



Debt Investor Information



Status: FY 2020

As of 25 February 2021





Cautionary Statements Regarding Forward-Looking Information

Forward-Looking Statements

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



Our Business Areas

Crop Science



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

Pharmaceuticals



// Prescription drugs

Consumer Health



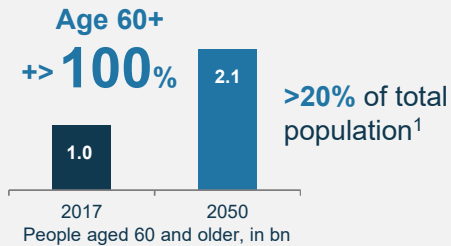
// Over-the-counter medicines, dietary supplements and dermatology products



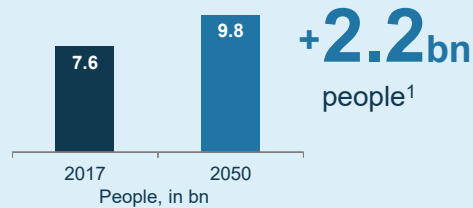
We address megatrends that impact lives across the globe

Megatrends through 2050

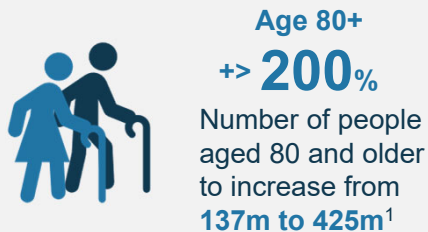
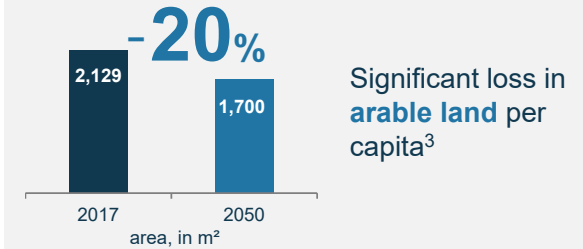
Aging population



Growing population



Pressure on ecosystems



¹ World Population Prospects: The 2017 Revision | ² FAO 2017, (FAO Global Perspective Studies) | ³ 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 | ⁴ Nelson et. al, (2014); FAO 2016 "Climate change and food security"



Sustainability is an Integral Part of our Business Strategy

Bayer has set Measurable Group-level targets for Sustainable Development until 2030

