court approval of the class settlement agreement and exhaustion of all appellate rights.

To fund the class, Monsanto will make declining capped annual payments for up to 21 years totaling up to US\$7.25 billion.

The class settlement agreement is subject to court approval. As part of the approval process, a settlement administrator will send notice to the class, and class members will have the opportunity to object to or opt out of the settlement. Monsanto has the right to terminate the class settlement if the number of opt-outs is excessive.

If the state trial court finally approves the class settlement, such order could be appealed, with the decision on an appeal potentially taking several years. The class settlement does not become final and effective until all appeal procedures have been concluded.

The following summarizes other Roundup™ litigation developments in the United States which are not affected by the two settlements reached by Monsanto in February 2026.

As of February 2026, 28 Roundup™ trials have been concluded before both federal and state courts in California, Missouri, Oregon, Arkansas, Delaware, Illinois, Georgia and Pennsylvania. In one of these cases, a defense verdict was reversed upon appeal and a re-trial was scheduled. Another seven of these cases remain pending on appeal, including only three outstanding adverse verdicts: Anderson, Dennis and Durnell.

In 2025, four plaintiffs' verdicts (Caranci, Martel, Anderson and Dennis) were affirmed by appellate courts without further reduction of the amounts awarded at the trial court level. In August and November 2025, Monsanto agreed, without admission of liability, to settle the Martel and Caranci cases on mutually acceptable terms. In May 2025, the plaintiffs' verdict (comprised of approximately US\$61 million in compensatory damages and approximately US\$550 million in punitive damages) in Anderson, a three-plaintiff case tried in Missouri, was upheld by the appellate court. Monsanto intends to seek review by the US Supreme Court. In November 2025, the California appeals court upheld a judgment of approximately US\$28 million against Monsanto in the Dennis case. Monsanto is currently seeking review by the California Supreme Court.

In 2024, the Third Circuit Federal Court of Appeals issued its ruling in Schaffner, unanimously holding that the state-based failure-to-warn claims in this case are expressly preempted by the Federal Insecticide Fungicide and Rodenticide Act (FIFRA). This decision on federal preemption has created a circuit split with prior decisions of the Ninth (Hardeman) and Eleventh (Carson) Circuits. In April 2025, Monsanto filed a petition for a writ of certiorari with the US Supreme Court in the Durnell case, shortly after the Missouri Supreme Court denied Monsanto's appeal. In its petition, Monsanto argues that the split among federal circuit courts in the Roundup™ personal injury litigation, on the cross-cutting question of whether federal law preempts state-based failure-to-warn claims, warrants review and resolution. In June 2025, the US Supreme Court asked the Solicitor General to provide the Federal Government's view on whether the Court should hear the Durnell appeal. In December 2025, the Solicitor General filed its brief supporting the review of the petition for a writ of certiorari in the Durnell case by the US Supreme Court. In January 2026, the US Supreme Court announced that it will review the Durnell case. The US Supreme Court case is unaffected by the settlements agreed in February 2026 described above.

As of December 31, 2025, Bayer's provision and liabilities for the glyphosate litigation totaled US\$11.3 billion (€9.6 billion). Bayer continues to believe there is no reason for safety concerns in connection with the products mentioned above.

Additionally, as of February 15, 2026, a total of approximately 35 lawsuits (proposed class actions and individual actions) relating to Roundup™ have been filed against Bayer in Canada. The lead class action was partially certified and will proceed on the merits.

Bayer believes it has meritorious defenses and intends to defend the safety of glyphosate and our glyphosate-based formulations vigorously.

**Dicamba:** In 2016, Bader Peach Farms filed a lawsuit against Monsanto and BASF SE ("BASF") in Missouri state court. Subsequently, lawsuits from approximately 250 plaintiffs were filed in both US state and federal courts alleging crop damage claims against Monsanto, primarily for soybeans. The general claims are that off-target movement of dicamba herbicide and/or the Xtend™ system has damaged non-dicamba-tolerant soybean and other crops. The Bader Peach Farms case was settled in 2022 without admission of liability.

Bayer continues to receive new dicamba-related claims that could result in potential future lawsuits. A mass tort settlement agreement was reached. The settlement provides for the payment of substantiated claims by soybean growers in crop years 2015 to 2020 who can demonstrate a yield loss due to the application of dicamba products to an Xtend™ crop. That portion of the settlement is capped at US\$300 million. The settlement also provides for additional funds of up to US\$100 million to pay for dicamba damage claims made by growers of other, non-soybean crops, as well as attorneys' fees, litigation costs and settlement administration costs. The settlement claims administration process is ongoing. Taking into account the payments already made, the remaining provision for settlements amounted to approximately US\$41 million (€35 million) as of December 31, 2025.

There are lawsuits pending in Texas brought on behalf of approximately 50 grape vineyards alleging damage in the years 2017 to 2024 (Timmons). Bayer believes it has meritorious defenses and intends to defend itself vigorously.

### **Insurance against statutory product liability claims**

In connection with the above-mentioned product-related litigations and the below-mentioned PCB proceedings, Bayer is insured against statutory product liability claims to the extent customary in the respective industries and has, based on the information currently available, taken corresponding accounting measures. However, the accounting measures relating to, in particular, Roundup™ (glyphosate) and PCB claims exceed the available insurance coverage.

