



*Science for a
Better Life*

*A Global Leader
in Health &
Nutrition*



Liam Condon
May 19, 2021

**BMO Annual
Farm to Market Conference**





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/>.

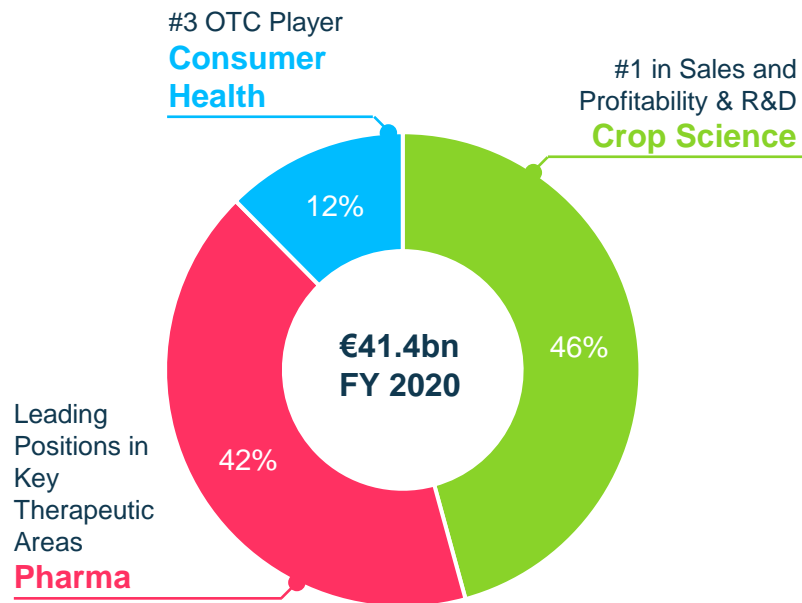
The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.



Bayer: A Global Leader in Health and Nutrition

Well Positioned to Create Value in Growing Markets using Science to Address Societal Megatrends

Bayer Group Sales



¹Source: Company Estimates

²Source: IQVIA MIDAS MAT Q3-20

³Source: Nicholas Hall & Company DB6

Market Size

Crop Science



~€100bn¹

Pharmaceuticals



~€1,000bn²

Consumer Health



~€150bn³



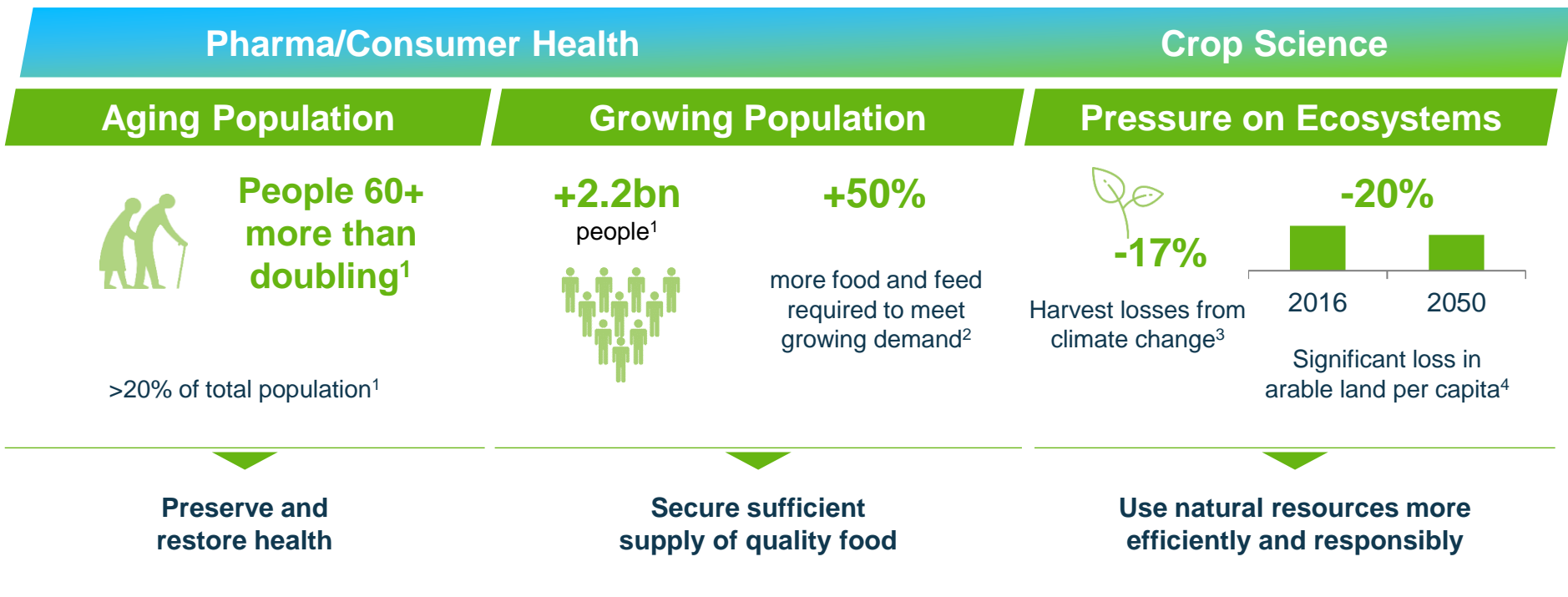
Global Megatrends in Health & Nutrition

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

Megatrends through 2050

Societal Needs

Our Mission



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



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



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:

€2.0bn

Key Current Launch Products:



Key Mid-/Late-Stage Pipeline Opportunities:

- **Short Stature Corn** 
- **Soybean Herbicide Trait Stack with Five-Tolerances** 
Fox Supra (Indiflin®)¹

Pharmaceuticals Innovation Pipeline

Annual R&D Investment:

€2.7bn

Key Current Launch Products:



Key Mid-/Late-Stage Pipeline Opportunities:

- Finerenone**
 - CKD in T2 Diabetes Patients
 - Heart Failure
- Factor XI(a) portfolio**
 - Thrombo-embolic diseases
- Elinzanetant** (KaNDy NT-814)
 - Vasomotor symptoms during menopause
- P2X3 Receptor Antagonist**
 - Multi-indication opportunity

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

¹ In collaboration with Sumitomo



Profitable Growth Expected in the Mid-Term

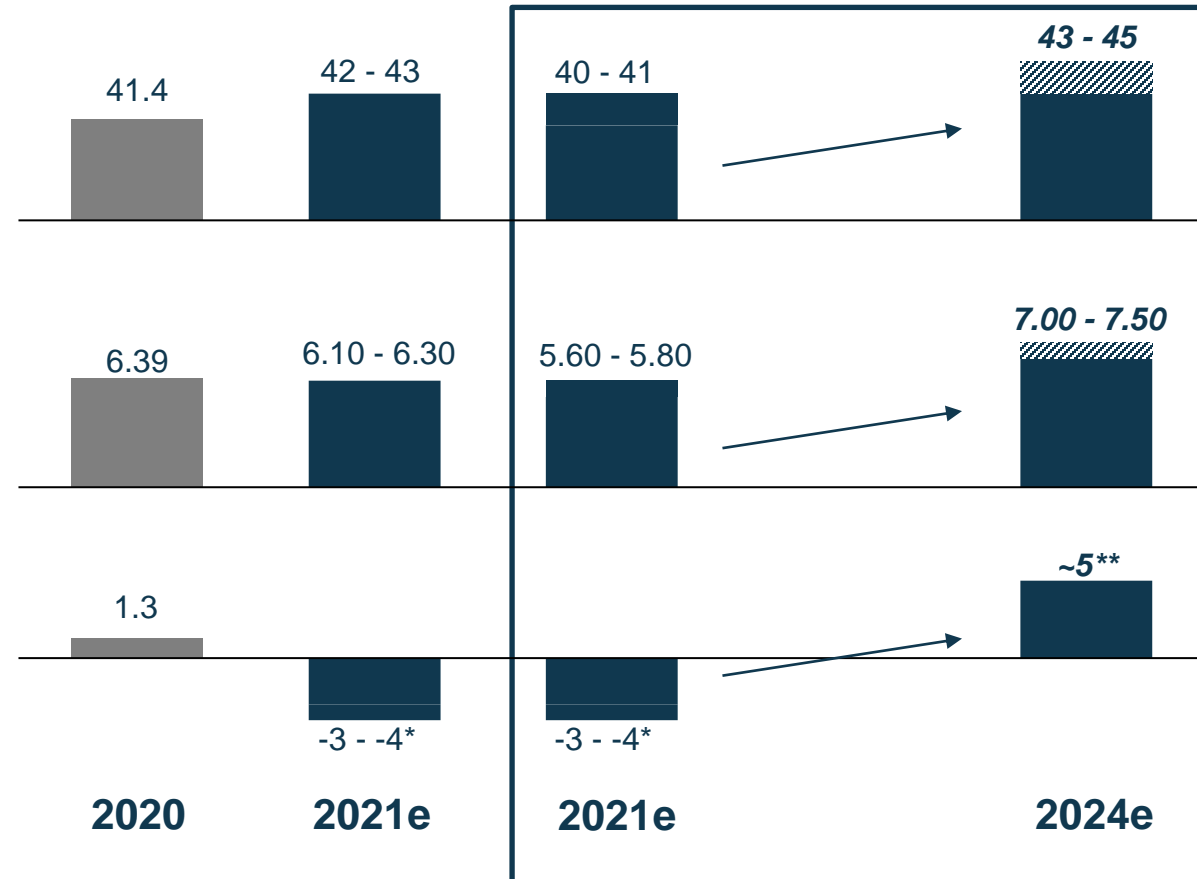
Anticipate €43-45bn Sales and €5bn in Annual Free Cash Flow by 2024 for the Group

