



Debt Investor Information

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Status: FY 2022/Q1 2023

As of 16 May 2023



Cautionary Statements Regarding Forward-Looking Information

This presentation may contain forward-looking statements based on current assumptions and forecasts made by Bayer management.

Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer's public reports which are available on the Bayer website at <http://www.bayer.com/>.

The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.



Our Business Areas

CropScience



// Innovative chemical & biological crop protection, seeds & traits, digital technologies & services

Pharmaceuticals



// Prescription drugs

Consumer Health



// Over-the-counter medicines, dietary supplements and dermatology products



Our Strategic Priorities

Group Strategic Priorities

1

Positioning businesses to mega-trends
Contribution to health and nutrition¹

2

Developing innovative products
Leadership in our relevant markets

3

Sustainability
Long-term, sustainable growth

4

Focusing on our key strength
Innovation & operational performance



Divisional Focus



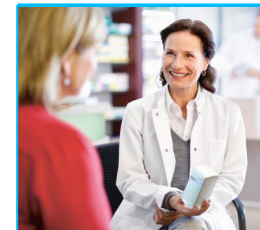
Crop Science

Create a leading innovation engine that transforms agriculture



Pharmaceuticals

Driving performance and delivering new growth opportunities



Consumer Health

Maintain a leading OTC position and improve profitability

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



Leadership and Innovation

Set the Course for Our Future Growth



KEY GROWTH DRIVERS



Long-term megatrend
tailwinds are propelling growing demand in the Life Sciences



Number one position
in Ag inputs and leading positions in key Pharma and Consumer categories



World-class innovation:
technological breakthroughs driven by the bio-revolution



Accelerated transformation
and further efficiency gains in our operations



Focus on sustainability
to create new value



CROP SCIENCE INNOVATION PIPELINE

Annual R&D Investment:



€2.6bn¹

Key Current Launch Products:



VT PRO4 SmartStax^{PRO}
PLATAFORMA INTACTA 2 **TEND FLEX**
X TEND SOYBEANS
Fox Supra **Xivana**
(Indiflin®)²

Key Mid-/Late-Stage Pipeline Opportunities

// Smart Corn System featuring Short Stature Corn

// Soybean Herbicide Trait Stack with Five-Tolerances

// New Herbicide Molecule

01



PHARMACEUTICALS INNOVATION PIPELINE

Annual R&D Investment:



€3.4bn

Key Current Launch Products:



NUBEQA (darolutamide)
Kerendia (finerenone)
VITRAKVI (vitracovi)
Verquvo (vericiguat) tablets
(25 mg, 50 mg)

Key Mid-/Late-Stage Pipeline Opportunities

Finerenone

// Non-diabetic CKD

// Heart Failure

Factor XI(a) portfolio

// Thrombo-embolic diseases

Elinzanetant (KaNDy NT-814)

// Vasomotor symptoms during menopause

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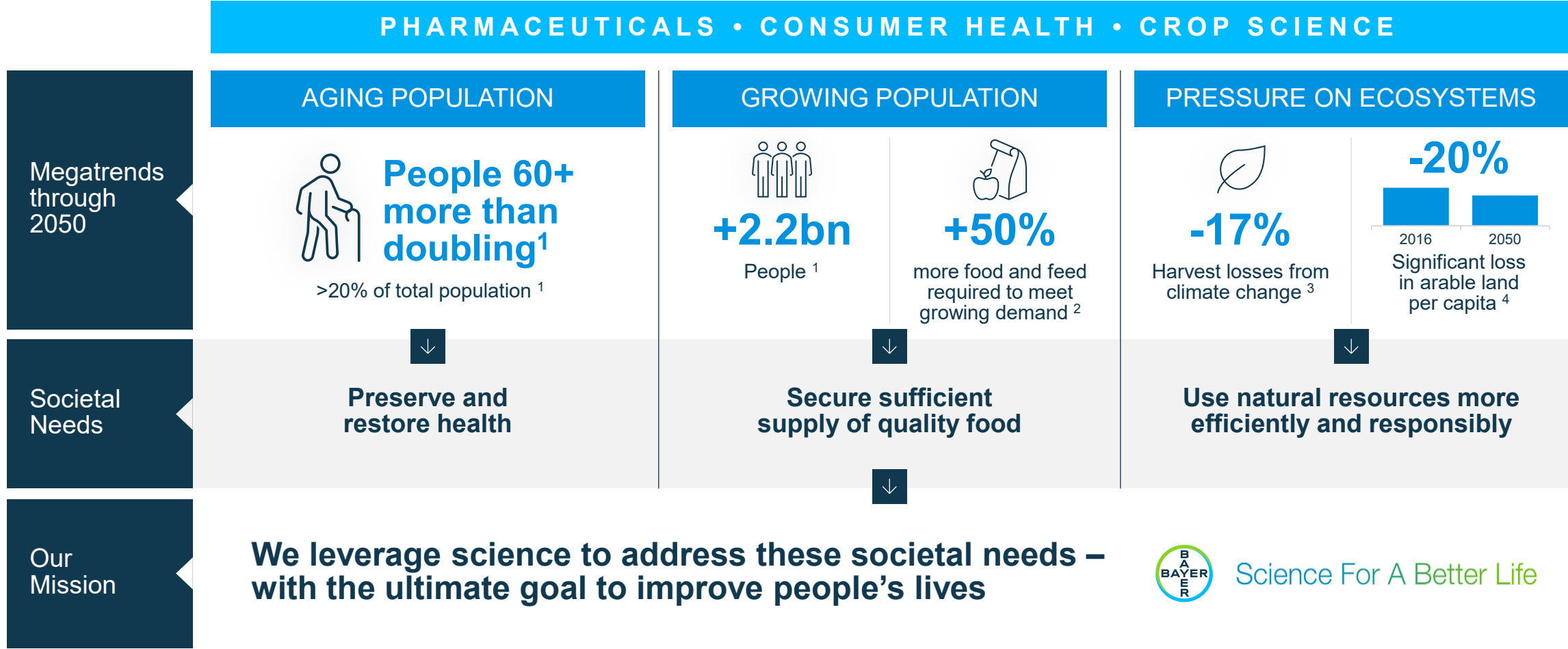
Note: Subject to regulatory approvals and pending registrations. Represents a subset of the pipeline.

