



Debt Investor Information

Bayer AG

May 13, 2025
Status: Q1 2025





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.



Global Leader in Health & Nutrition: Uniquely Positioned to Meet Basic Needs of Humankind



Crop Science

- Global Ag Market & Adjacent Spaces expected to double to **>€200bn¹ by 2030**
- **Innovative crop system solutions**, holding **#1 in Seed & Traits** with **leading Crop Protection Portfolio** and digital and carbon solutions



Pharmaceuticals

- **Attractive market** with a current market size of ~ €1.6 trillion² and significant growth opportunities driven by innovation
- **Strong market positions in key therapeutic areas** like cardiology, women's healthcare, oncology, ophthalmology and radiology

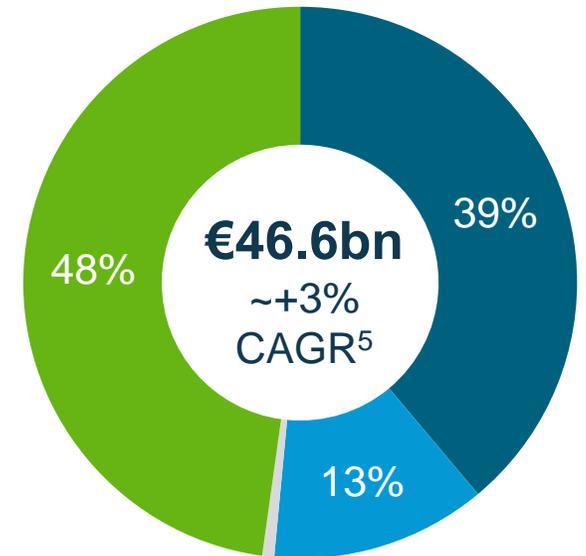


Consumer Health

- **3-5% CAGR** CH Global Market with a current market size of ~ €196bn³
- **Iconic brands with leading market** positions in nutritional supplements, allergy, cough and cold, dermatology, pain and cardiovascular risk prevention, and digestive health

Net Sales Full Year 2024

as rep⁴



Core EPS
Full Year 2024
€5.05

Free Cash Flow
Full Year 2024
€3.1bn

¹ Company estimates ² IQVIA Market Prognosis as of June 2024 ³ Outlook, internal market model in-market sales OTC medicines, data from IQVIA, Nicholas Hall
⁴ As rep = as reported ⁵ CAGR 2020-2024



Global Pressures Underpin Our Mission and the Need for Innovation

PHARMACEUTICALS • CONSUMER HEALTH • CROP SCIENCE

Megatrends through 2050

AGING POPULATION



People 60+ more than doubling¹

>20% of total population ¹

GROWING POPULATION



+2.2bn

People ¹



+50%

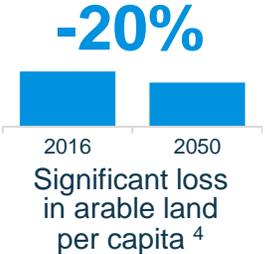
more food and feed required to meet growing demand ²

PRESSURE ON ECOSYSTEMS



-17%

Harvest losses from climate change ³



Our Mission



Health for All, Hunger for None.

Pharmaceuticals

*Treat the Untreatable.
Cure Disease.
Offer Hope.*

Consumer Health

Help over 1bn People to Live Healthier Lives with most Trusted Self-Care Solutions.

Crop Science

*Produce 50% More.
Restore Nature.
Scale Regenerative Ag.*

Our divisional Vision

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



Our 2030 Sustainability Targets¹ Positively Contribute to Today's Pressing Challenges

Help more PEOPLE thrive



Food Security:

Support 100m smallholder farmers in LMICs²



Access to Health:

Support 100m people in underserved³ communities with self care interventions

Increase availability and affordability of our innovative pharma products in LMICs²



Women's Empowerment:

Fulfill the need of 100m women in LMICs² for modern contraception

Achieve gender balance at all managerial levels

Decrease ECOLOGICAL footprint



Climate neutrality⁴ in own operations

+  **reduced emissions in our supply chain**

> 42% reduction target⁵ for Scope 1 & 2

> 12.3% reduction target⁵ for relevant Scope 3 categories



Net Zero emission target by 2050 or earlier

-30 % environmental impact of our global crop protection portfolio per hectare⁷

Enable our farming customers to **reduce their on-field GHG emissions by 30%** per mass unit of crop produced⁷

Improving water use per kg of crop by 25%

Transition all Consumer Health products to **100% recycle-ready packaging**⁸

¹ The respective target year is 2030 unless specified otherwise; ² LMIC: low and middle income countries - all countries included in the World Bank list as per 1 July 2019; ³ Underserved: economically or medically; ⁴ By 2030, the remaining greenhouse gas emissions of our own operations will be fully offset by purchasing certificates from verified climate protection projects, especially in the areas of forest conservation and agriculture; ⁵ By 2029 from a 2019 base year; ⁶ Against a 2014-2018 average baseline; ⁷ compared to the overall base year emission intensity. This applies to the highest greenhouse gas emitting crop systems in the regions Bayer serves with its products; ⁸ applies to primary, secondary and tertiary packaging, where safety permits and regulations allow



2024: Group Performance

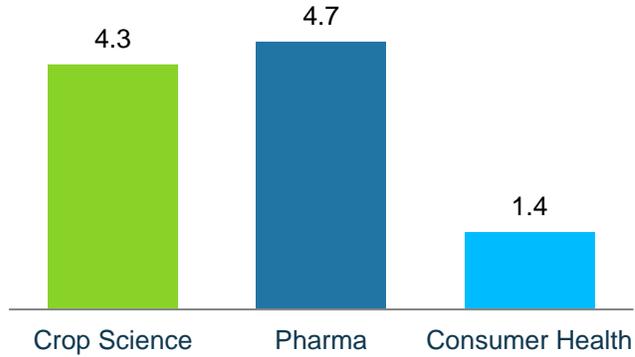
<i>in €bn</i>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Δ% yoy</u>	
Net Sales	47.6	46.6	+1% cpa (-2% rep)	Currency headwind of ~€1.3bn
EBITDA before special items	11.7	10.1	-14%	Lower Crop Science and Reconciliation result; currency headwind of ~€0.6bn
Core EPS (in €)	6.39	5.05	-21%	Lower EBITDA before special items; currency headwind of ~€0.40
Free Cash Flow	1.3	3.1	+137%	Less litigation related payments and lower incentive payouts; progress on inventory
Net Financial Debt	34.5	32.6	-6%	Prioritized cash usage for debt reduction

cpa = currency and portfolio adjusted, rep = as reported, core EPS = core earnings per share (cont. operations)