Help more *PEOPLE* thrive



Support **100m smallholder farmers** in LMIC¹⁾



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



Expand **access to self-care for 100m people** in underserved²⁾ communities

Decrease *ECOLOGICAL* footprint



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



SCIENCE
BASED
TARGETS

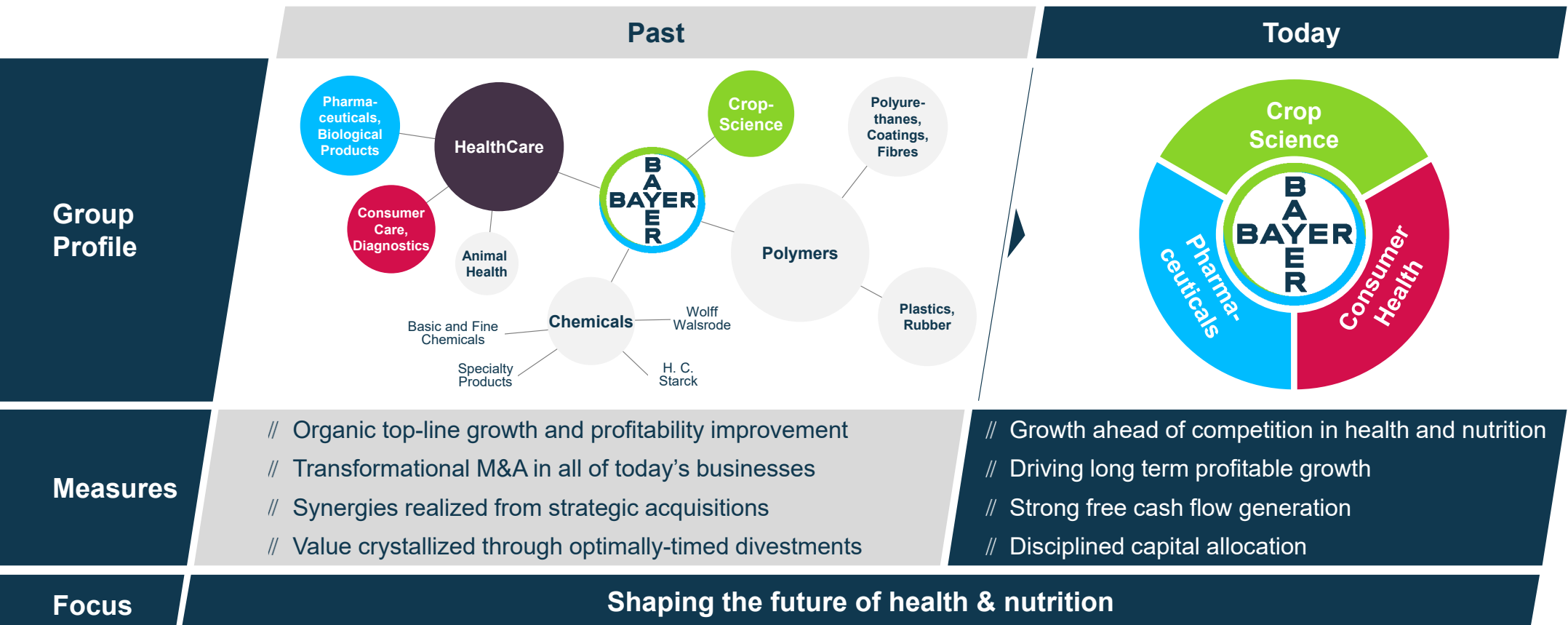


1) LMIC: low- and middle-income countries - All countries included in the [World Bank list](#) as per 1 July 2019