¹Bayer R&D expenses exclude special items ²In collaboration with Sumitomo



Global Megatrends in Health & Nutrition

Attractive Macro Drivers of Our Strategy and Underpin the Need for Innovation



Science For A Better Life

¹ UNDESA 2017 (United Nations Department of Economic and Social Affairs, Population Division (2017). World Population Prospects: The 2017 Revision)

² FAO 2017, (FAO Global Perspective Studies)

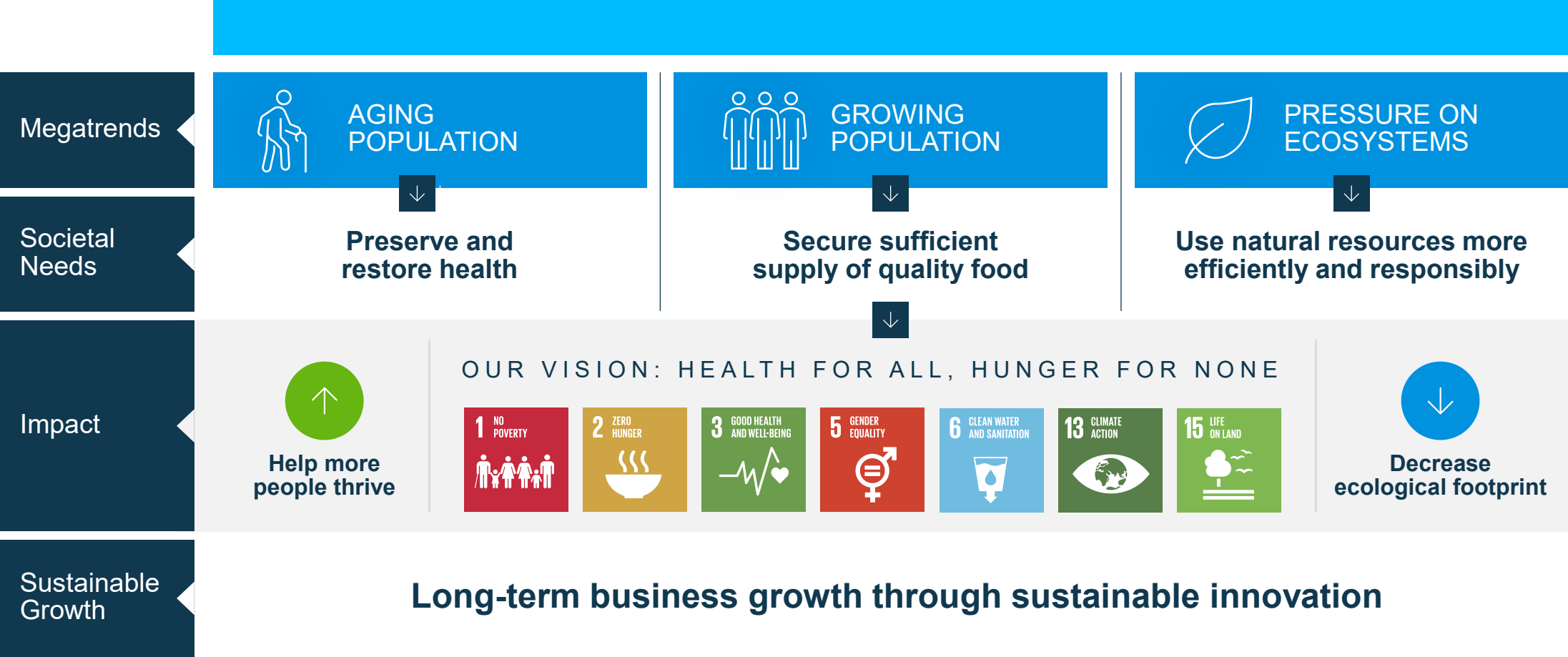
³ Nelson et. al, (2014); FAO 2016 "Climate change and food security"