### **Patent disputes**

**Bollgard II RR Flex™/Intacta RR2 PRO™:** In 2019, the Cotton Producers Association of the State of Mato Grosso ("AMPA") in Brazil filed a patent invalidity action in federal court seeking to invalidate four of Bayer's patents covering Bollgard II RR Flex™, a cotton technology owned by Bayer. In 2020, the Brazilian patent office, in the court proceedings, acknowledged the validity of all four challenged patents. Two of the patents are also being challenged in administrative nullity proceedings before the Brazilian patent office. One of the patents, the promoter patent which expired in 2022, is also at issue in a patent invalidation action filed in Brazilian federal court by the Soybean Growers Association from the State of Mato Grosso ("Aprosoja/MT") in 2017 regarding the Intacta RR2 PRO™ soybean technology. In addition to the patent invalidity claims, both lawsuits seek a refund of paid royalties. Both lawsuits were filed as collective actions and are proceeding before the same federal judge. Bayer's Intacta RR2 PRO™ soybean technology is presently protected by three patents.

In addition to the action filed in 2017 regarding the promoter patent, Aprosoja/MT is also seeking a correction of the expiration dates of the three patents protecting Bayer's Intacta RR2 PRO™ soybean technology, including the now expired promoter patent, in a separate action. In this action, Aprosoja/MT is claiming that the two other patents had already expired and is additionally seeking a corresponding refund of paid royalties and reduction of ongoing royalty payments. In 2021, the Brazilian court in Mato Grosso decided to grant the requests by further soybean grower associations and AMPA to be admitted as co-plaintiffs to this lawsuit. One of the two patents, the promoter patent, also covers Bollgard II RR Flex™ and is at issue in the disputes with AMPA. Aprosoja/MT argues that the term of the patents had been determined unconstitutionally. In 2021, a decision by the Brazilian Supreme Court – that the term of patents previously determined to be a minimum of 10 years from the patent being granted is unconstitutional, and that this term shall instead be set at 20 years from the filing of the patent application – became final. This applies retroactively to certain patents, thereby shortening their term. In 2024, the court in Mato Grosso issued a decision granting all claims by Aprosoja/MT, including an order to refrain from collecting the proportional royalties for two of the three patents. In addition, the decision included an order to reimburse royalties paid by rural producers for the two patents after their shortened term provided that eligible rural producers file individual claims in that regard proving their entitlement to the granted reimbursement and the amount. Bayer disagrees with the decision and has appealed it. Bayer continues to believe that neither Aprosoja/MT nor other associations or rural producers are entitled to a refund of paid royalties or to a reduction of ongoing royalty payments.

**MON 87429/MON 94313:** In 2022, Corteva Agriscience LLC ("Corteva") filed a complaint in a US federal court against Bayer. Corteva alleges infringement of three patents held by Bayer by Corteva's herbicide tolerance technologies MON 87429 (corn) and MON 94313 (soybeans), respectively. However, Bayer asserts that its technologies do not infringe any valid patent claim of Corteva and that all three patents of Corteva are invalid. The litigation is stayed pending the final outcome of an Inter Partes Review ("IPR"), upon Bayer's request, of the three patents by the Patent Trial and Appeal Board ("PTAB") of the US Patent and Trademark Office. In 2024, we received favorable IPR decisions from the PTAB finding all three Corteva patents invalid. The decisions have been appealed by Corteva. In January 2026, Bayer and Corteva settled the dispute on mutually acceptable terms and the cases have been dismissed.

**Roundup Ready™ Soybean, Event GTS40-3-2:** In 2023, Bayer's subsidiaries Monsanto and Monsanto do Brasil were served with an action filed in the Brazilian Superior Court of Justice by the rural unions of Sertão, Passo Fundo and Santiago in the State of Rio Grande do Sul. The action challenges a 2019 decision by the court that had confirmed the protection of Roundup Ready™ soybeans under Brazilian patent law independent from plant variety protection and denied claims for a refund of paid royalties.

Bayer believes it has meritorious defenses in the above patent disputes and intends to defend itself vigorously.

### Further legal proceedings

**BASF arbitration:** In 2019, Bayer was served with a request for arbitration by BASF. BASF alleged indemnification claims under asset purchase agreements signed in 2017 and 2018 related to the divestment of certain Crop Science businesses to BASF. BASF alleged that particular cost items, including certain personnel costs, had not been appropriately disclosed and allocated to some of the divested businesses. In 2022, the arbitral tribunal dismissed BASF's claims in their entirety. In 2023, the Higher Regional Court of Frankfurt am Main (Germany) rejected BASF's motion to set aside the award. However, the court found that the arbitral award was technically invalid because it did not comply with a German procedural rule regarding the signatures of the tribunal members. According to the court decision, the original arbitration proceedings had not yet come to an end and still had to be concluded by a valid arbitration award that fully complies with the procedural rules. In 2024, the Federal Court of Justice (Germany) overturned the decision of the Higher Regional Court of Frankfurt am Main and remanded the case back to the Higher Regional Court of Frankfurt am Main for a decision on the alleged grounds for annulment, ruling that the procedural rule regarding the signatures of the tribunal members had not been infringed. In June 2025, the Higher Regional Court of Frankfurt am Main decided to dismiss BASF's arguments and upheld the arbitration award. BASF appealed against the decision to the Federal Court of Justice.

**Newark Bay environmental matters:** In the United States, Bayer is a backup indemnitor for certain environmental liabilities in the Lower Passaic River and/or the Newark Bay Complex which are being satisfied by an unrelated company. Bayer is currently unable to determine the extent of its potential future liability for this matter.

**Mine permit Idaho:** In 2019, the United States Bureau of Land Management ("BLM") granted a permit to Bayer's subsidiary P4 Production, LLC ("P4 Production"), for a new phosphate mine in Idaho. Phosphorus is needed for glyphosate, which is contained in a number of Bayer's herbicides, including Roundup™ agricultural herbicides. In 2021, three non-governmental organizations ("NGOs") challenged the permit in the United States District Court for the District of Idaho. P4 Production joined the proceeding as an intervenor. In 2023, the court vacated the permit. P4 Production has submitted a new mine permit application and is evaluating other phosphate ore mining opportunities.