2) underserved : Economically or medically



Transformation into a Leader in Health & Nutrition Completed





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



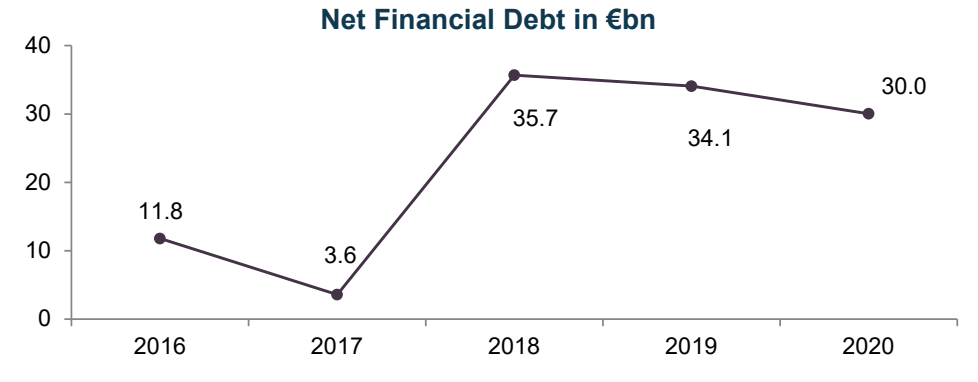
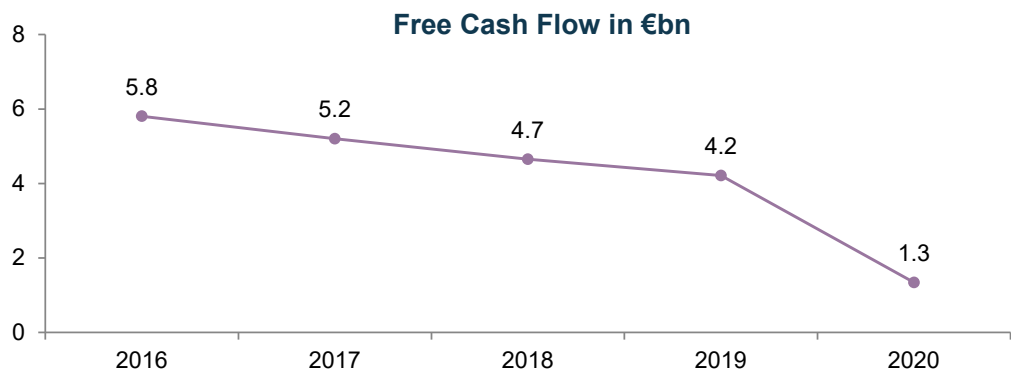
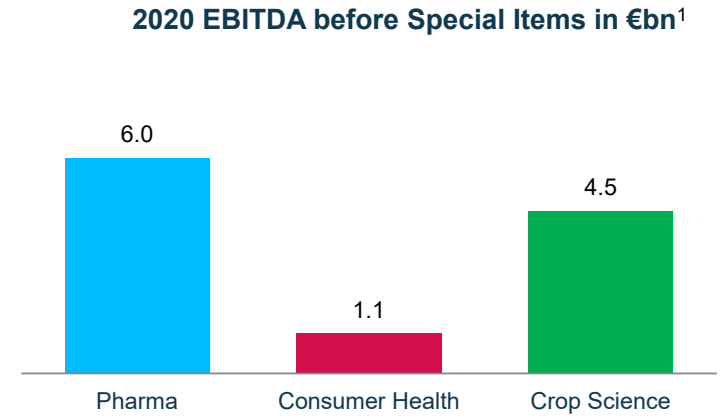
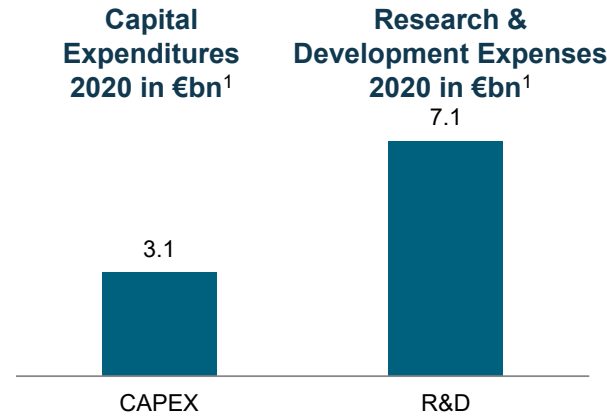
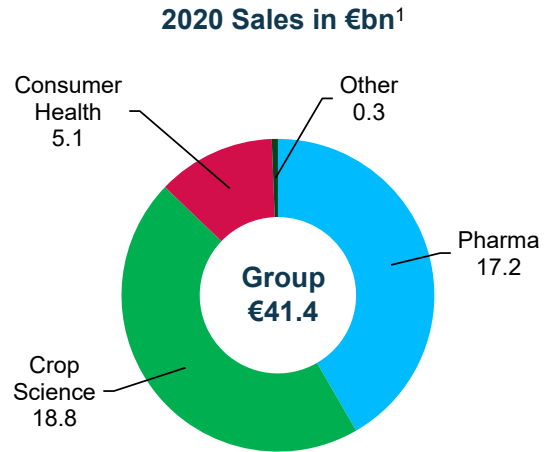
Consumer Health

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)
/// Bayer Debt Investor Relations /// Status: FY 2020



Bayer Key Financials



1: As initially reported



Group Outlook 2021

At constant currencies¹

Expected currency impact²

Outlook 2021

Sales

€42bn - €43bn

~ -€2bn

EBITDA margin
(before special items)