⁴ FAOSTAT (accessed Oct 30, 2018) for 1961-2016 data on land, FAO 2012 for 2030 and 2050 data on land, and UNDEDA 2017: World Population Prospects for world population data



Sustainability is Integral to Our Values, Strategy and Operations

We intend to create bold impact and generate sustainable business opportunities





We Create Value by Accelerating our Transformation

Driving Innovation and Returns

1

Enable growth

- Clear plan for translating innovation into top-line growth

2

Drive profitability

- Comprehensive transformation program launched

3

Focus on cash

- Strong capacity to generate cash

4

Sustainability

- Inclusive growth by helping more people thrive, and decreasing our ecological footprint

5

Disciplined capital allocation

- Priorities: deleveraging, dividends, external growth investments

Value creation



Focus on Cash Generation Embedded in Incentive Plans

Improvements Expected from Sales Growth, Working Capital & Divestments;
Litigation Pay-outs and One-Time Costs for Transformation Mitigating Factors



Improve free cash flow

Optimize working capital focusing on overdue management, inventory and payables; prioritizing CapEx



Adapt incentive scheme

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



Capital Employed / Divestments

Optimization of fixed asset portfolio, for example, sale of property

Sale of businesses / brands below division level (e.g. ES professional)



Litigation pay-outs & special items

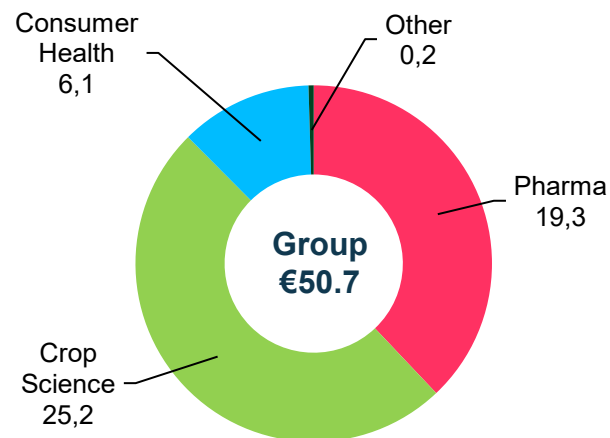
Our Free Cash Flow is impacted by litigation pay-outs and cash-effective one-time costs for transformation