At constant currencies¹ At ,month-end Dec' 20 rates²

1

Enable
growth

Sales
in €bn



2

Drive
profitability

Core EPS
in €

3

Focus
on cash

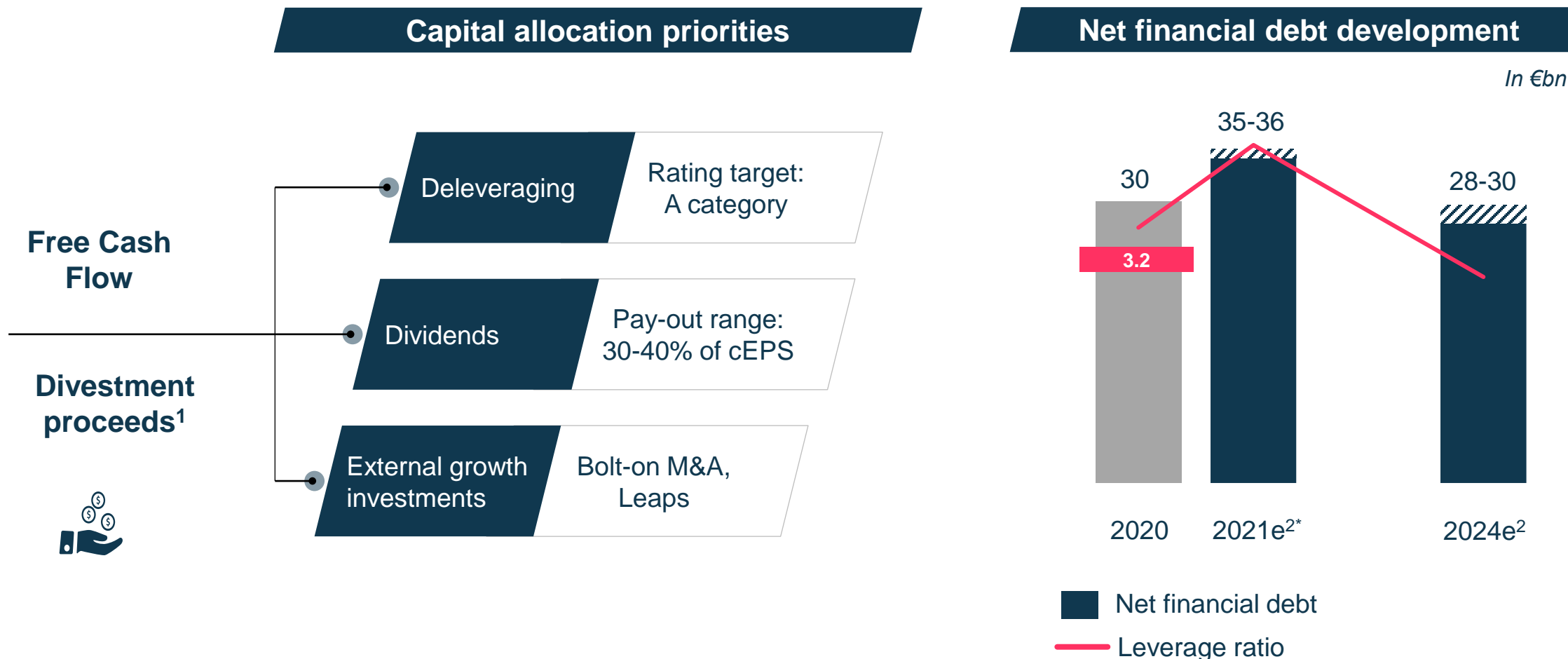
Free Cash Flow
in €bn

¹ Reflects our 2021 plan at the average actual currencies for 2020 ² Currency assumptions based on month-end December spot rates (1 EUR=) 1.23 USD, 6.37 BRL, 7.98 CNY, 126 JPY, 24.4 MXN, 91.5 RUB
* Settlement payouts of ~€8bn included, ** Settlement payouts and special items of ~€1bn included ▨ = Indicates corridor between high- and low case



Disciplined Capital Allocation to Delever, Pay Dividends and Invest

Expect Net Debt to Increase in 2021 with Planned Settlements and Return to €28-30bn by 2024



¹ From non-strategic divestments below divisional level and sale of other fixed assets ² Currency assumptions based on month-end December spot rates (1 EUR=) 1.23 USD, 6.37 BRL, 7.98 CNY, 126 JPY, 24.4 MXN, 91.5 RUB
 * incl. expected currency impact of ~€1bn (Impact is calculated as difference to constant currencies) ▨ = Indicates corridor between high- and low case



Ambitious Measurable Targets for Sustainable Development

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

Help more PEOPLE thrive: Drive growth in underserved regions



Support **100m¹ smallholder farmers** in LMIC²



Provide **100m¹ women** in LMIC with **access to modern contraception**



Expand **access to self-care for 100m¹ people** in underserved³ communities



Decrease ECOLOGICAL footprint: Drive growth through sustainable resource use



Climate neutrality at own sites + reduced emissions in our supply chain

// 42%¹ reduction target for Scope 1 & 2⁴

// 12.3%¹ reduction target for Scope 3⁴

+ Net Zero emission target until 2050 in line with long term goal of Paris Agreement (Scope 1, 2 & 3)⁴

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

¹ LMIC: low and middle income countries - All countries included in the [World Bank list](#) as per 1 July 2019.

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

³ Underserved : Economically or medically.

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



Investment Thesis

Key Takeaways

1

We are a global leader in Health & Nutrition that addresses societal megatrends

2

We are well-positioned to shape disruption in the bio-revolution

3

We expect to translate innovation into profitable mid-term growth

4

We expect to improve our profitability by accelerating our transformation

5

We have disciplined capital allocation priorities: delever, pay dividends and invest

6

We have integrated sustainability in our business strategy and incentive systems



*Shaping the
Future of
Agriculture*





Shaping the Future of Agriculture

- 1 Market & Position
- 2 Strategy
- 3 Operational Performance
- 4 World-Class Innovation
- 5 Digital Transformation
- 6 New Standards in Sustainability
- 7 Financial Targets