~ 27%

~ -70bps

Core EPS

€6.10 - €6.30

~ -€50ct

Free cash flow

~ -€3bn - -€4bn³

No major impact

Net financial debt

~ €36bn - €37bn

~ -€1bn

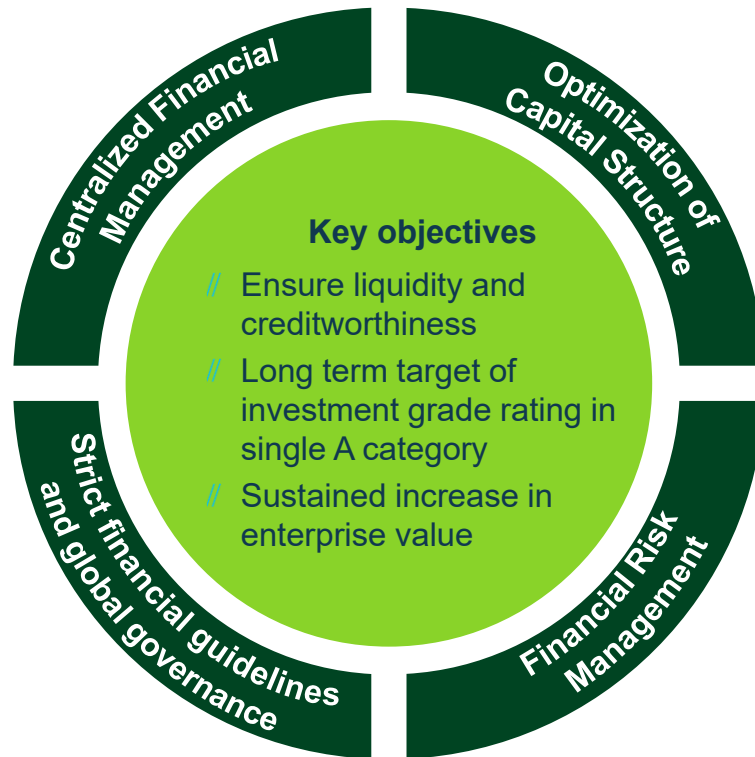
¹ Reflects our 2021 plan at the average actual currencies for 2020

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



Bayer Pursues Conservative Financial Policy...



Financing instruments

// Syndicated credit facilities

// Global Commercial Paper program

// Senior bonds in different currencies

// Hybrid bonds

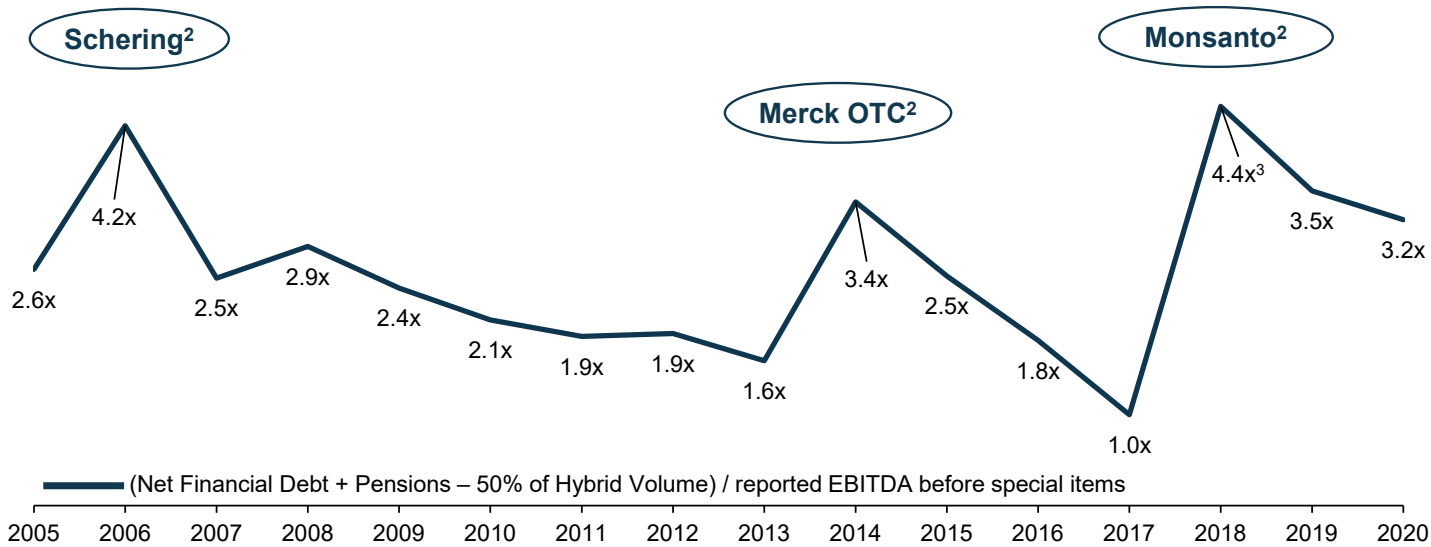
// Equity-linked instruments

Prudent debt management with excellent access to diverse sources of liquidity



... and Remains Committed to Rating in 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-	BBB
Moody's			A3		Baa1
Fitch ⁴	BBB+		A-	A	BBB+