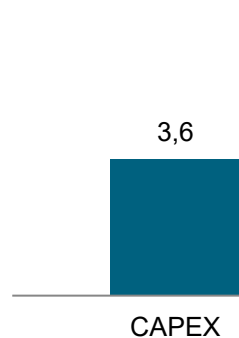


Bayer Key Financials

2022 Sales in €bn



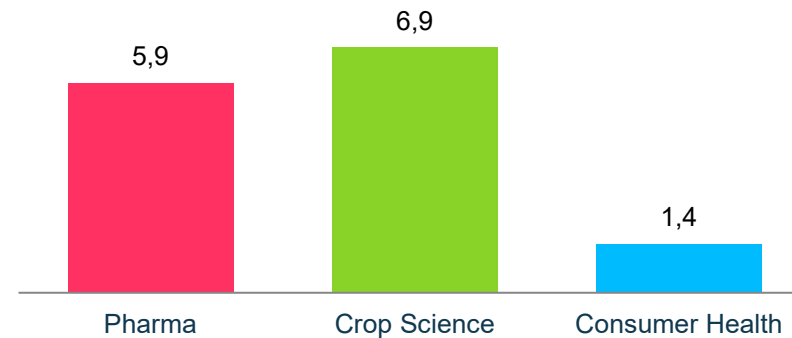
Capital Expenditures 2022 in €bn



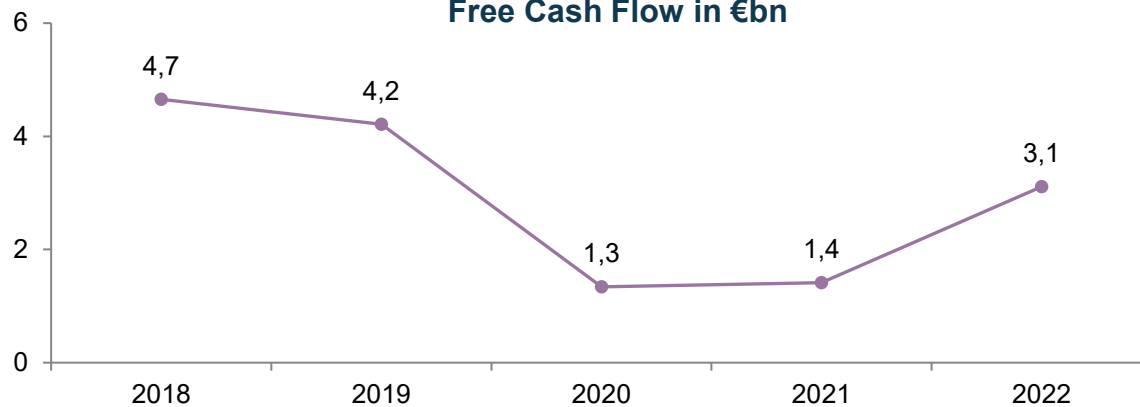
Research & Development Expenses 2022 in €bn



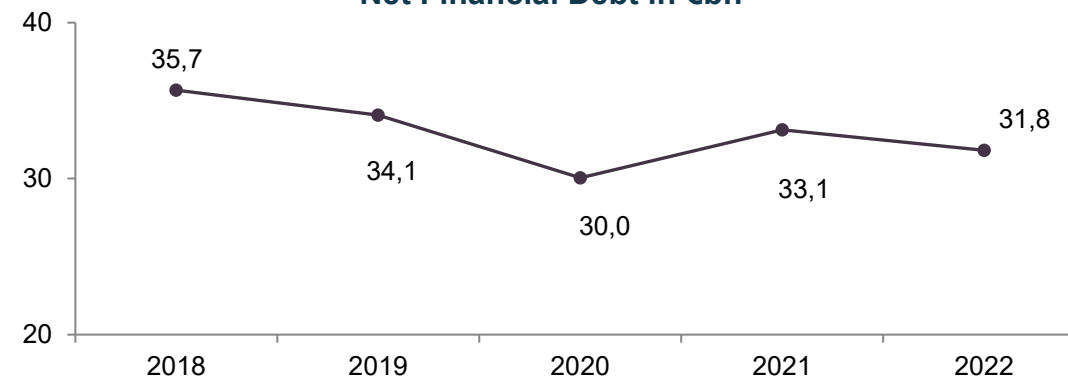
2022 EBITDA before Special Items in €bn



Free Cash Flow in €bn



Net Financial Debt in €bn



Notes:

- 2022 figures and net financial debt figures as initially reported
- Free cash flow was initially reported in 2018; 2017 free cash flow figure were taken from 2019 annual report; Free cash flow includes litigation payments



Group P&L Outlook confirmed towards lower end of range

in €

FY 2023 OUTLOOK at constant currencies ¹

Net Sales	51bn – 52bn
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EBITDA (before special items)	12.5bn – 13bn
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Core EPS	7.20 – 7.40
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Free Cash Flow	~ 3bn
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Net Financial Debt	~ 32bn – 33bn
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Key Assumptions

- Representing sales growth of **2% to 3% cpa**
- Including **portfolio effects** of -€500m in sales
- **FX** headwinds of **~€1.7bn** estimated for sales ²
- Price pressure and inflation to be partially compensated by higher volumes, active pricing management and cost savings
- Including expected settlement payouts of **€2-3bn**
- **Net Financial Debt** expected towards upper end

¹ Reflects our 2023 plan at the average actual currencies for 2022

² Currency assumptions based on month-end March 2023 spot rates (1 EUR=) 1.09 USD, 5.54 BRL, 7.47 CNY.
Impact is calculated as difference to constant currencies.



Bayer Pursues a Conservative Financial Policy...