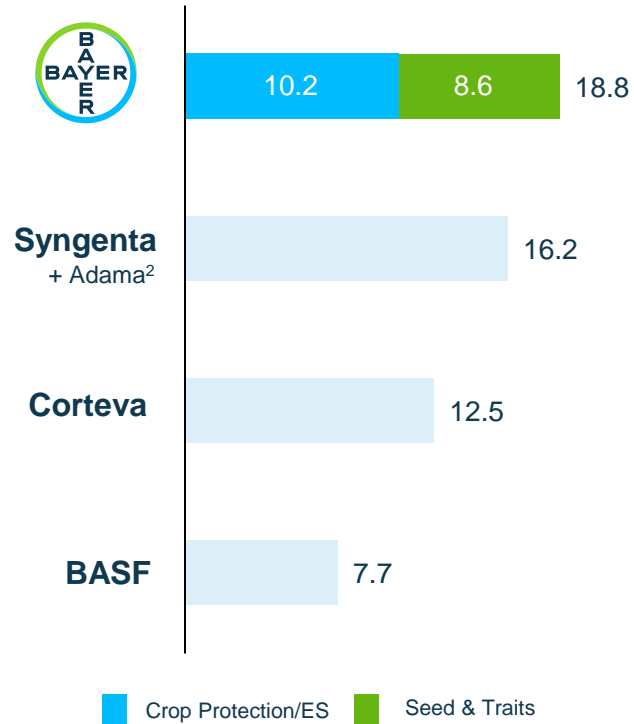


The Established Leader in Crop Science

Industry Leading Sales, Profitability and Unmatched Investment in R&D to Fund Future Growth

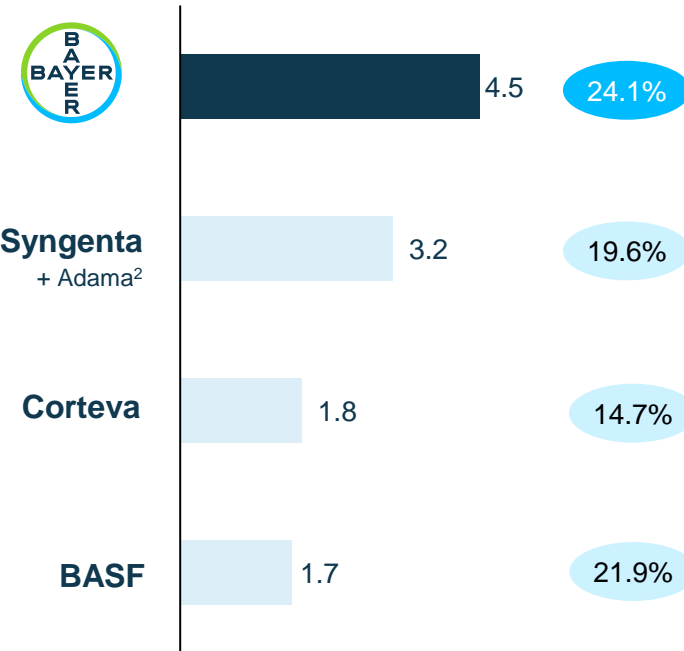
Largest in Sales

Total Sales¹ (€bn)



Highest Profitability

EBITDA¹ (€bn) / EBITDA¹ Margin (%)

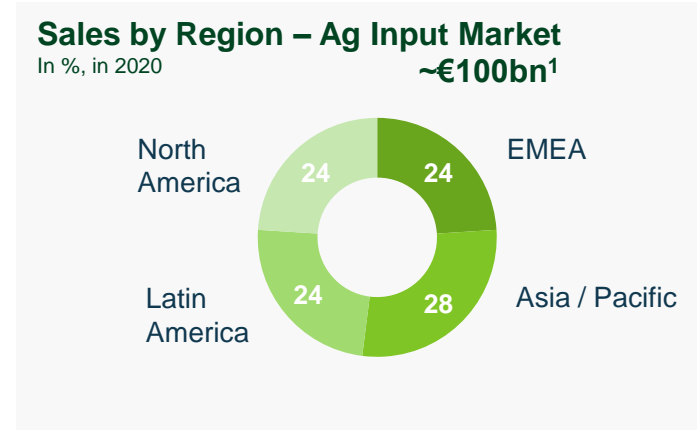
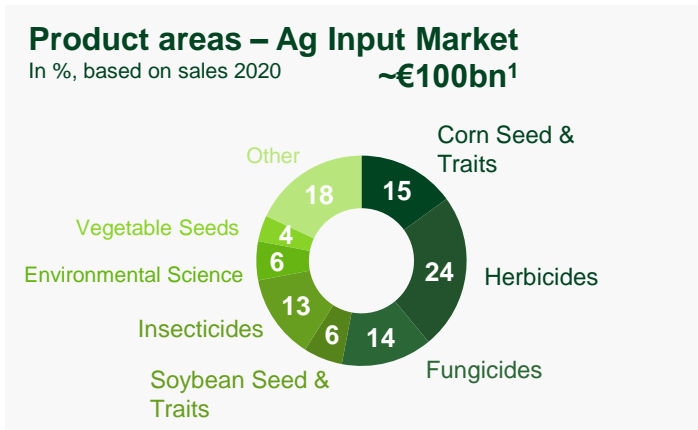
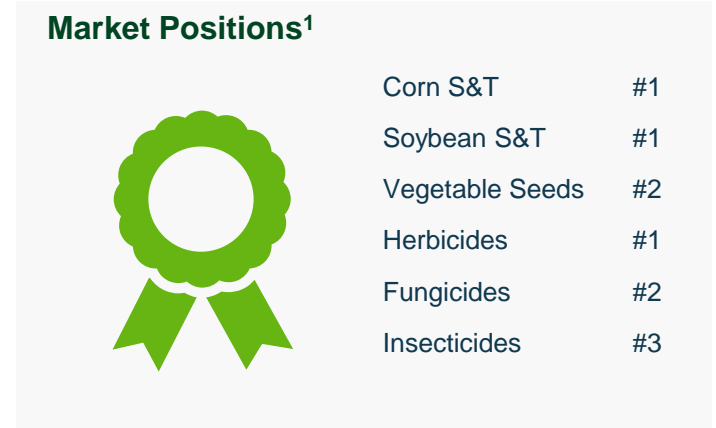
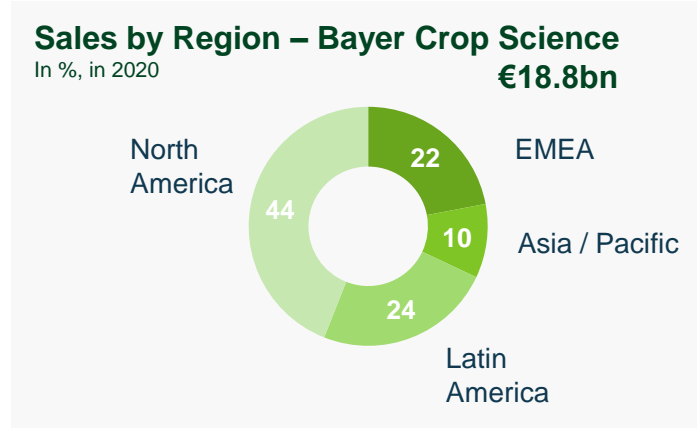
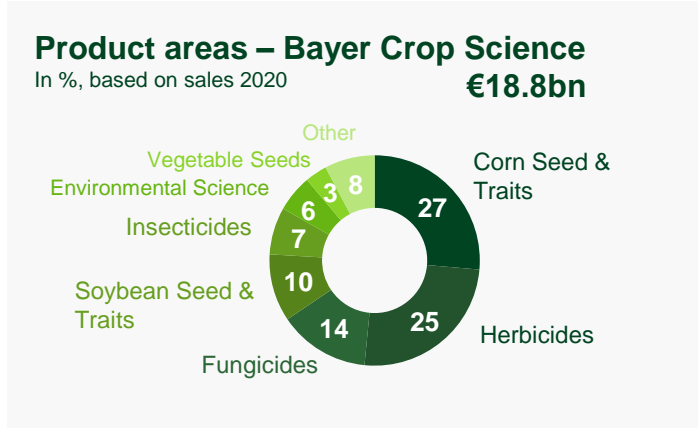


¹ Company information ; exchange rate: FY 2020: ~1.14 USD/EUR. EBITDA before special items. FY2020 sales

² Represents the legacy Syngenta results plus Adama



Global #1 in Seed & Traits with Leading Crop Protection Portfolio



¹ Source: Company estimates. Market positions based on 2019 data.