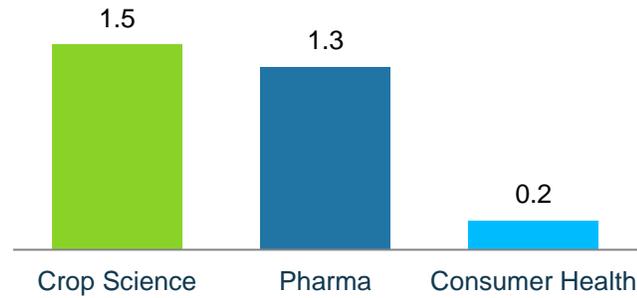


Bayer Key Financials in 2024

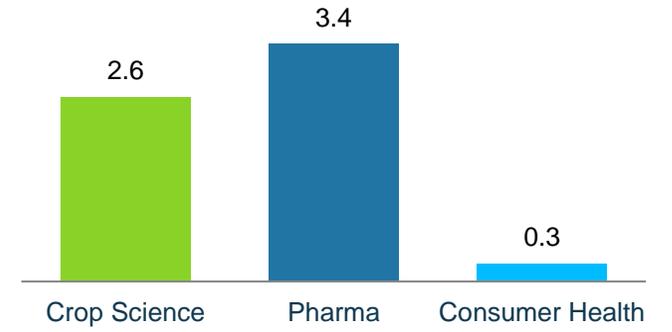
EBITDA before Special Items in €bn



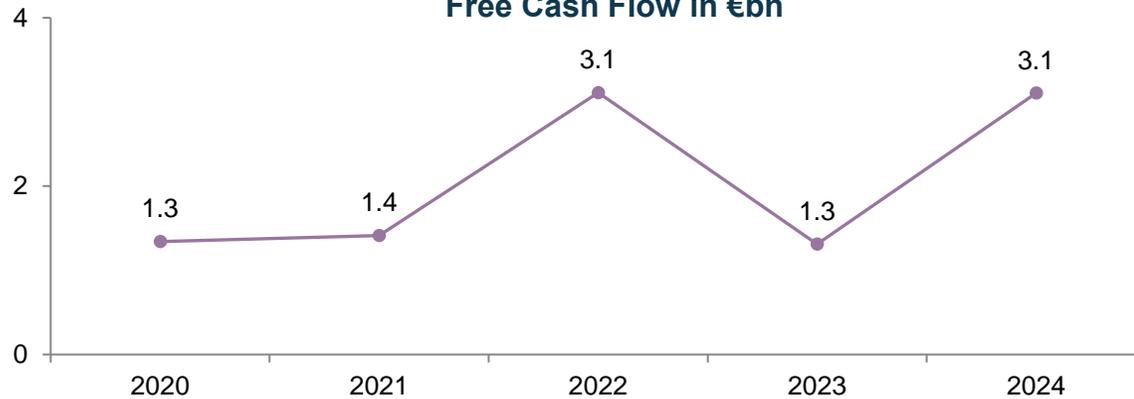
Capital Expenditures in €bn



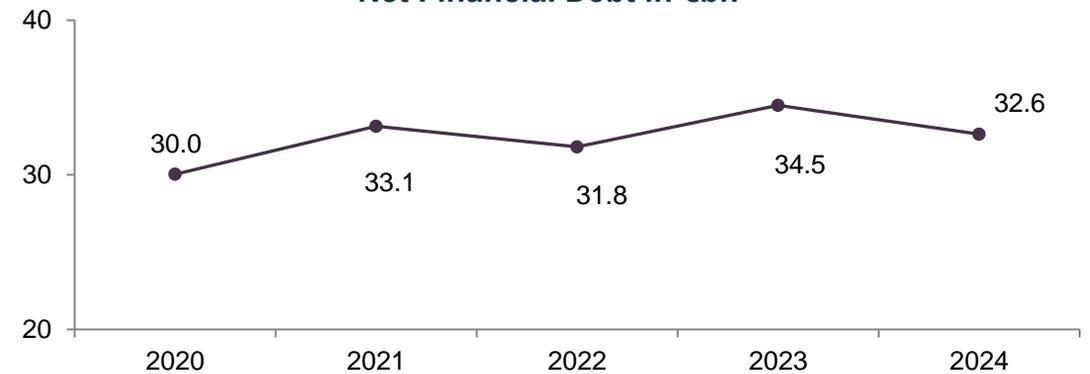
Research & Development Expenses in €bn



Free Cash Flow in €bn



Net Financial Debt in €bn





Group Outlook Confirmed at Constant Currencies – Monitoring Geopolitical Developments and FX Volatility

<i>in €bn</i>	FY 2025 Outlook <i>at constant FX¹ / Δ yoy %</i>	FX Estimate <i>at month-end March²</i>
Net Sales	45.0 to 47.0 -3% to +1% ³	~-0.5 ~ -1%pts
EBITDA before special items	9.5 to 10.0 -6% to -1%	~-0.3 ~ -3%pts
Core EPS (in €)	4.50 to 5.00	~-0.25
Free Cash Flow	1.5 to 2.5	~-0.2
Net Financial Debt	31.0 to 32.0	~-0.5

- **Geopolitical Environment:** based on current status of tariff announcements and mitigation measures, impact expected to be managed within guidance
- **Foreign Exchange Rates:** main swing factor, additional headwind at latest spot rates

¹Reflects our 2025 outlook at the average actual currencies for 2024; ²Estimated FX impact: Actual Q1 FX impact plus for remainder of the year FX assumptions based on month-end March 2025 spot rates (1 EUR=) 1.08 USD, 6.22 BRL, 7.85 CNY, 1,156 ARS, 41.00 TRY. Impact is calculated as difference to constant currencies. ³Currency and portfolio adjusted growth; excludes portfolio effect of ~€+0.2bn driven by Natsana acquisition (Consumer Health).