Financing Instruments

// Syndicated credit facilities

// Global Commercial Paper program

// Senior bonds in different currencies

// Hybrid bonds

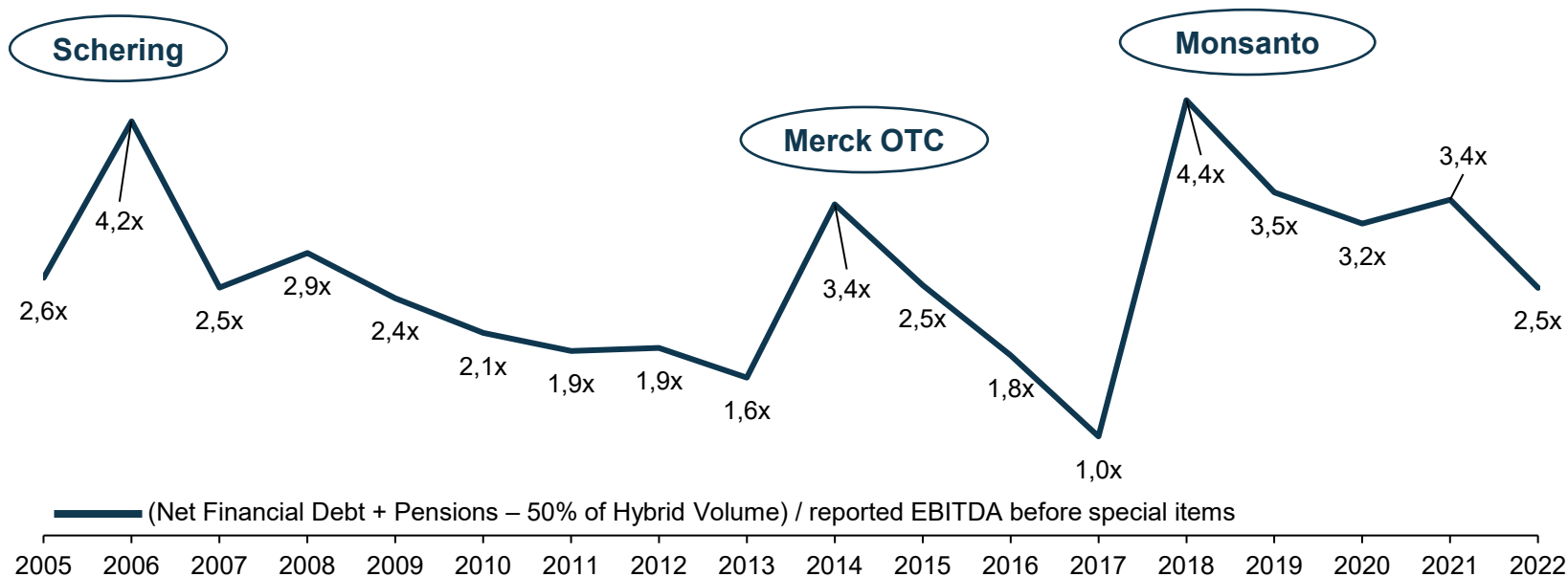
// Equity-linked instruments

Prudent debt management with excellent access to diverse sources of liquidity



... and Remains Committed to a Rating in the Single A Target Category

Development of Ratings and Leverage¹



Proven track record of disciplined deleveraging

Agency	Long Term Rating over time			
S&P	A	BBB+	A-	
Moody's	A3			Baa1
Fitch ²	BBB+	A-		A

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

¹ Figures as reported in the respective year's annual report without restatements