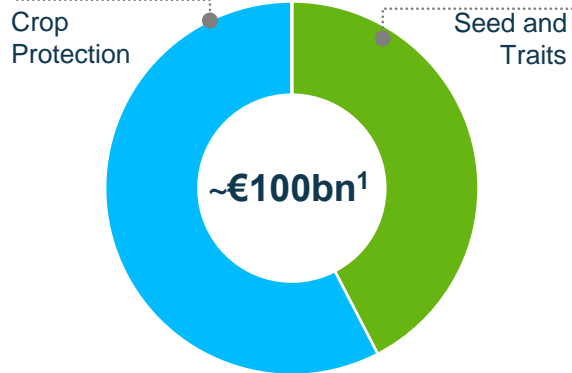
Megatrends Drive Market Growth and Need for Innovation

Ag Market Remains Attractive with Expected ~3% CAGR¹ to 2030

Expected 10 Yr. Global Ag Input Market Growth Rate

3% CAGR

2020E Global Ag Input Market



Demand



50%

More food, feed & biofuel² needed



10bn

World population²



70%

More meat in developing nations² needed

Supply



17%

Harvest losses from climate change²



12m

Ha of agricultural land loss annually



20%

Reduction in arable land per capita²

¹ Source: Company estimates. Total of ~€100bn includes ~€6bn value of Environmental Science; graph does not.

² Source: FAO 2017, The Future of Food and Agriculture, by 2050



Four Core Pillars Anchor our Vision to Shape Agriculture

Plan to Out-Perform the Market and Expand Leadership in Innovation, Digital and Sustainability

1



Accelerate operational performance

2



Deliver world-class innovation

3



Pioneer the digital transformation

4



Set new standards in sustainability



A Clear Plan to Accelerate Growth and Outperform the Market

2021: Transition

2022-2024: Acceleration

Sales Growth¹

~ 2%

EBITDA Margin²

~23%

Sales Growth¹

3% to 5%

EBITDA Margin²

27% to 29% 2024e

1

Deliver growth in crop protection sales through new products, integrated offerings

2

Grow corn seed & traits with annual portfolio refresh and new insect traits

3

Upgrade the Americas to next-gen soybean trait technology

4

Implement new vegetable seeds strategy and launch new traits in cotton to drive growth

5

Achieve planned 2022 synergies in 2021; accelerate with new efficiency program until 2024

¹ Currency and portfolio adjusted

² Before special items. Currency assumptions based on month-end December spot rates (1 EUR=) 1.23 USD, 6.37 BRL, 8.00 CNY, 127 JPY, 24.4 MXN, 91.9 RUB



Innovation, Integrated Offerings Drive Crop Protection Growth



¹ Company estimates, currency and portfolio adjusted.



Deploying New Corn Hybrids and Traits to Grow Sales

Expect 3-4%² Sales CAGR 2020-'24 in Corn Seed & Traits

Mid-Term Key Growth Drivers in Corn

Deploying >150 new hybrids annually around the globe to grow leading germplasm share in corn key growing regions.



United States #1 Market Pos.

Market Size: ~91m acres

Germplasm Share: >50%

Argentina #1 Market Pos.

Market Size: ~18m acres

Germplasm Share: ~60%²

Mexico #1 Market Pos.

Market Size: ~20m acres

Germplasm Share: >65%²

Europe #2 Market Pos.

Market Size¹: ~60m acres

Germplasm Share: ~20%

Brazil #1 Market Pos.

Market Size: ~48m acres

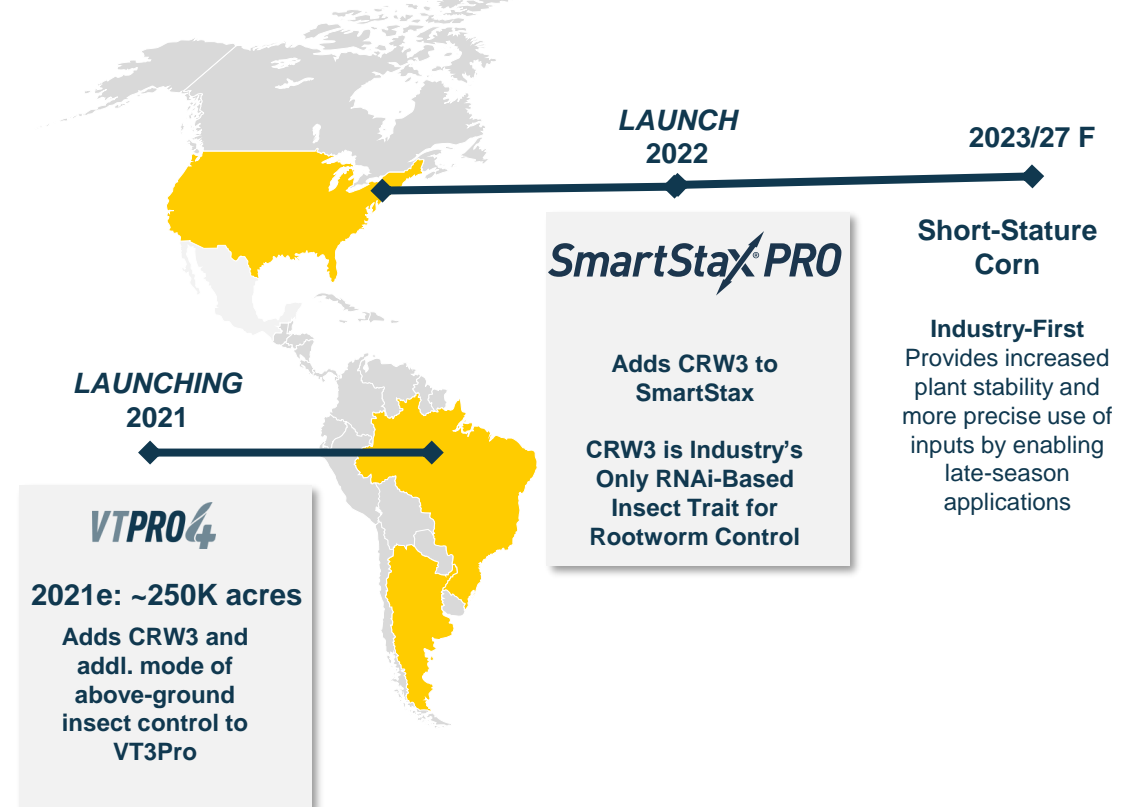
Germplasm Share¹: ~30%

South Africa #1 Market Pos.

Market Size: ~6m acres

Germplasm Share: >70%

Launching CRW3 as a part of VTPro4 and SmartStax Pro stacked offerings in the near-term; game-changing short-stature corn expected launch in the mid-term in the U.S. and Brazil.



Note: Size of market, market position and germplasm share measured as of 2020.