Our Mid-Term Ambition

Growth & Innovation:

- **Crop Science:** Drive above market growth, mid-twenty percent margin, improved cash and resilient and flexible steering
- **Pharmaceuticals:** Support topline resilience during LoE's of major products; Drive productivity gains to support margins; Advance early assets to rebuild promising mid-/late pipeline
- **Consumer Health:** Grow above market; Deliver profitability at industry competitive margin level; Further build our iconic brands through innovation and commercial excellence

New Operating Model:

- Implementation of **dynamic shared ownership**
- Higher **customer and product focus** and leaner organizational set up

Cash & Deleveraging:

- Improve **cash generation** and **cash conversion**¹
- **Reduce net debt** and improve towards single A category rating

Litigation:

- Broaden litigation approach in an effort to **reduce the long-term exposure**
- Advance legal strategies **inside and outside the courtroom**

¹ Cash conversion: Free Cash Flow / EBITDA before special items



Our New Operating Model is Key Enabler to Achieve our Ambitions

Financial impact of our Dynamic Shared Ownership to be **realized in stages**

Sustainable Cost **EFFICIENCIES**

- // **Elimination of roles, processes and activities** not focused on our mission
- // **Reduction of management layers**

Targeted financial implications

€2bn in sustainable organizational savings by end of 2026

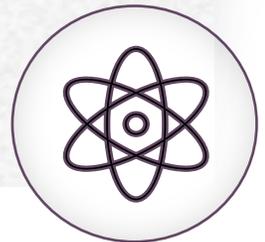
GROWTH through Customer Centricity

- // Self-managed customer- and product teams with much **greater autonomy**
- // **Faster response** to customer needs



GROWTH through Innovation Speed

- // **Increased speed to market** due to **shorter innovation cycles** and faster decision-making
- // More **dynamic resource flow** to highest-impact priorities





Improve Cash Generation and Prioritize Capital Allocation to Achieve a Step Down in Debt

Organic Investments

(before Free Cash Flow)

- Ongoing and New Launches
- Focused R&D Investments
- Focused CAPEX Spend (incl. BD&L¹)

Cash Generation

DRIVING OPERATIONAL PERFORMANCE
and
STRENGTHEN CASH FLOW



Drive profitable growth



Balance sheet efficiency

Limited Divestments

Cash Usage

Minimum Dividend

→ **DEBT REDUCTION**

Improve Towards Single A Category Rating

Limited Acquisitions²

¹ Business Development & Licensing ² Including milestone payments for already announced acquisitions and others



Bayer Pursues a Conservative Financial Policy...