Agency	LT-Rating	Outlook	ST-Rating
S&P	BBB	Stable	A2
Moody's	Baa1	Negative	P2
Fitch	BBB+	Stable	F2

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

² Ratios of years were closing of acquisition took place are not fully comparable as EBITDA before special items of acquired business is only considered for months after closing

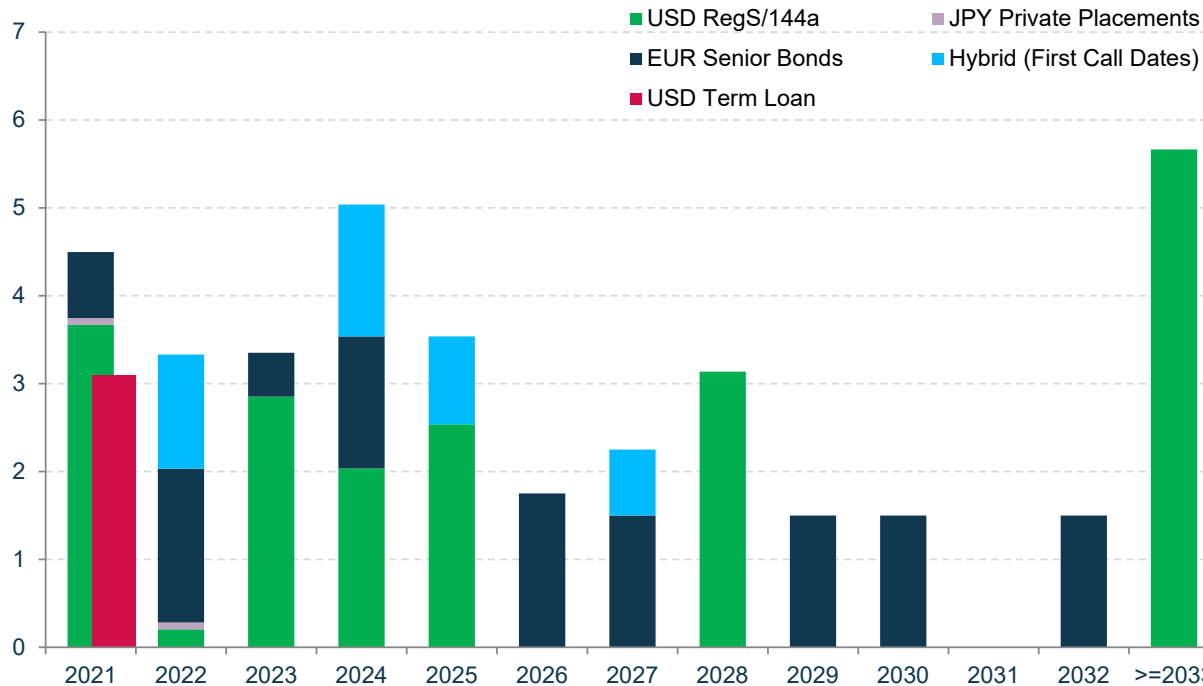
³ Full year 2018 multiple results in 3.7x instead of 4.4x if based on 2018 unaudited pro forma EBITDA of combined business as shown on Capital Markets Day in December 2018