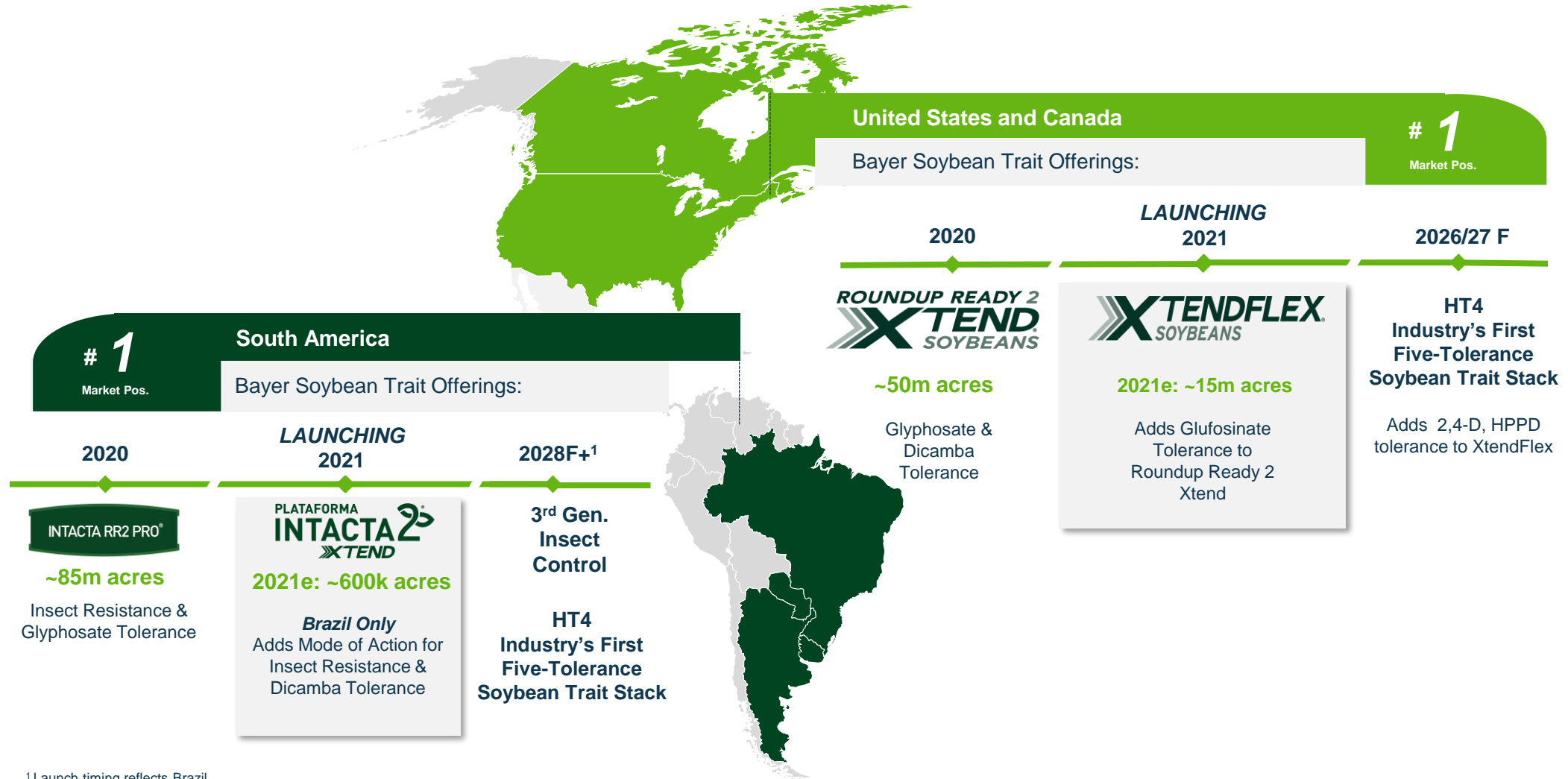
¹ Eu27 +UK, Russia and Ukraine ²In hybrid corn market only

² Currency and portfolio adjusted



Upgrading the Americas to Next-Gen Soybean Trait Technology

Expect 1-2%² Soybean S&T Sales CAGR 2021-'24, After Stabilizing in 2021 Transition Year



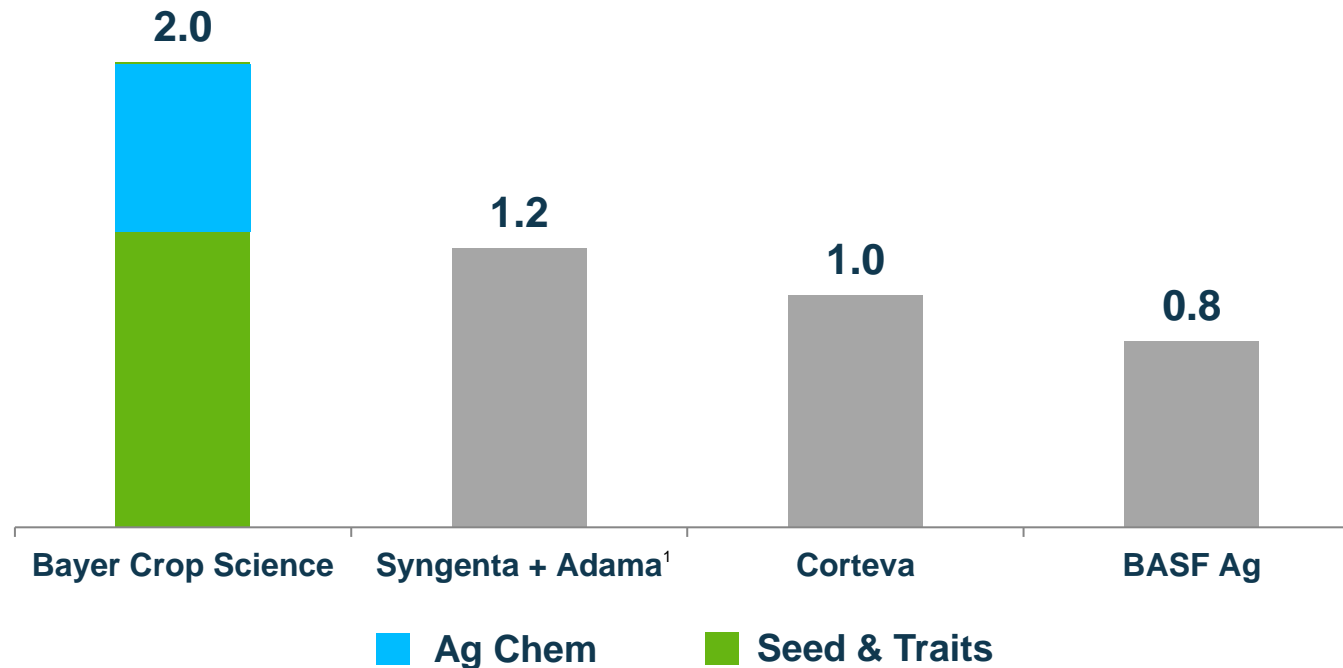
¹ Launch timing reflects Brazil
² Currency and portfolio adjusted



R&D Investment Powers Industry-Leading Portfolio

Shaping the Future of Agriculture with Sector's Most Productive Innovation Platform

Ag R&D Investment (€bn)³



#1 R&D Platform
in Crop Science



- Fueled by **~7,100** R&D employees² in **>50** countries

¹ Represents the legacy Syngenta results plus Adama. Excludes non-agro business sales of ADAMA (nutritional supplements, aromatic products, industrial products). Syngenta Group formal reporting did not begin until H1 2020.

² Includes permanent and temporary employees

³ Company information ; exchange rate: FY 2019: ~1.14 USD/EUR. 2020 Reported results for all companies except Syngenta = 2019 reported results. Bayer R&D excludes impairment charges.



Unmatched Innovation Pipeline is Set to Drive Growth

Total Pipeline Peak Sales Potential up to €30bn²; ~50% Incremental

	Corn S&T	Soybean S&T	Herbicides	Fungicides	Insecticides	Other, Vegetable Seeds, Environmental Science
Peak Sales Potential	~€10-11bn	~€4-5bn	~€3bn	~€3bn	~€2bn	~€5-6bn
Expected Ongoing Refreshment	150+ New Hybrids Commercialized Annually	150+ New Varieties Commercialized Annually	35+ New Formulation Launches in the next Decade	20+ New Formulation Launches in the next Decade	20+ New Formulation Launches in the next Decade	~130 Vegetable Hybrids/Varieties Commercialized Annually 20+ New Formulation Launches in the next Decade
Select Planned Product Launches	2021 – 2024 SmartStax ^{PRO} VTPRO ⁴ Short Stature Corn Hybrids	TENDFLEX ^{SOYBEANS} PLATAFORMA INTACTA ² XTEND	INCELO [®] Mateno [®]	DELARO [®] Complete iblon [®] TECHNOLOGY (Isoflucypram) Fox Supra (Indiflin [®]) ¹ Xivana [®] (Fluoxapiprolin) ³	Plenexos (Spidoxamat) Belt Smart	ThryvON [™] TECHNOLOGY Carbon Business Model
	2025 – 2030 Short Stature Corn Trait Next Generation Herbicide Tolerance Traits	Soybean Herbicide Trait Stack with Five-Tolerances 3 rd Gen. Soybean Insect-Control Trait	New Non-Selective PPO Herbicide ¹ New Mode of Action Herbicide	New Fungicide for Asian Soybean Rust ³	Decis Phoenix Novel Mite Solution	4 th Generation Bollgard Cotton Trait Dicamba-Tolerant Canola Trait

Note: Subject to regulatory approvals and pending registrations. Represents a subset of the pipeline. Launches are all approximates.
¹ In collaboration with Sumitomo ² Company estimate ³ Products not registered in all jurisdictions.