In 2024, we reached a settlement with the plaintiffs. The settlement ensures that the NGOs will not challenge a new permit, which we still expect the BLM to issue.

**Asbestos:** In many cases, plaintiffs allege that Bayer and co-defendants employed third parties on their sites in past decades without providing them with sufficient warnings or protection against the known dangers of asbestos. Additionally, a Bayer affiliate in the United States is the legal successor to companies that sold asbestos products until 1976. Union Carbide has agreed to indemnify Bayer for this liability. Similarly, Monsanto faces numerous claims based on exposure to asbestos at Monsanto premises without adequate warnings or protection and based on the manufacture and sale of asbestos-containing products. Bayer believes it has meritorious defenses and intends to defend itself vigorously.

**PCBs:** Bayer's subsidiary Monsanto has been named in lawsuits brought by various governmental entities in the United States claiming that Monsanto, Pharmacia and Solutia, collectively as a manufacturer of PCBs, should be responsible for a variety of damages due to PCBs in the environment, including bodies of water, regardless of how PCBs came to be located there. PCBs are chemicals that were widely used for various purposes until the manufacture of PCBs was prohibited by the EPA in the United States in 1979.

In 2020, Bayer entered into a class settlement, valued at approximately US\$650 million, to settle claims of approximately 2,500 municipal entities. In 2022, the court issued its final approval of the class settlement. There were approximately 84 opt-outs from the class settlement, the majority of which have now filed lawsuits. In 2024, Bayer agreed, without admission of liability, to pay US\$160 million to settle the lawsuit with the City of Seattle, US\$35 million of which was devoted to PCB remediation. In the same year, Bayer agreed, without admission of liability, to pay US\$35 million to settle the lawsuit with the City of Los Angeles.

In 2024, the Maine Attorney General filed suit in state court alleging claims for damages related to PCB contamination of the state's environment, meaning there are now five attorney general cases pending: Delaware, Maine, Maryland, New Jersey and Vermont. Prior cases filed or threatened by Washington, Washington D.C., New Mexico, New Hampshire, Ohio, Pennsylvania and Virginia were settled for a combined total of approximately US\$456 million. In December 2025, the cases filed or threatened by West Virginia and Illinois were settled on mutually acceptable terms. The company also settled a pending matter with the State of Oregon for US\$698 million, reflecting unique circumstances in that State.

The Vermont Attorney General case is different from the others in scope because it involves allegations of contamination not only of the state's environment but also of its school buildings. There is a similar complaint (Addison Central School District) pending in federal court (District of Vermont) by private lawyers representing 93 Vermont school districts alleging PCB contamination in school buildings. In addition, there is a pending case in Vermont on behalf of the Burlington School District and related personal injury claims (see below).

Monsanto also faces numerous lawsuits claiming personal injury due to use of and exposure to PCB products in school and university buildings. One group of cases with approximately 250 plaintiffs claimed a wide variety of personal injuries allegedly due to PCBs in the building products of the school Sky Valley Education Center ("SVEC") in King County, Washington. As of January 31, 2026, 10 trials had been completed in these matters, involving a total of 80 plaintiffs. 31 of these plaintiffs were not successful as the juries decided in favor of Monsanto or a mistrial was declared after the jury was unable to reach a decision. The other 49 plaintiffs were awarded a total of approximately US\$320 million in compensatory and a multiple thereof in punitive damages. The undisputed evidence in these cases does not, in Bayer's opinion, support the conclusions that plaintiffs were exposed to unsafe levels of PCBs or that any exposure could have caused their claimed injuries. Bayer had filed post-trial motions or appealed the adverse verdicts, due to numerous significant trial errors. In June 2025, due to the specific circumstances and without admission of liability, Monsanto agreed to settle the claims of 22 plaintiffs in the Burke case on mutually acceptable terms. In August 2025, Monsanto reached an agreement in principle, without admission of liability, to settle on mutually acceptable terms all existing SVEC cases, involving more than 200 plaintiffs, except for current adverse SVEC verdicts that remained on appeal. In December 2025, Monsanto fully resolved the majority of these claims. In 2024, the Washington Court of Appeals vacated the first SVEC verdict (Erickson et al.) of US\$185 million (compensatory damages of approximately US\$50 million and punitive damages of approximately US\$135 million), based on multiple trial errors. In October 2025, the Washington Supreme Court reversed the appellate court's decision and reinstated the jury's verdict. In December 2025, without admission of liability, Monsanto agreed to settle the Erickson case on mutually acceptable terms. In January 2026, Monsanto agreed, without admission of liability, to settle the eight remaining adverse SVEC verdicts, on mutually acceptable terms.

In October 2025, a lawsuit was filed in North Carolina by NC State University seeking damages from Monsanto related to alleged PCB contamination of a building called Poe Hall (e.g., remediation costs, demolition, replacement construction). NC State University also seeks indemnification and declaratory relief, allocating responsibility to Monsanto for potential workers' compensation claims by university employees and potential exposure claims by university students. In February 2026, a lawsuit was filed by 12 former NC State University students and employees against Monsanto claiming they had developed breast cancer and other conditions due to alleged PCB exposure at Poe Hall. These plaintiffs are seeking compensatory and punitive damages.

In 2023, a putative class action lawsuit (Neddo) was filed in the District of Vermont by a mother on behalf of her three children who attended local schools. She alleges that her children are at increased risk of cancer and non-cancer health issues from PCB exposure and seeks the cost of medical monitoring. The complaint, which was amended in 2025, identifies 46 allegedly contaminated schools, and the proposed class is defined as all individuals who attended or worked at one of the contaminated schools. There are also two pending personal injury cases involving a small number of plaintiffs related to Burlington High School and Twin Valley Elementary School.