Financing Instruments

// Syndicated credit facilities

// Global Commercial Paper program

// Senior bonds in different currencies

// Hybrid bonds

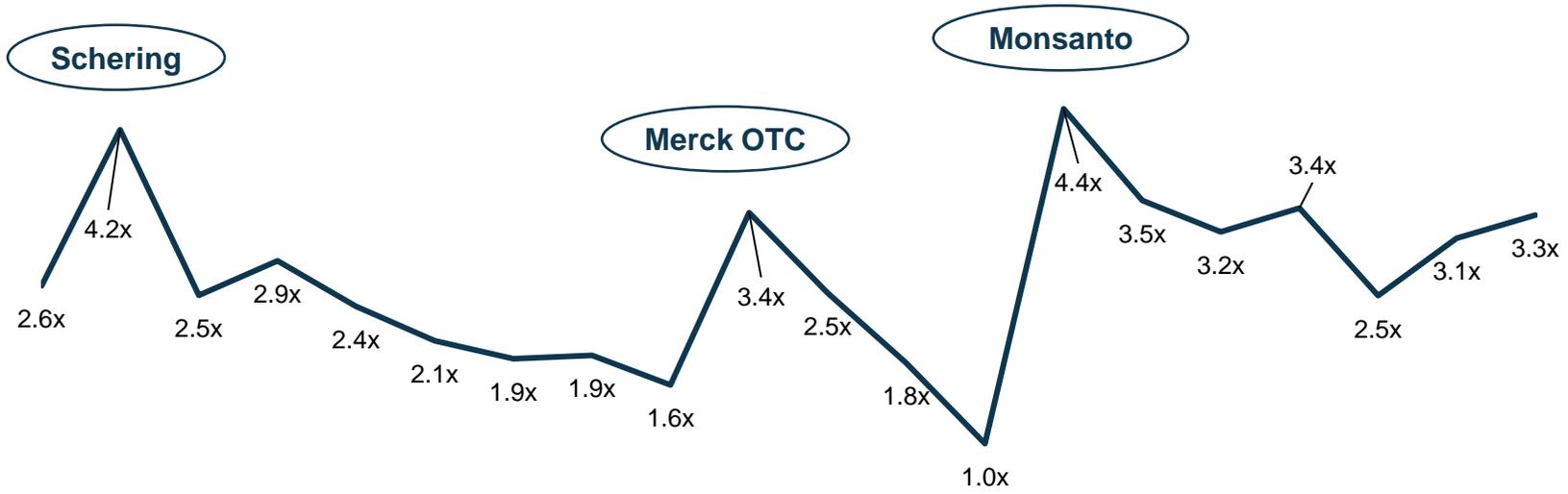
// Equity-linked instruments

Prudent debt management with excellent access to diverse sources of liquidity



... and is Ambitious to Improve Its current Investment Grade Ratings towards the "A" Category

Development of Ratings and Leverage¹



Proven track record of disciplined deleveraging

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

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

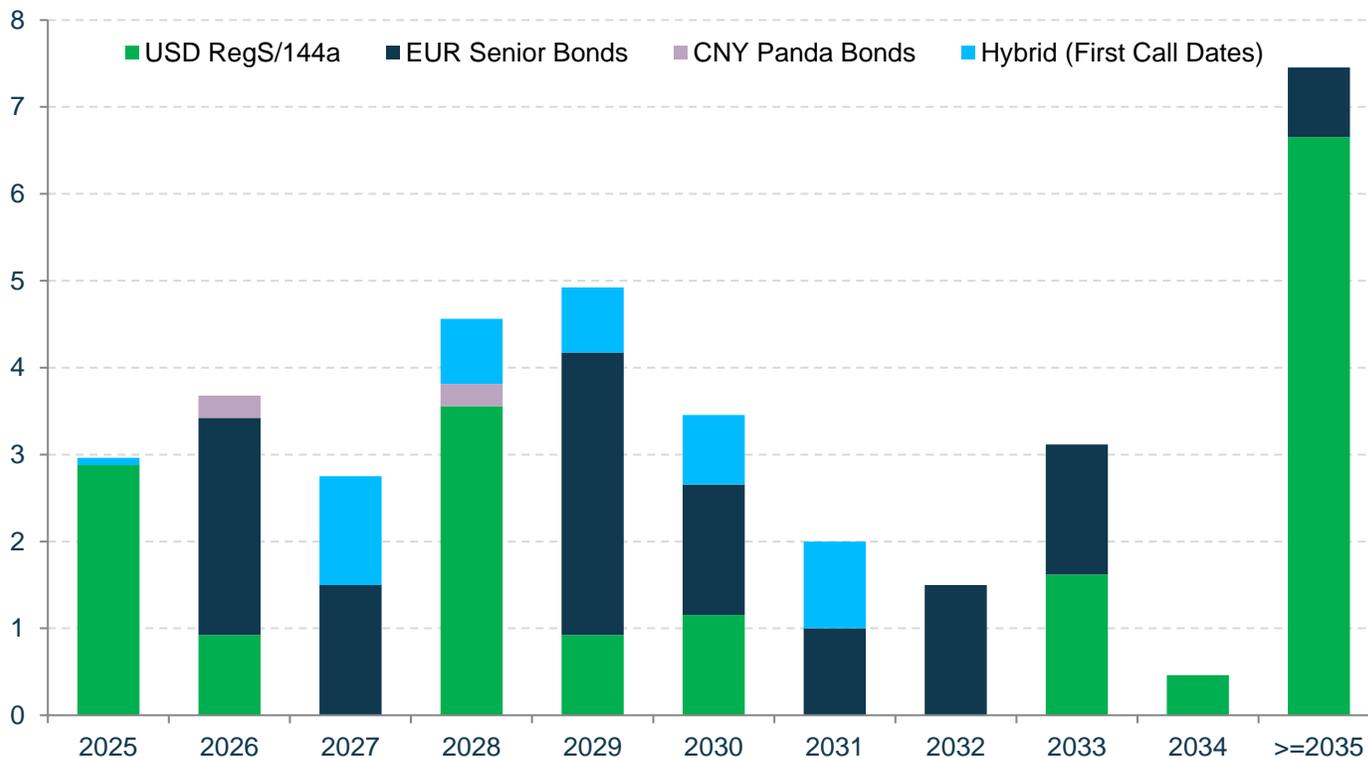
Agency	LT-Rating	Outlook	ST-Rating
S&P	BBB	Stable	A-2
Moody's	Baa2	Negative	P-2
Fitch	BBB	Stable	F2