Short-Stature Corn Offers Transformational Shift in Production

Anticipated Fit on >220m Acres Enabled by Three Development Approaches

Field Plots Around the Globe Demonstrate Key Features and Benefits of Short-Stature Corn



Game-Changing Innovation

- Unparalleled production stability with improved standability in high winds and challenging weather conditions
- Annual yield losses due to stalk lodging in the U.S. range from 5% to 25%¹



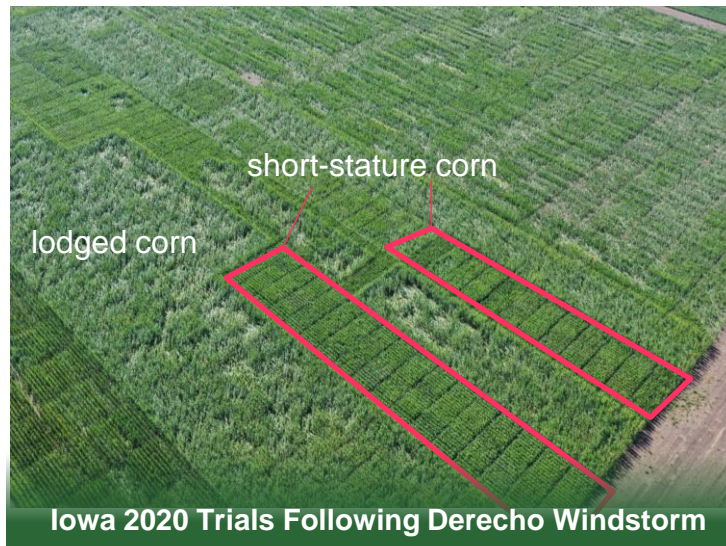
Digitally Optimized System

- Extended in-season crop access due to shorter height
- Supports tailored solutions with precise in-season crop protection



More Sustainable Future

- Potential to optimize use of key nutrients like nitrogen, as well as reducing land and water requirements
- Opportunity to plant at higher densities, as evidenced in Vitala commercial beta in Mexico



¹ Purdue University (<http://www.extension.purdue.edu/ay/ay-262.html>)



Digital Platform is Core To Driving Growth

Enabler of Tailored Solutions and New Business Models

1

Expand Industry-Leading Platform

- **~150m** subscribed acres in 2020
- **#1** brand in digital ag
- Operate in **23** countries

CLIMATE
**FIELD
VIEW**TM

- **Largest database** of grower and field trial seed performance data in industry
- **>70** partners on platform

2

Unlock Growth from New Digital Business Models

Tailored Solutions

- Showcasing portfolio strength
- Predicting seed & chemistry performance
- Partnering on outcomes

Carbon Farming

- Translating unique knowledge of on-farm practice into carbon credits

Smallholder Access

- Scalable, end-to-end smallholder support through value-chain partnerships & common data foundation

Envision 100% of 2030 Sales Enabled by Digital Enhancements and Increasingly Based on Partnered Outcomes

¹ Includes sales projections from outcome based business models and carbon models only. Additional sales volumes of seed or crop protection as a result of tailored recommendations not considered in the estimate, nor are increased sales to smallholder farmers.



Setting the Standard for Sustainability and Biodiversity in Agriculture

Bayer's 2030 Sustainability Commitments

Advancing a carbon-zero future for agriculture

30%

Reduction of field greenhouse gas emitted per kg of crops produced

- Climate-smart practices:
 - No-tillage Highly Productive Crops
 - Cover Crops Precision Agriculture
 - Optimize use of synthetic fertilizers through the use of microbes



Produce higher-yielding crops with fewer natural resources and inputs

30%

Reduction in Crop Protection impact on the environment

- Climate FieldView for precision application of crop protection
- Resistant traits help to reduce crop protection use
- Develop and promote crop protection solutions with lower environmental impact

Empower 100 million smallholder farmers to access sustainable Ag solutions

100m

Smallholders benefit from access to products, services and partnerships

- Enhancing social innovation (e.g. with Better Life Farming)
- Digital transformation with FarmRise
- Introduce new, higher-yielding, resource efficient rice hybrids



Crop Science Mid-Term Targets

A Clear Plan to Outperform the Market and Expand Industry-Leading Profitability

Crop
Science

Sales / Sales Growth

Actual	cpa	At month-end Dec. 20 rates ¹	
2020	2021e	2021e	2022-'24e
€18.8bn	~ 2%	~€18bn	3% to 5%

EBITDA Margin (before special items)

		At month-end Dec. 20 rates ¹	
2020	2021e	2024e	
24.1%	~ 23%	27% to 29%	

Divisional Drivers

CAGR cpa
2020-'24²

Sales:

- 3-4%** • **Herbicides:** Xtendimax with VaporGrip Xtra recovery, Bayer Plus and other integrated offerings, pricing
- 6-7%** • **Fungicides and Insecticides:** New products like Fox Xpro, iblon, Luna and Vayego, integrated offerings
- 3-4%** • **Corn S&T:** New hybrids, VTPro4 and SmartStax PRO traits
- Decline in 2021, then 1-2%** • **Soybean S&T:** Transition in 2021, then grow thereafter with trait upgrades in the Americas
- 4-5%** • **Vegetable Seeds:** New hybrids/varieties
- 1-2%** • **Other:** ThryvOn Technology, U.S. and Brazil cotton, offset by loss of TSA sales to BASF

cEBITDA:

- Pricing lift from innovation and FX recovery in Brazil, augmented by new cost efficiency program; assumes Dec. 20 currency rates throughout plan.

cpa: currency and portfolio adjusted

¹Currency assumptions based on month-end December spot rates (1 EUR=) 1.23 USD, 6.37 BRL, 7.98 CNY, 126 JPY, 24.4 MXN, 91.5 RUB.

²CAGR from 2020 base year.