There are additional personal injury cases stemming from non-school PCB exposure. Nine cases are pending in Massachusetts state court involving 14 plaintiffs who allege various personal injuries from alleged exposure to PCBs in or near a former General Electric landfill. A personal injury and wrongful death lawsuit involving 169 current or former employees at Clark County Government Center is pending in Nevada. These plaintiffs allege that PCBs contaminated the Center through prior operations by Union Pacific Railroad at the site. The Nevada action was dismissed by the state court, and the plaintiffs appealed. In 2024, the Nevada Supreme Court reversed the dismissal. Lastly, there are three cases involving five plaintiffs claiming injury due to exposure to PCBs near Monsanto's former Krummrich plant.

We believe that we also have meritorious defenses in these matters and intend to defend ourselves vigorously.

To recover costs associated with the PCB-related litigation, Bayer filed a complaint in 2022 in the Circuit Court of St. Louis County for the State of Missouri to enforce its rights under certain indemnity contracts. Under these contracts, the companies who purchased PCBs for use in their products agreed to indemnify Monsanto for PCB-related litigation costs, including settlements.

**Shareholder litigation concerning Monsanto acquisition:** In Germany and the United States, investors have filed lawsuits claiming damages suffered due to the drop in Bayer AG's share price. Plaintiffs allege that Bayer AG's capital market communication in connection with the acquisition of Monsanto was flawed and that the information provided by Bayer on the risks, in particular regarding glyphosate product liability claims in the United States, was insufficient. In the German proceedings, there were approximately 55 plaintiffs with claims pending as of December 31, 2025. In 2022, the Cologne Regional Court initiated a model case proceeding in accordance with the Capital Markets Model Case Act. This does not include a decision on the merits of the matter. In the parallel proceeding in the United States, the United States District Court for the Northern District of California, San Francisco Division, certified a class in 2023. In March 2025, following a court-induced mediation procedure, the parties to the proceeding in the United States agreed to the terms of a settlement resolving this litigation, without admission of liability. The settlement was finally approved by the United States District Court for the Northern District of California, San Francisco Division, in October 2025. It provides for an amount to be paid by the defendants, most of which is covered by insurers. Bayer continues to believe it has duly complied with its capital markets law obligations at all times in connection with the acquisition of Monsanto and its disclosures concerning glyphosate product liability claims and intends to defend itself vigorously against the claims in all shareholder lawsuits.

## Related parties

Related parties are legal entities or natural persons that are able to exert influence on Bayer AG or over which Bayer AG exercises control or has a significant influence.

Transactions with related parties mainly comprise physical, rental, service and financing transactions with subsidiaries, joint ventures and other affiliated companies, and with pension plans. Such transactions are conducted on market terms (arm's length principle).

Bayer AG has undertaken to provide *jouissance* right capital (*Genussrechtskapital*) totaling €150 million for Bayer-Pensionskasse VVaG. The entire amount remained drawn in both 2024 and 2025.

Furthermore, the establishment of a repayable effective initial fund was agreed with Bayer-Pensionskasse VVaG in 2008. This was increased by €800 million to €1,600 million in 2012 and by a further €500 million in 2022. The amount drawn as of December 31, 2025, was €1,135 million (December 31, 2024: €1,135 million).

Moreover, in 2019, the establishment of an additional repayable effective initial fund totaling €189 million had also been agreed with Rheinische Pensionskasse VVaG. The effective initial fund therefore has a total volume of €192 million, of which €60 million had been drawn upon as of December 31, 2025 (December 31, 2024: €60 million).

## Disclosures pursuant to Section 6b, Paragraph 2 of the German Energy Act (EnWG)

There were no unusual transactions in connection with energy supply that were of material significance for the net assets and results of operations of Bayer AG and required disclosure under Section 6b, Paragraph 2 of the German Energy Act (EnWG).

## Audit fees

Information on audit fees for 2025 is provided in the Notes to the Consolidated Financial Statements of the Bayer Group. The exemption under Section 285, No. 17 of the German Commercial Code (HGB) is applied in this respect.

The fees for the financial statements audit services of Deloitte GmbH Wirtschaftsprüfungsgesellschaft primarily related to the audits of the Consolidated Financial Statements of the Bayer Group and of the Financial Statements of Bayer AG and its subsidiaries. The audit-related services and other audit work performed by Deloitte GmbH Wirtschaftsprüfungsgesellschaft in 2025 mainly concerned voluntary financial statements auditing for subsidiaries. Audit reviews of interim financial statements were also conducted.

## Events of particular significance after the end of the fiscal year

In January 2026, Bayer AG issued commercial paper with a nominal volume of €255 million.

In February 2026, Bayer AG and Bayer US Finance LLC, United States, jointly signed an US\$8 billion bank loan facility. The facility has a tenor of one year, plus two six-month extension options. Repayment of drawings against this facility by Bayer US Finance LLC is guaranteed by Bayer AG. The participating banks are entitled to terminate the credit facility in the event of a change of control at Bayer and demand repayment of any loans that may have been granted under this facility up to that time.

In addition, Bayer AG has undertaken a commitment to guarantee payments of up to US\$2.75 billion to be made by Bayer US Finance II, LLC, United States, under a financing commitment provided by another Group company.