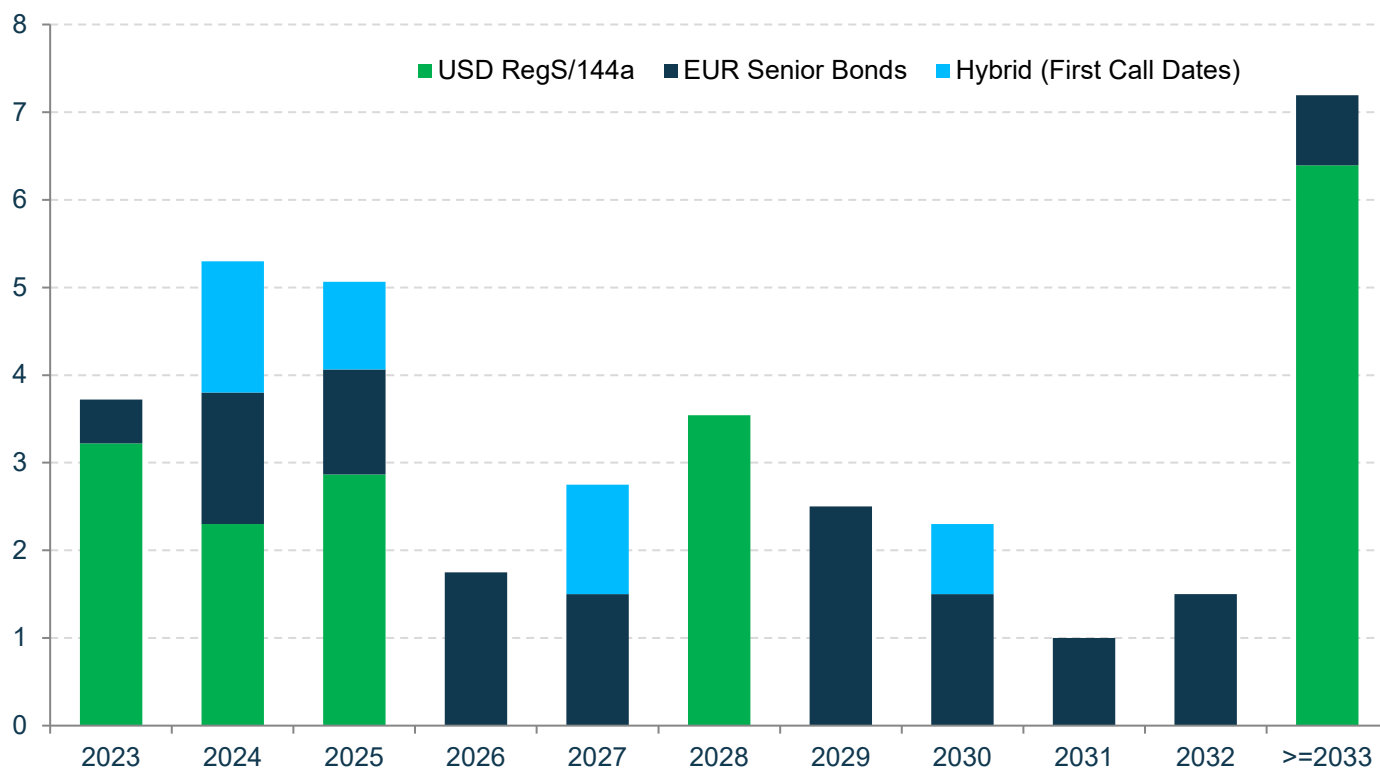
² Solicited since 2018



Bayer's Maturity Profile is Well Balanced

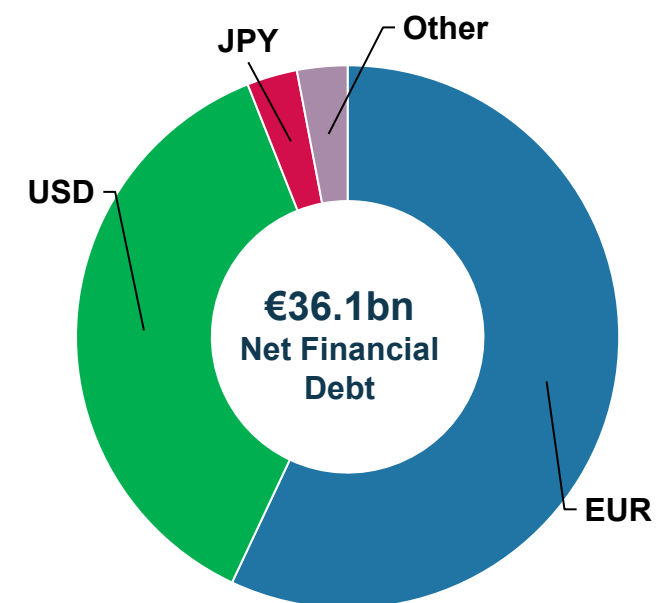
Bond Maturity Profile (€bn)

as of March 31, 2023¹



Currency Exposure incl. Derivatives

as of March 31, 2023²



¹ Converted at quarter-end FX rate EURUSD 1.09

² Based on quarter-end FX rates



Overview of Bayer's Funding Structure

Net Financial Debt¹

	Dec. 31, 2021	Dec. 31, 2022	March 31, 2023
	€ million	€ million	€ million
Bonds and notes / promissory notes	37,593	36,602	36,287
of which hybrid bonds ²	4,537	4,528	4,529
Liabilities to banks ³	773	3,484	3,549
Lease Liabilities	1,165	1,234	1,227
Liabilities from derivatives ⁴	69	190	155
Other financial liabilities	1,272	142	2,081
Receivables from derivatives ⁴	(114)	(61)	(82)
Financial debt	40,758	41,591	43,217
Cash and cash equivalents	(4,564)	(5,171)	(4,854)
Current financial assets ⁵	(3,057)	(4,611)	(2,286)
Net financial debt	33,137	31,809	36,077

Nominal Volume of Major Instruments (bn) as of March 31, 2023

1	Senior EUR Bonds	€13.8
	Senior USD Bonds	\$19.9
	Hybrid EUR Bonds	€4.6

2	Loan Facility	€3.0
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3	Commercial Paper	€2.0
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Further undrawn Source of Liquidity:	
Syndicated Loan Facility	€4.5

¹ For definition see Annual Report 2022, A 2.3 "Alternative Performance Measures Used by the Bayer Group."