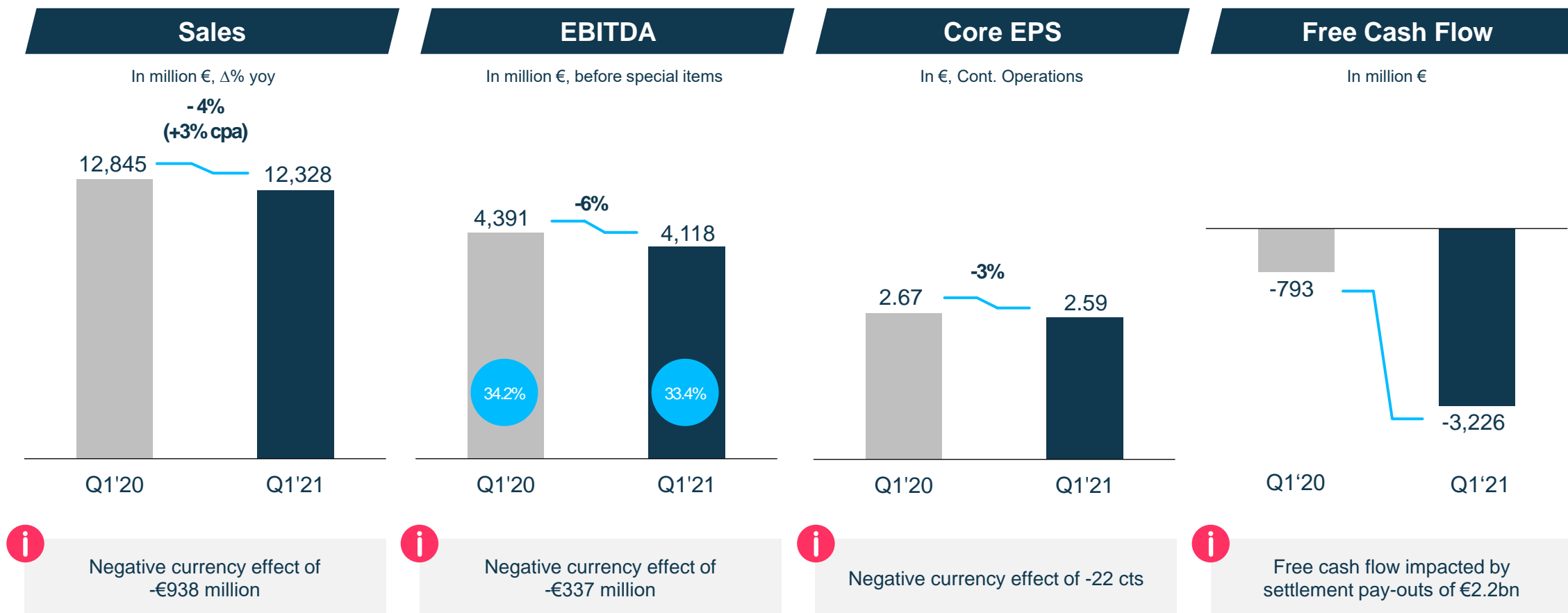


1Q2021 *Recap*





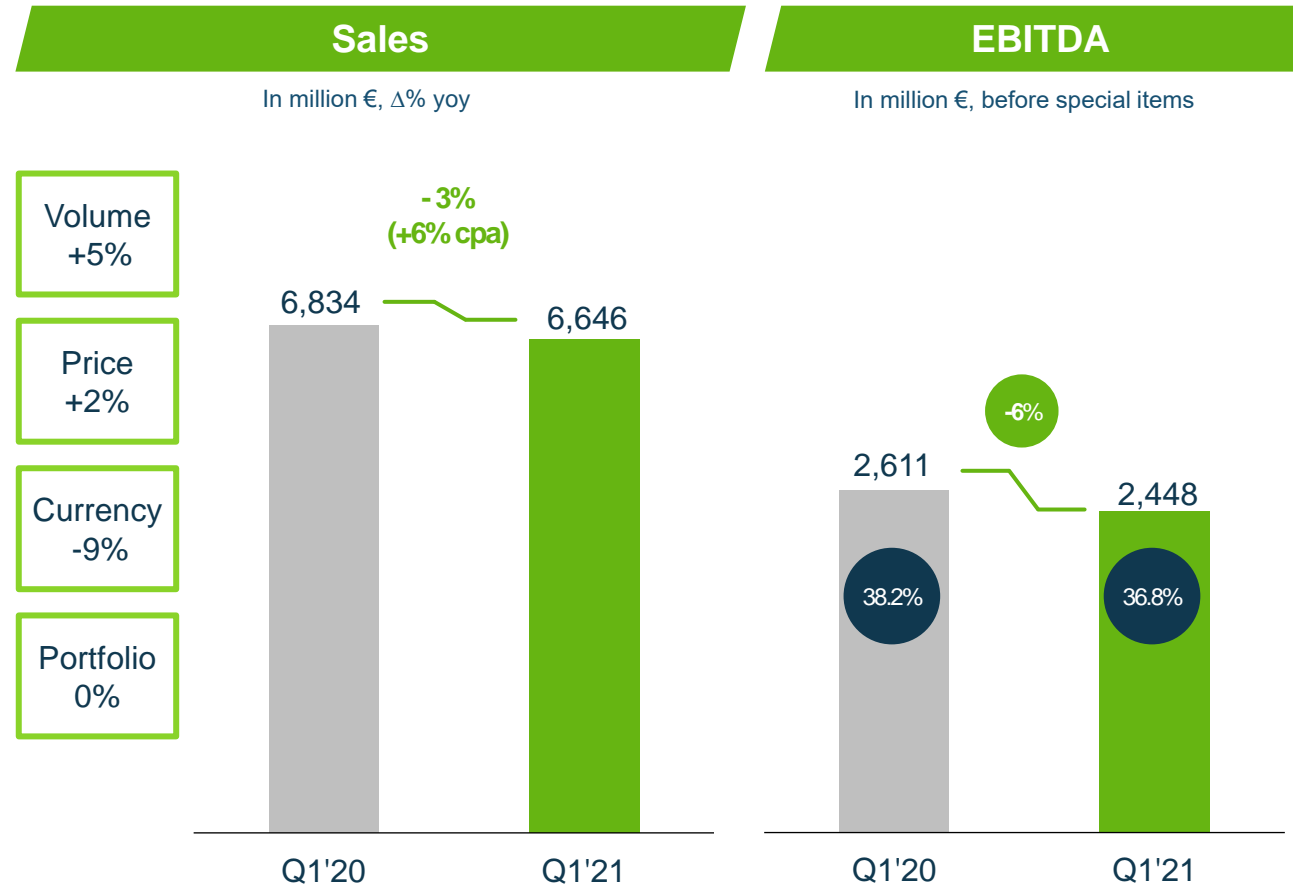
Good Underlying Momentum Masked by Currency Headwinds



● EBITDA Margin before special items, cpa = currency and portfolio adjusted



Crop Science Off to a Strong Start



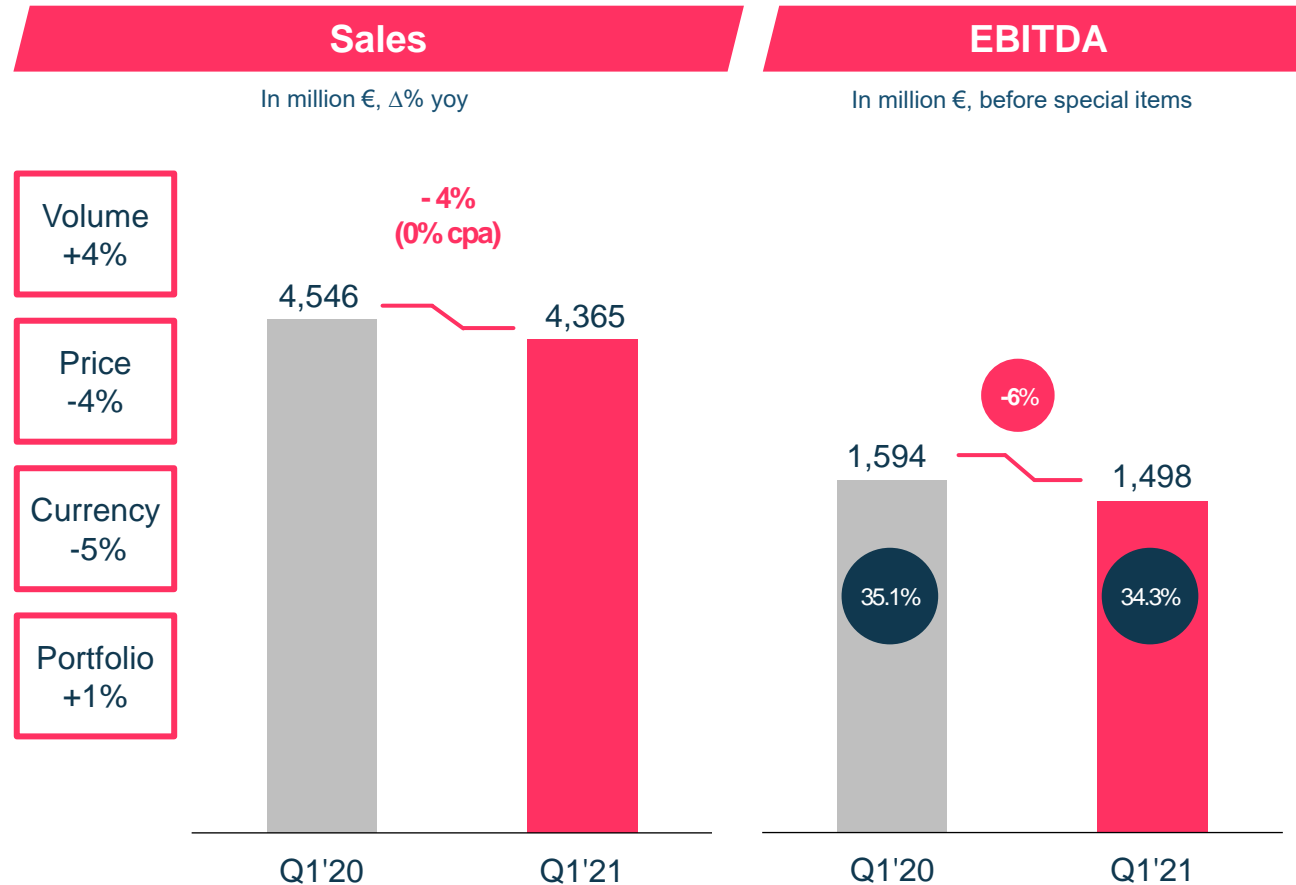
Key Messages

- + Positive market sentiment due to high commodity prices for corn and soy
- + Soybean Seed & Traits sales with +3% mainly driven by Xtend platform
- + Strong cpa growth mainly driven by Fungicides (+22%) and Herbicides (+13%)
- + Latin America up 26% and APAC up 29% cpa, while North America is flat
- = Corn Seed & Traits on prior year level due to loss of corn license
- EBITDA before special items affected by €252m of negative currency effects and a negative mix effect in sales