## Total compensation of the Board of Management and the Supervisory Board and loans

The total compensation of the members of the Board of Management serving in 2025 comprised:

<b>Total compensation of the Board of Management</b>		
€ thousand	2024	2025
Fixed compensation	7,203	7,315
Fringe benefits	637	889
Pension installment	1,769	1,832
Short-term variable cash compensation	5,040	7,956
Long-term stock-based cash compensation (Aspire) <sup>1</sup>	11,038	11,524
<b>Total compensation</b>	<b>25,687</b>	<b>29,516</b>
Pension service cost <sup>2</sup>	661	726

<sup>1</sup> Fair value at the grant date

<sup>2</sup> Including company contribution to Bayer-Pensionskasse VVaG or Rheinische Pensionskasse VVaG

The total compensation of the Board of Management included €1,418 thousand (2024: €1,420 thousand) in fixed compensation, €92 thousand (2024: €54 thousand) in fringe benefits, €283 thousand in pension installments (2024: €273 thousand), €1,414 thousand (2024: €927 thousand) in short-term variable cash compensation, and €2,218 thousand (2024: €2,082 thousand) in long-term stock-based cash compensation that members of the Board of Management received from foreign subsidiaries. Of the pension service cost, €231 thousand (2024: €161 thousand) pertained to commitments at subsidiaries outside of Germany.

Pension payments to former members of the Board of Management and their surviving dependents in 2025 amounted to €14,080 thousand (2024: €13,629 thousand). Provisions for pensions and similar commitments to former members of the Board of Management and their surviving dependents amounting to €213,053 thousand (2024: €222,444 thousand) were reflected in the statement of financial position of Bayer AG.

The total compensation of the Supervisory Board in 2025 was €5,210 thousand (2024: €5,050 thousand). This included attendance fees of €443 thousand (2024: €357 thousand).

There were no loans to members of the Board of Management or the Supervisory Board as of December 31, 2025, nor were any loans repaid during the year.

## Proposal for the use of the distributable profit

The Board of Management will propose to the Annual Stockholders' Meeting on April 24, 2026, that the entire distributable profit of €108,066,649.02 reported in the Bayer AG Financial Statements for the fiscal year 2025 be used to pay a dividend of €0.11 per share carrying dividend rights.

# Governance Bodies

## Supervisory Board

Members of the Supervisory Board held office as members of the supervisory board or a comparable supervising body of the corporations listed below (as of December 31, 2025, unless otherwise indicated):

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### Norbert Winkeljohann<sup>1</sup>

Osnabrück, Germany  
(born November 5, 1957)

Chairman of the Supervisory Board effective April 2020

Member of the Supervisory Board effective May 2018

Independent management consultant

Memberships on other supervisory boards:

- Bohnenkamp SE (Chairman)
  - Deutsche Bank AG<sup>4</sup> (Vice Chairman)
  - Georgsmarienhütte Holding GmbH (until September 2025)
  - Sievert SE (Chairman)
- 

### Heike Hausfeld

Leverkusen, Germany  
(born September 19, 1965)

Vice Chairwoman of the Supervisory Board effective April 2022

Member of the Supervisory Board effective April 2017

Chairwoman of the Bayer Central Works Council

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### Paul Achleitner

Munich, Germany  
(born September 28, 1956)

Member of the Supervisory Board effective April 2002

Investor

Memberships in comparable supervising bodies of German or foreign corporations:

- Henkel AG & Co. KGaA<sup>4</sup> (Shareholders' Committee)
- 

### Horst Baier<sup>2</sup>

Hanover, Germany  
(born October 20, 1956)

Member of the Supervisory Board effective April 2020

Independent consultant

Memberships in comparable supervising bodies of German or foreign corporations:

- DIAKOVERE gGmbH
  - Ecclesia Holding GmbH
  - Whitbread PLC<sup>4</sup> (Board of Directors)
- 

### André van Broich

Dormagen, Germany  
(born June 19, 1970)

Member of the Supervisory Board effective April 2012

Chairman of the Bayer Group Works Council

Chairman of the Bayer European Forum

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### Ertharin Cousin

Chicago, USA  
(born May 12, 1957)

Member of the Supervisory Board effective October 2019

Independent consultant

Memberships in comparable supervising bodies of German or foreign corporations:

- Allwyn North America, Inc. (Board of Directors)
  - Mondelēz International, Inc.<sup>4</sup> (Board of Directors)
- 

### Nadine Dietz

Bergisch Gladbach, Germany  
(born August 5, 1974)

Member of the Supervisory Board effective January 2025

Chairwoman of the Bayer Group Executives' Committee

Vice Chairwoman of the Executives' Committee of Bayer AG Leverkusen/Monheim

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### Yasmin Fahimi

Hanover, Germany  
(born December 25, 1967)

Member of the Supervisory Board effective October 2022

Chairwoman of the German Trade Union Confederation

Memberships on other supervisory boards:

- Telefónica Deutschland Holding AG<sup>4</sup>
  - Memberships in comparable supervising bodies of German or foreign corporations:
  - Kreditanstalt für Wiederaufbau AöR (Board of Supervisory Directors)
- 

### Colleen A. Goggins

Princeton, USA  
(born September 9, 1954)

Member of the Supervisory Board effective April 2017

Independent consultant

Memberships in comparable supervising bodies of German or foreign corporations:

- IQVIA Holdings, Inc.<sup>4</sup> (Board of Directors)
  - The Toronto-Dominion Bank<sup>4</sup> (Board of Directors) (until April 2025)
  - TD Bank US Holding Company<sup>5</sup> (Board of Directors) (until April 2025)
  - TD Bank, N.A.<sup>5</sup> (Board of Directors) (until April 2025)
  - TD Bank USA, N.A.<sup>5</sup> (Board of Directors) (until April 2025)
-

**Francesco Grioli**

Ronnenberg, Germany  
(born April 22, 1972)

Member of the Supervisory Board effective April 2022

Member of the Executive Main Board of the German Mining, Chemical and Energy Industrial Union