¹ Figures as reported in the respective year's annual report without restatements
² Solicited since 2018

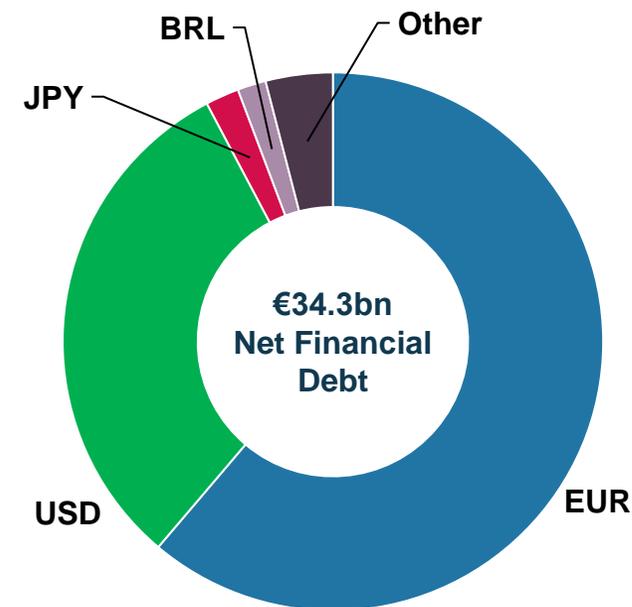


Bayer's Maturity Profile is Well Balanced

Bond Maturity Profile (€bn)
as of March 31, 2025¹



Currency Exposure incl. Derivatives
as of March 31, 2025²



¹ Converted at quarter-end FX rate EURUSD 1.08 and EURCNY 7.86; Included in 2025: \$350m USD senior bonds (redeemed in April) and €83m EUR hybrid bonds (redeemed in May)

² Based on quarter-end FX rates



Overview of Bayer's Funding Structure

Net Financial Debt¹

	Mar. 31, 2024	Dec. 31, 2024	Mar. 31, 2025
	EUR million	EUR million	EUR million
Bonds and notes / promissory notes	41,312	38,226	36,542
of which hybrid bonds ²	4,879	4,600	4,601
Liabilities to banks ³	1,765	1,223	1,375
Lease Liabilities	1,251	1,248	1,243
Liabilities from derivatives ⁴	69	67	153
Other financial liabilities	1,871	47	72
Receivables from derivatives ⁴	(72)	(262)	(94)
Financial debt	46,196	40,549	39,291
Cash and cash equivalents	(4,725)	(6,191)	(4,015)
Current financial assets ⁵	(3,983)	(1,732)	(1,021)
Net financial debt	37,488	32,626	34,255

¹ For definition see Annual Report 2024, 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

Nominal Volume of Major Instruments (bn) as of March 31, 2025

- // EUR 13.6 Senior EUR Bonds
- // USD 19.7 Senior USD Bonds
- // CNY 4.0 Senior CNY Bonds
- // EUR 4.6 Hybrid EUR Bonds