⁴ Solicited since 2018

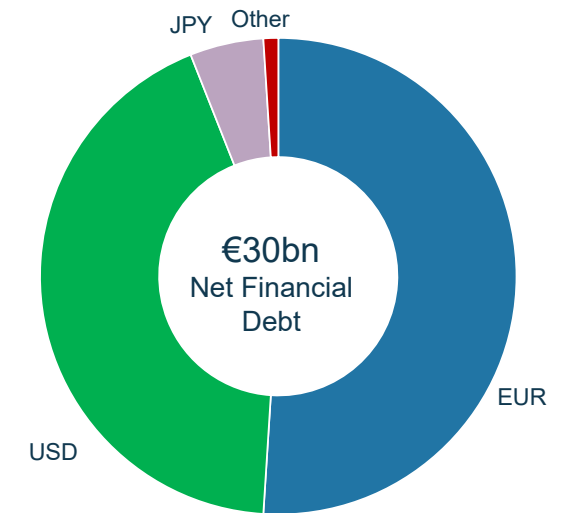


Bayer's Maturity Profile is Well Balanced

Bond and Loan Maturity Profile (€bn)
as of December 31, 2020¹



Currency Exposure incl. Derivatives²
as of December 31, 2020



¹ Converted at quarter-end FX rates EURUSD 1.23 and EURJPY 126; including \$3.8bn USD term loan and €0.75bn EUR bond which were repaid end of January 2021; not included: €4bn senior bonds issued beginning of January 2021 (€ 1.2bn maturing in 2025, €1bn maturing in 2029, €1bn maturing in 2031 and €0.8bn maturing in 2036)

² Based on quarter-end FX rates



Overview of Bayer's Funding Structure

Net Financial Debt¹

	Dec. 31, 2019	Sept. 30, 2020	Dec. 31, 2020
	€ million	€ million	€ million
Bonds and notes / promissory notes	33,569	37,695	36,745
of which hybrid bonds ²	4,528	4,531	4,532
Liabilities to banks ³	4,062	3,882	3,671
Lease Liabilities	1,251	1,146	1,137
Liabilities from derivatives ⁴	123	71	136
Other financial liabilities	89	656	77
Receivables from derivatives ⁴	(76)	(249)	(141)
Financial debt	39,018	43,201	41,625
Cash and cash equivalents	(3,185)	(5,067)	(4,191)
Current financial assets ⁵	(1,765)	(9,866)	(7,393)
Net financial debt	34,068	28,268	30,041

1 For definition see Annual Report 2020, 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, and shares in Elanco and Covestro

Nominal Volume of Major Instruments (bn)