Memberships on other supervisory boards:

- Continental AG<sup>4</sup>

**Frank Löllgen**

Cologne, Germany  
(born June 14, 1961)

Member of the Supervisory Board effective November 2015

North Rhine District Secretary of the German Mining, Chemical and Energy Industrial Union

Memberships on other supervisory boards:

- Covestro AG<sup>4</sup>
- Covestro Deutschland AG

**Marianne Maehl**

Egelsbach, Germany  
(born July 18, 1965)

Member of the Supervisory Board effective September 2024

Chairwoman of the Works Council of the Bayer Frankfurt am Main site

**Kimberly Mathisen**

Oslo, Norway  
(born May 24, 1972)

Member of the Supervisory Board effective September 2022

Chief Executive Officer of HUB Ocean

Memberships in comparable supervising bodies of German or foreign corporations:

- Aker BioMarine ASA<sup>4,6</sup> (Board of Directors)
- Aker Horizons ASA<sup>4,6</sup> (Board of Directors)
- Aize AS<sup>6</sup> (Board of Directors)
- Havfonn AS (Board of Directors) (since June 2025)

**Andrea Sacher**

Berlin, Germany  
(born May 8, 1981)

Member of the Supervisory Board effective September 2020

Chairwoman of the Works Council of the Bayer Berlin site

Vice Chairwoman of the Bayer Central Works Council

**Claudia Schade**

Leverkusen, Germany  
(born December 20, 1978)

Member of the Supervisory Board effective April 2022

Chairwoman of the Works Council of the Bayer Leverkusen site

**Lori Schechter**

Dallas, USA  
(born October 13, 1961)

Member of the Supervisory Board effective April 2024

Independent consultant

**Nancy Simonian**

Cambridge, USA  
(born December 14, 1960)

Member of the Supervisory Board effective April 2024

Independent consultant

Memberships in comparable supervising bodies of German or foreign corporations:

- Alltrna, Inc. (Board of Directors)
- Generate Biomedicines, Inc. (Board of Directors)
- Syros Pharmaceuticals, Inc.<sup>4</sup> (Board of Directors) (until February 2025)

**Jeffrey Ubben**

Healdsburg, USA  
(born July 19, 1961)

Member of the Supervisory Board effective April 2024

Founder, Portfolio Manager and Managing Partner at Inclusive Capital Partners, L.P.

Memberships in comparable supervising bodies of German or foreign corporations:

- Aircela, Inc. (Board of Directors)
- Arcadia Power, Inc. (Board of Directors)
- Exxon Mobil Corporation<sup>4</sup> (Board of Directors)
- Noodle Corporation (Board of Directors) (effective January 2025)
- Growers Edge Financial, Inc. (Board of Directors) (effective March 2025)

**Alberto Weisser**

Igrejinha, Portugal  
(born June 26, 1955)

Member of the Supervisory Board effective April 2021

Senior Consultant at Temasek International Pte. Ltd.

Memberships in comparable supervising bodies of German or foreign corporations:

- Linde plc<sup>4</sup> (Board of Directors)
- PepsiCo, Inc.<sup>4</sup> (Board of Directors)

**Michael Westmeier**

Leverkusen, Germany  
(born August 3, 1972)

Member of the Supervisory Board effective April 2022

Chairman of the Works Council of Bayer Vital GmbH

Vice Chairman of the Bayer Group Works Council

Memberships on other supervisory boards:

- Bayer Vital GmbH

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### Standing committees of the Supervisory Board of Bayer AG (as of December 31, 2025)

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#### Presidial Committee/ Mediation Committee/

Winkeljohann<sup>1, 3</sup> (Chairman),  
Achleitner<sup>3</sup>, Dietz, Grioli<sup>3</sup>,  
Hausfeld<sup>3</sup>, Weisser

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#### Audit Committee

Baier<sup>2</sup> (Chairman),  
Dietz, Hausfeld, Löllgen,  
Schechter, Ubben, Westmeier,  
Winkeljohann<sup>1</sup>

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#### Human Resources and Compensation Committee

Winkeljohann<sup>1</sup> (Chairman),  
Baier<sup>2</sup>, Hausfeld, Sacher,  
Simonian, van Broich

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#### Nomination Committee

Winkeljohann<sup>1</sup> (Chairman),  
Goggins, Mathisen, Weisser

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#### Legal Risk Committee

Schechter (Chairwoman),  
Achleitner, Hausfeld, Löllgen,  
Sacher, Ubben, van Broich,  
Winkeljohann<sup>1</sup>

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#### ESG Committee

Cousin (Chairwoman),  
Fahimi, Goggins, Hausfeld,  
Mathisen, Schade, van Broich,  
Winkeljohann<sup>1</sup>

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## Board of Management

Members of the Board of Management held office as members of the supervisory board or a comparable supervising body of the corporations listed below (as of December 31, 2025, unless otherwise indicated):

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#### William N. (Bill) Anderson

(born August 23, 1966)

Member of the  
Board of Management  
effective April 1, 2023,  
appointed until March 31, 2029  
Chairman of the  
Board of Management (CEO)

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#### Wolfgang Nickl

(born May 9, 1969)

Member of the  
Board of Management  
effective April 26, 2018,  
appointed until May 31, 2026  
Finance

- Gebr. Knauf KG  
(shareholders' committee)
- 

#### Stefan Oelrich

(born June 1, 1968)

Member of the  
Board of Management  
effective November 1, 2018,  
appointed until October 31, 2029  
Pharmaceuticals

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#### Heike Prinz

(born September 24, 1964)

Member of the  
Board of Management  
effective September 1, 2023,  
appointed until August 31, 2026  
Talent  
Labor Director