² Classified as debt according to IFRS

³ Including both financial and nonfinancial liabilities

⁴ Including the market values of interest-rate and currency hedges of recorded transactions

⁵ Including short-term receivables with maturities between 3 and 12 months outstanding from banks and other companies, financial investments in debt and equity instruments that were recorded as current on first-time recognition



Short- and Long-Term Funding Programs

Short-Term Funding: Commercial Paper Program

Commercial Paper (CP) is a short-term unsecured debt instrument. CP are normally issued at a discount and redeemed at nominal value. It is structured as a SEC regulation's section 4(a)(2) program so that there are no restrictions related to the use of proceeds.

Issuer	// Bayer AG, Germany // Bayer Corporation, USA
Guarantor	Bayer AG
Term	Between 1 and 364 days
Program Amount	\$8bn or equivalent
Markets	U.S. market (USCP) and Euro market (ECP)
Dealer	// <u>ECP</u> : Barclays, Bayerische Landesbank, Citigroup, Goldman Sachs, ING // <u>USCP</u> : Barclays, Bank of New York Mellon, Citigroup, J.P. Morgan, Wells Fargo
Issue and Paying Agent	// <u>ECP</u> : The Bank of New York Mellon // <u>USCP</u> : The Bank of New York Mellon

Long-Term Funding: Debt Issuance Program

Under the Debt Issuance Program (DIP) Bayer may from time-to-time issue senior unsecured notes. The notes may be distributed by way of public or private placement and in each case on a syndicated or non-syndicated basis.

Issuer	// Bayer AG, Germany
Program Amount	€20bn
Term	12 months or more
Dealer	Deutsche Bank and further banks as dealer of the day
Arranger	Deutsche Bank
Paying Agent	Deutsche Bank
Listing	Regulated Market of Luxembourg Stock Exchange
Purpose	General Corporate Funding Purposes