as of December 31, 2020

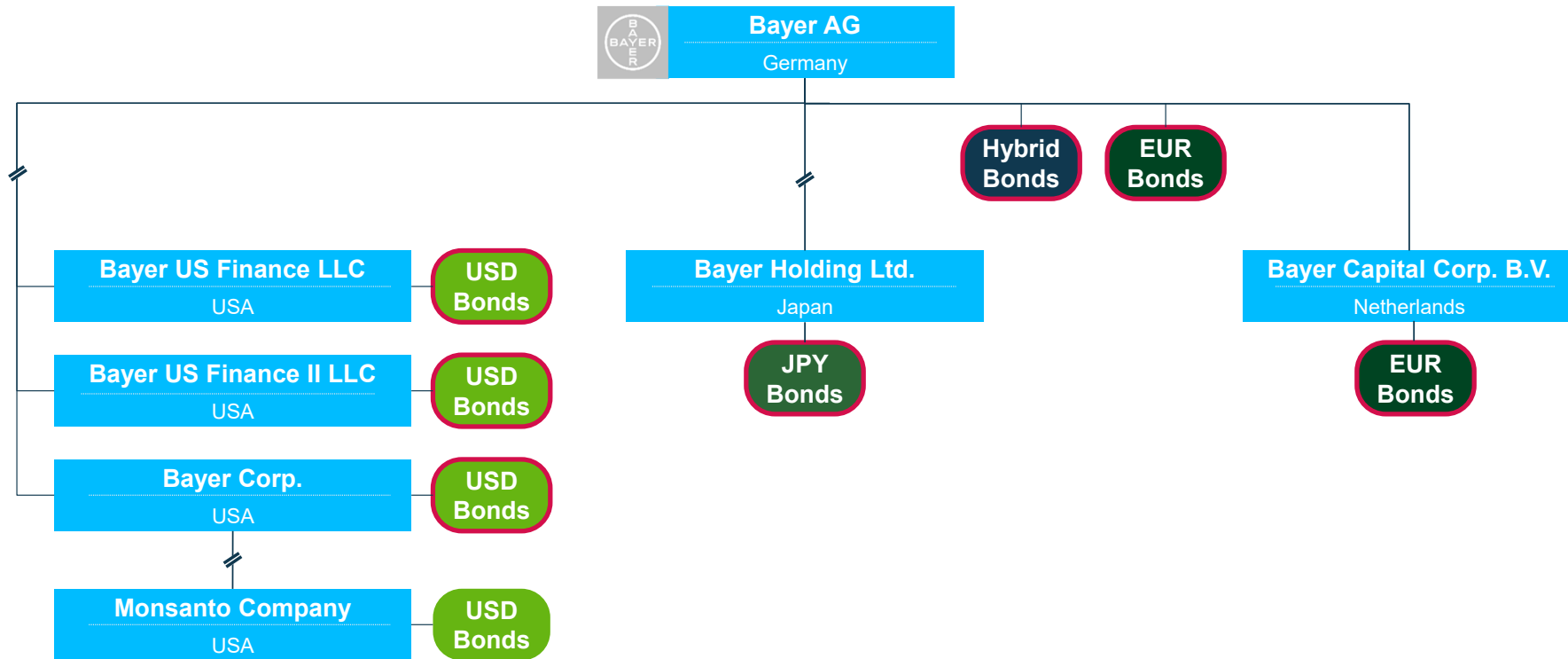
1	Senior EUR Bonds	€12.3
	Senior USD Bonds	\$24.7
	JPY Private Placements	¥20.0
	Hybrid EUR Bonds	€4.6



2	USD Term Loan	\$3.8
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3	Other Sources of Liquidity	
	Syndicated Loan Facility	€4.5
	Commercial Paper Program	\$8.0