● EBITDA Margin before special items, cpa = currency and portfolio adjusted



Pharma on Track for Sustained Growth Momentum



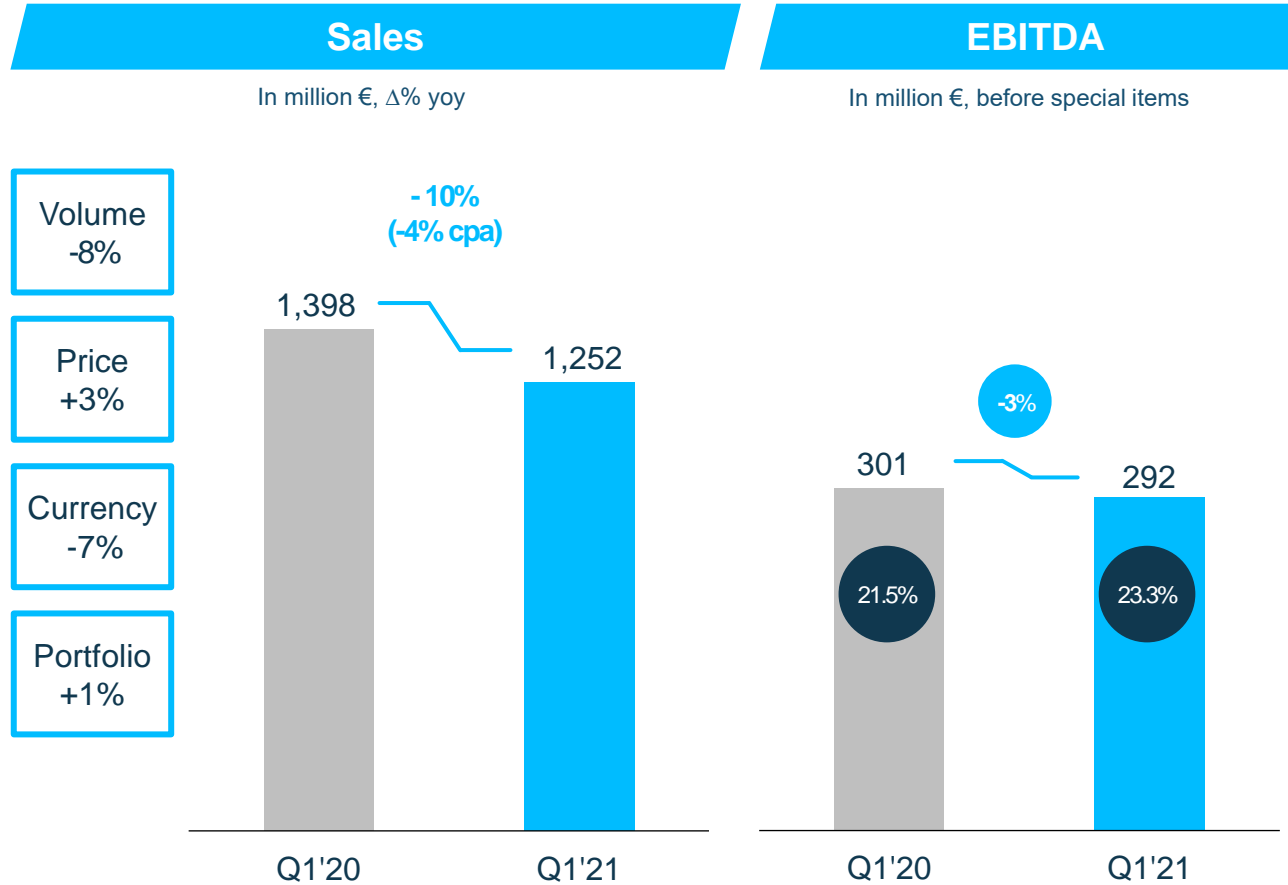
Key Messages

- + Good performance of Eylea (+16%) and Xarelto (+7%)
- + Good growth momentum for elective treatments: IUD franchise (+8%), Radiology (+3%)
- + Finerenone meets primary endpoint in Phase III FIGARO-DKD trial
- + Launch of Nubeqa on track
- In China, VBP continued to significantly impact sales of Glucobay and Avelox
- EBITDA before special items affected by negative pricing and currency headwinds (-€57m)

● EBITDA Margin before special items, cpa = currency and portfolio adjusted



Consumer Health Continues Outperformance



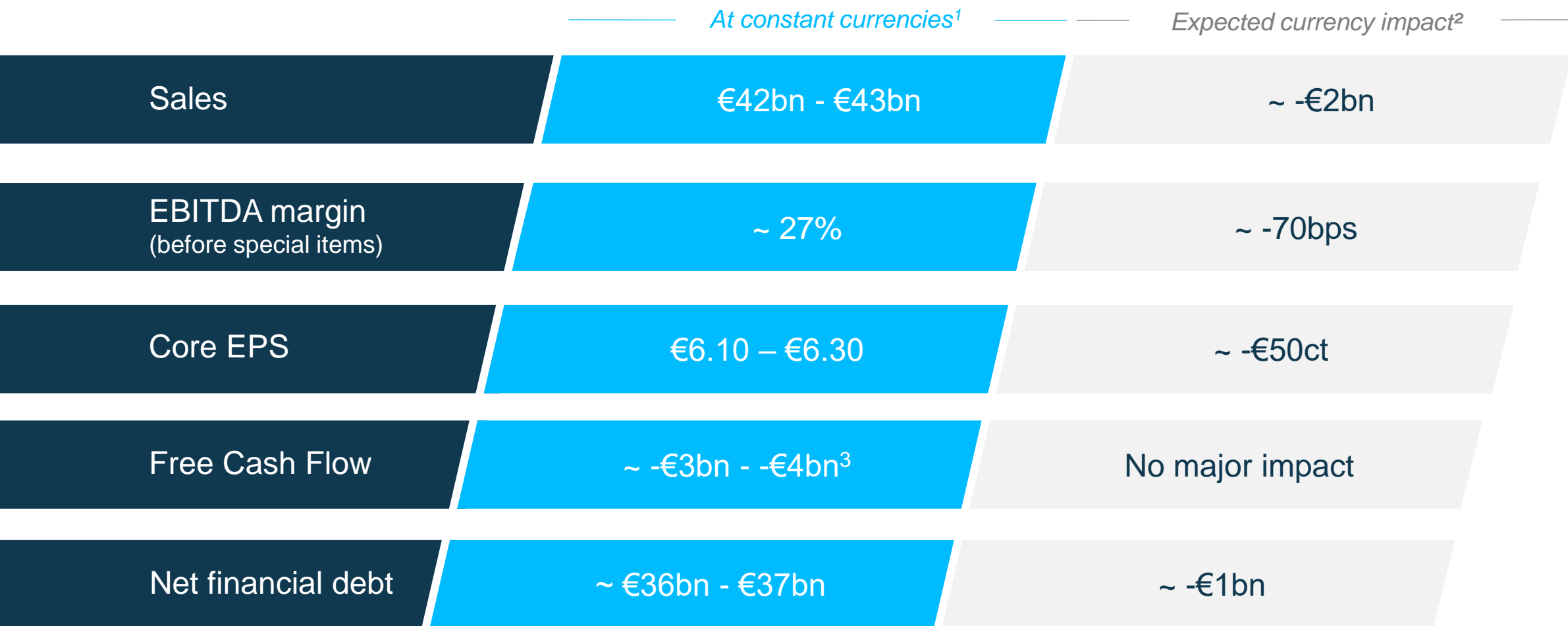
Key Messages

- + Despite challenging Q1 environment, we continue to outperform the market while cycling over record prior-year quarter
- + Positive growth momentum for Dermatology (+7% cpa) and Nutritionals (+5% cpa)
- + Margin uplift driven by prudent marketing spending and divestment income from non-core brands
- Weak flu season and reduced store traffic weigh on business
- Allergy & Cold with -30% cpa
- Currency headwinds of -€26m impact EBITDA before special items

● EBITDA Margin before special items, cpa = currency and portfolio adjusted



We Confirm our Outlook for 2021 (as Shown in February)



¹ Reflects our 2021 plan at the average actual currencies for 2020

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

³ Settlement payouts of ~€8bn included