Back-up Revolving Credit Facility

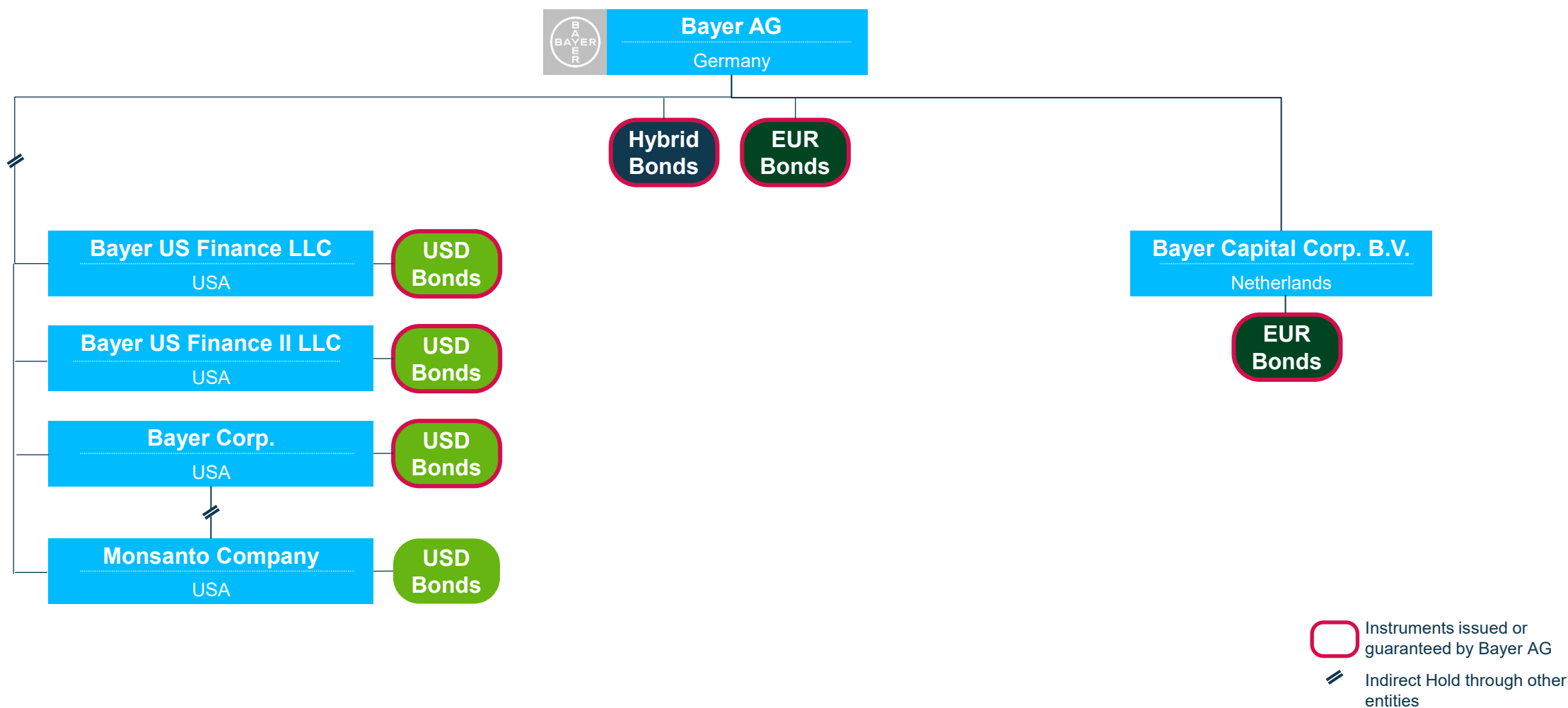
Syndicated Loan Facility

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

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

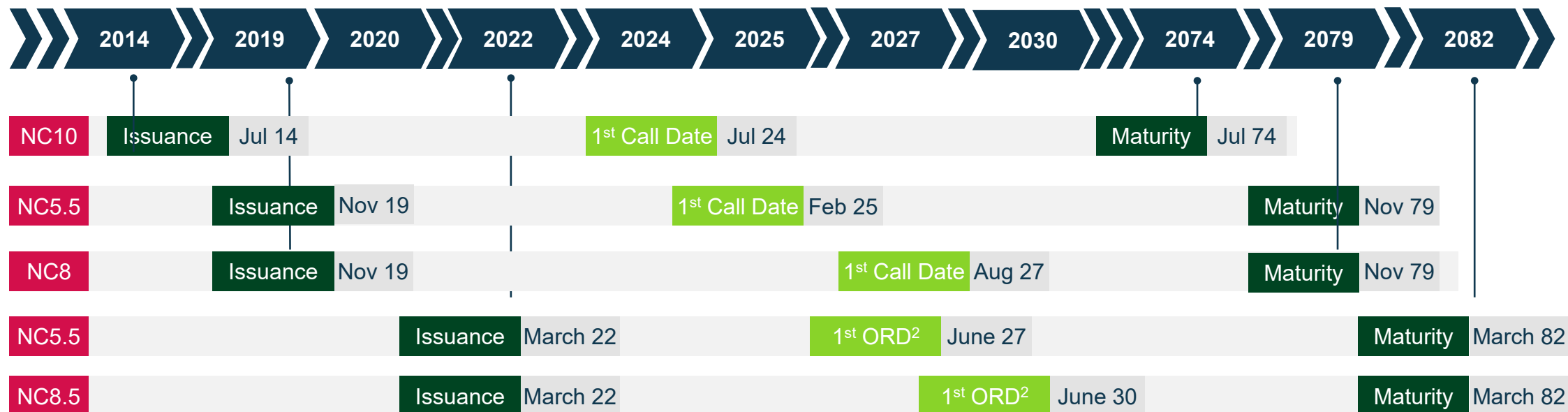


Main Issuing Entities at Bayer Group





Hybrid Bonds at Bayer



Hybrid Bond	Coupon (in%)	Outstanding Volume (in bn €)	Initial Credit Spread	1st Step-Up	2nd Step-Up
NC10	3.75	1.5	230 bps spread + 5Y Swap ¹	+25 bps/Jul 24	+75 bps/Jul 44
NC5.5	2.375	1	264.7 bps spread + 5Y Swap ¹	+25 bps/May 30	+75 bps/May 45
NC8	3.125	0.75	310.8 bps spread + 5Y Swap ¹	+25 bps/Nov 32	+75 bps/Nov 47
NC5.5	4.5	0.5	375.1 bps spread + 5Y Swap ¹	+25 bps/Sept 32	+75 bps/Sept 47
NC8.5	5.375	0.8	445.8 bps spread + 5Y Swap ¹	+25 bps/Sept 35	+75 bps/Sept 50

¹ Swap is reset every fifth year starting with the first reset date

² Optional Redemption Date



Upcoming Events 2023

Date	Event/ Publication
Friday, April 28, 2023	Annual Stockholders' Meeting 2023
Thursday, May 11, 2023	Q1 2023 Quarterly Statement
Tuesday, June 20, 2023	Crop Science Innovation Summit
Thursday, June 29, 2023	Pharmaceuticals R&D Event
Tuesday, August 08, 2023	Q2 2023 Quarterly Statement
Wednesday, November 08, 2023	Q3 2023 Quarterly Statement

Please note that the event calendar might be subject to changes



Contacts at Bayer



Dr. Sven Vorstius

Head of Corporate Funding

E-Mail: Sven.Vorstius@bayer.com

Building Q 26

D-51368 Leverkusen



Tobias Feld

Manager Investor Relations

E-Mail: Tobias.Feld@bayer.com

Building W 11

D-51368 Leverkusen