- // EUR 5.0 Further undrawn Source of Liquidity:
Syndicated Loan Facility



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	€5bn or equivalent
Markets	U.S. market (USCP) and Euro market (ECP)
Dealer	// <u>ECP</u> : Barclays, Citigroup, Rabobank, Goldman Sachs, BNP, Credit Agricole // <u>USCP</u> : Barclays, Citigroup, J.P. Morgan, Wells Fargo, Bank of New York Mellon, Mitsubishi
Issue and Paying Agent	// <u>ECP</u> : Deutsche Bank // <u>USCP</u> : Deutsche bank

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. It was last renewed in December 2024 and the participating banks form Bayer's global banking group.

Borrower	// Bayer AG, Germany // Bayer Corporation, USA
Total Amount	€5.0bn, thereof €1.5bn/\$1.5bn Swingline
Signing	December 2024
Initial Tenor	5Y + two 1Y extension options
Syndicate Size	23 Banks
Purpose	General Corporate Purposes

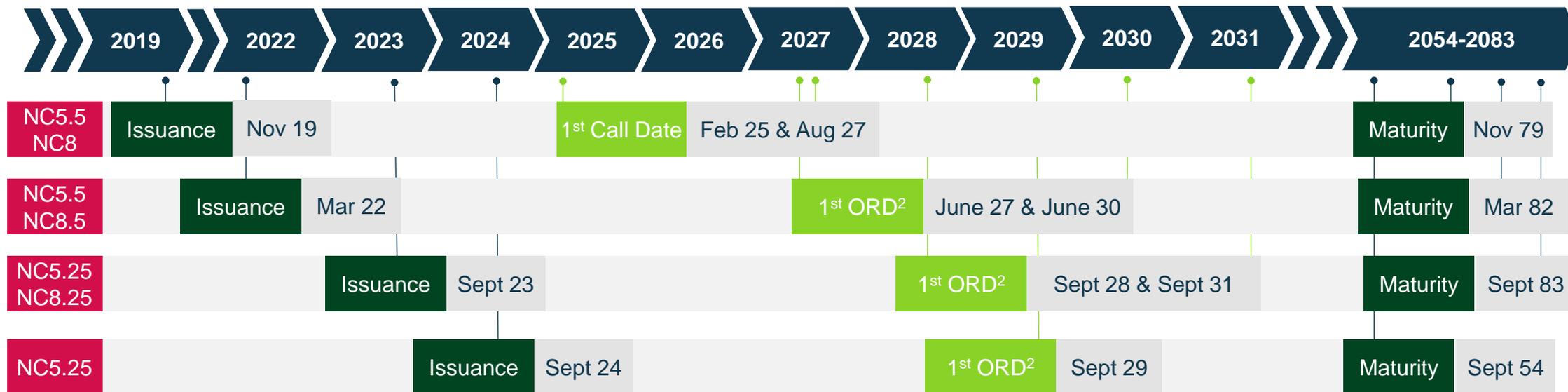


Main Issuing Entities at Bayer Group





Hybrid Bonds at Bayer



Hybrid Bond	Coupon (in%)	Outstanding Volume (in bn €)	Initial Credit Spread	1st Step-Up	2nd Step-Up
NC5.5	2.375	0.08	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
NC5.25	6.625	0.75	343.2 bps spread + 5Y Swap ¹	+25 bps/Dec 33	+75 bps/Dec 48
NC8.25	7	1.0	389.6 bps spread + 5Y Swap ¹	+25 bps/Dec 36	+75 bps/Dec 51
NC5.25	5.5	0.75	326.9 bps spread + 5Y Swap ¹	+25 bps/Dec 34	+75 bps/Dec 49

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

² Optional Redemption Date



Upcoming Events 2025/2026

Date	Event/ Publication
Wednesday, August 6, 2025	Q2 2025 Results / Quarterly Statement
Wednesday, November 12, 2025	Q3 2025 Results / Quarterly Statement
Wednesday, February 25, 2026	Q4 2025 Results / Annual Report

Please note that the event calendar might be subject to changes



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