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#### Rodrigo Santos

(born May 28, 1973)

Member of the  
Board of Management  
effective January 1, 2022,  
appointed until  
December 31, 2028  
Crop Science

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#### Julio Triana

(born September 21, 1965)

Member of the  
Board of Management  
effective April 1, 2024,  
appointed until March 31, 2027  
Consumer Health

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<sup>1</sup> Expert member in the field of auditing pursuant to Section 100, Paragraph 5 of the German Stock Corporation Act (AktG)

<sup>2</sup> Expert member in the field of accounting pursuant to Section 100, Paragraph 5 of the German Stock Corporation Act (AktG)

<sup>3</sup> Members of the Mediation Committee

<sup>4</sup> Listed company

<sup>5</sup> Toronto-Dominion Bank group

<sup>6</sup> Aker group

# Responsibility Statement

To the best of our knowledge, and in accordance with the applicable accounting principles, the Financial Statements give a true and fair representation of the assets, liabilities, financial position and profit or loss of the company, and the Combined Management Report includes a fair review of the development and performance of the business and the position of the Bayer Group and Bayer AG, together with a description of the principal opportunities and risks associated with the expected development of Bayer Group and Bayer AG.

Leverkusen, February 27, 2026  
Bayer Aktiengesellschaft

The Board of Management



Bill Anderson



Wolfgang Nickl



Stefan Oelrich



Heike Prinz



Rodrigo Santos



Julio Triana

# Independent Auditor's Report

To Bayer Aktiengesellschaft, Leverkusen/Germany

## REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

### Audit Opinions

We have audited the annual financial statements of Bayer Aktiengesellschaft, Leverkusen/Germany, which comprise the statements of financial position as at December 31, 2025, and the income statements for the financial year from January 1 to December 31, 2025, and the notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the combined management report for the Parent and the Group of Bayer Aktiengesellschaft, Leverkusen/Germany, for the financial year from January 1 to December 31, 2025. In accordance with the German legal requirements, we have not audited the content of those parts of the combined management report set out in the appendix to the auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- // the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at December 31, 2025 and of its financial performance for the financial year from January 1 to December 31, 2025 in compliance with German Legally Required Accounting Principles.
- // the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of those parts of the combined management report set out in the appendix to the auditor's report.

Pursuant to Section 322 (3) sentence 1 German Commercial Code (HGB), we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

### Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). We performed the audit of the annual financial statements in supplementary compliance with the International Standards on Auditing (ISA). Our responsibilities under those requirements, principles and standards are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law and of the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other German professional responsibilities in accordance with these requirements and the IESBA Code. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not

provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the combined management report.

### **Key Audit Matters in the Audit of the Annual Financial Statements**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1 to December 31, 2025. These matters were addressed in the context of our audit of the annual financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following, we present the recoverability of investments in subsidiaries, which we have determined to be the key audit matter in the course of our audit.

Our presentation of this key audit matter has been structured as follows:

1. description (including reference to corresponding information in the annual financial statements)
2. auditor's response

### **Recoverability of Investments in Subsidiaries**

a) The annual financial statements of Bayer Aktiengesellschaft as at December 31, 2025 report investments in subsidiaries of EUR 70,549 million (69.3% of total assets). Bayer Aktiengesellschaft has tested the recoverability of the carrying amounts of the investments as at the reporting date by performing internal company valuations. For material investments in subsidiaries, Bayer Aktiengesellschaft generally determines the total company value, which is adjusted for the net financial position. The carrying amounts of the investments are compared to the equity values determined in this way and, in the event of impairment that is expected to be permanent, written down to the lower fair value. The total company values are generally calculated as the present value of the future cash flows expected by the executive directors using discounted cash flow models. The total company values are particularly dependent on the executive directors' estimate of future cash flows as well as the discount rates and growth rates applied in each case. The valuations are therefore subject to uncertainties. Even small changes in the assumptions used can have a significant impact. Against this background and in view of the material significance for the assets, liabilities and financial performance of Bayer Aktiengesellschaft, this matter was particularly relevant in the context of our audit.

The executive directors' disclosures on investments and their recoverability are included in sections 7 and 13 of the notes to the financial statements.

b) As part of our audit, we gained an understanding of the Company's process for assessing the recoverability of the investments held in subsidiaries. Among other things, we assessed whether the valuation models used to determine the total company values accurately reflect the conceptual requirements of the relevant valuation standards and whether the calculations in the models are performed correctly. In addition, we satisfied ourselves that the fair values were calculated properly and in compliance with relevant valuation standards. To this end, we verified, among other things, that the underlying future cash flows and the applied cost of capital as a whole represent an appropriate basis. In our audit, we relied, among other things, on a comparison with general and industry-specific market expectations as well as extensive explanations by the executive directors regarding the key value drivers and assumptions underlying the planning. In addition, we checked the parameters used to calculate the discount rate applied by means of a comparison with market data and verified the calculation model both factually and mathematically. We also consulted internal specialists from the valuation and modeling department for individual areas of the audit.

## Other Information

The executive directors and/or the supervisory board are responsible for the other information. The other information comprises:

- // the unaudited content of the combined management report specified in the appendix to the auditor's report,
- // the executive directors' confirmations in accordance with Section 264 (2) sentence 3 and Section 289 (1) sentence 5 HGB regarding the annual financial statements and the combined management report.

The executive directors and the supervisory board are responsible for the declaration in accordance with Section 161 AktG on the German Corporate Governance Code, which is part of the corporate governance statement included in the "Corporate Governance Report" section of the combined management report. Otherwise, the executive directors are responsible for the other information.

Our audit opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- // is materially inconsistent with the annual financial statements, with the audited content of the disclosures in the combined management report or our knowledge obtained in the audit, or
- // otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

## **Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report**

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) and in supplementary compliance with the ISA will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- // identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- // obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of the Company.
- // evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- // conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- // evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- // evaluate the consistency of the combined management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.

// perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

## **OTHER LEGAL AND REGULATORY REQUIREMENTS**

### **Report on the Assurance on the Electronic Reproductions of the Annual Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB**

#### **Assurance Opinion**

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the annual financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value 542bc82077615a01bd9bcba41589bf7b84e2c26cedae1efc1844c17e0d485f26, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this assurance work only covers the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the annual financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this assurance opinion and our audit opinions on the accompanying annual financial statements and on the accompanying combined management report for the financial year from January 1 to December 31, 2025 contained in the "Report on the Audit of the Annual Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

### **Basis for the Assurance Opinion**

We conducted our assurance work on the electronic reproductions of the annual financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Assurance Standard: Assurance Work on the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibilities in this context are further described in the "Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm has applied the IDW Quality Management Standards.

### **Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents**

The executive directors of the Company are responsible for the preparation of the ESEF documents based on the electronic files of the annual financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

### **Auditor's Responsibilities for the Assurance Work on the ESEF Documents**

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also

- // identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- // obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- // evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the reporting date, on the technical specification for this electronic file.
- // evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited annual financial statements and to the audited combined management report.

### **Report on the Audit of Compliance with the Accounting Obligations under Section 6b (3) EnWG**

#### **Audit Opinion**

We audited whether the Company complied with its obligations under Section 6b (3) sentences 1 to 5 German Energy Industry Act (EnWG) to maintain separate accounts for the financial year from January 1 to December 31, 2025.

In our opinion, the Company complied, in all material respects, with the obligations under Section 6b (3) sentences 1 to 5 EnWG to maintain separate accounts.

### **Basis for the Audit Opinion**

We conducted our audit of compliance with the obligations under Section 6b (5) EnWG to maintain separate accounts in accordance with the Auditing Standard: Audit Pursuant to Section 6b EnWG (IDW AuS 610 Rev. (07.2021)) promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of Compliance with the Accounting Obligations under Section 6b (3) EnWG" section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In our capacity as a German Public Audit Firm, we apply the requirements of the IDW Quality Management Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on compliance with the accounting obligations under Section 6b (3) EnWG.

### **Responsibilities of the Executive Directors and the Supervisory Board for Compliance with the Accounting Obligations under Section 6b (3) EnWG**

The executive directors are responsible for compliance with the obligations under Section 6b (3) sentences 1 to 5 EnWG to maintain separate accounts.

In addition, the executive directors are responsible for such internal control as they have determined necessary to comply with the obligations to maintain separate accounts.

The supervisory board is responsible for overseeing the Company's compliance with the accounting obligations under Section 6b (3) EnWG.

### **Auditor's Responsibilities for the Audit of Compliance with the Accounting Obligations under Section 6b (3) EnWG**

Our objective is to obtain reasonable assurance about whether the executive directors have complied, in all material respects, with their obligations under Section 6b (3) sentences 1 to 5 EnWG to maintain separate accounts. Our objective is also to include a report in the auditor's report that comprises our audit opinion on compliance with the accounting obligations under Section 6b (3) EnWG. The audit of compliance with the obligations under Section 6b (3) sentences 1 to 5 EnWG to maintain separate accounts includes assessing whether the classification of accounts in relation to the activities pursuant to Section 6b (3) sentences 1 to 4 EnWG was appropriate and reasonable and whether the principle of consistency has been adhered to.

### **Further Information Pursuant to Article 10 of the EU Audit Regulation**

We were elected as auditor by the stockholders' meeting on April 25, 2025. We were engaged by the supervisory board on May 26, 2025. We have been the auditor of Bayer Aktiengesellschaft, Leverkusen/Germany, without interruption since the financial year 2017.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

### **OTHER MATTER – USE OF THE AUDITOR'S REPORT**

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as with the assured ESEF documents. The annual financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

## GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Silvia Geberth.

Munich/Germany, March 2, 2026

### Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed:

Andreas Wermelt

Wirtschaftsprüfer

(German Public Auditor)

Signed:

Silvia Geberth

Wirtschaftsprüferin

(German Public Auditor)

## Appendix to the Auditor's Report: Unaudited Content of the Combined Management Report

We have not audited the content of the following parts of the combined management report:

- // the disclosures contained in the "About this Report" section to which reference is made in the combined management report,
- // the statements made on the appropriateness and operating effectiveness of internal control (ICS) and the risk management system (RMS) in accordance with Recommendation A.5 of the GCGC contained in section 3.2.1 of the combined management report under "Assessment of the risk management and internal control system pursuant to Section 91, Paragraph 3 of the German Stock Corporation Act,"
- // the disclosures made in section 4 of the combined management report under "Sustainability Statement,"
- // the corporate governance statement in accordance with Section 289f and Section 315d HGB contained in section 5.1 of the combined management report,
- // the non-financial and other disclosures of Bayer AG contained in section 6.4 of the combined management report,
- // all cross-references to web pages of the Company and the information to which these cross-references refer.

# Financial Calendar

Annual Stockholders' Meeting 2026	April 24, 2026
Planned dividend payment day	April 29, 2026
Q1 2026 Quarterly Statement	May 12, 2026
2026 Half-Year Report	August 4, 2026
Q3 2026 Quarterly Statement	November 3, 2026
2026 Annual Report	February 24, 2027
Annual Stockholders' Meeting 2027	April 30, 2027

# Masthead

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## Forward-Looking Statements

This publication 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](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.

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