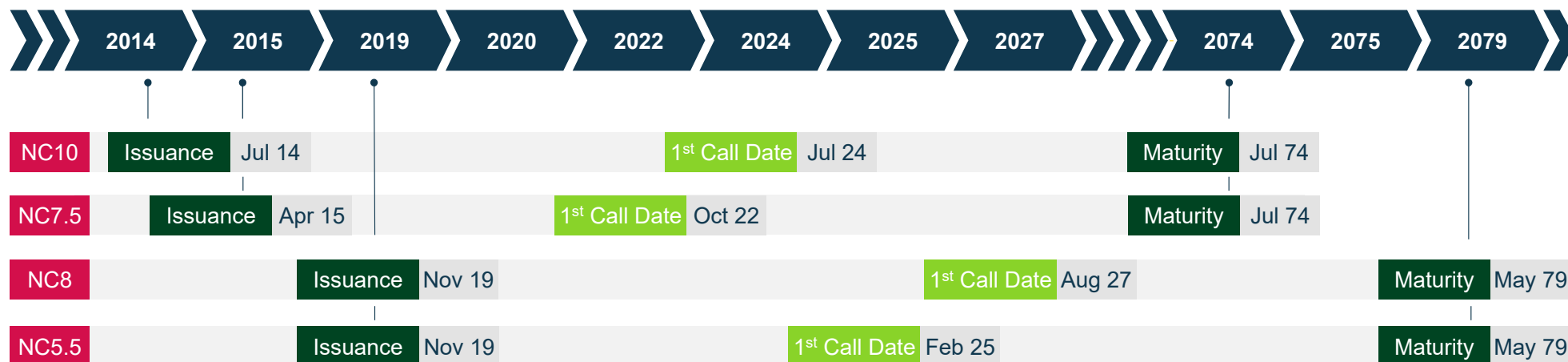
1 Main Issuing Entities at Bayer Group



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



2 Hybrid Bonds at Bayer

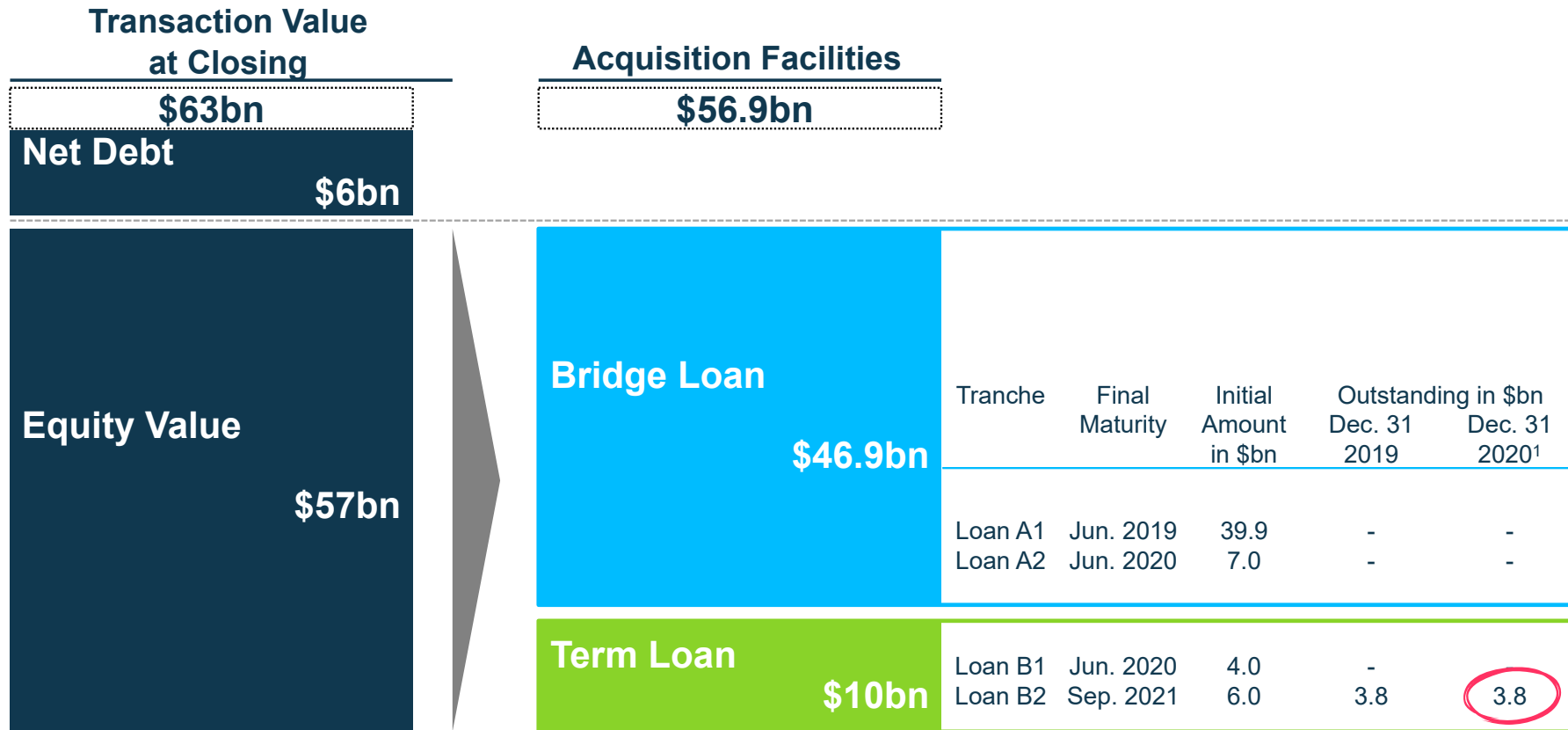


Hybrid Bond	Coupon (in%)	Outstanding Volume (in bn €)	Initial Credit Spread	1st Step-Up	2nd Step-Up
NC10	3.75	1.5	230 bps spread + 5Y Swap ¹	+25 bps/Jul 24	+75 bps/Jul 44
NC7.5	2.45	1.3	200.7 bps spread + 5Y Swap ¹	+25 bps/Oct 27	+75 bps/Jul 42
NC8	3.125	0.75	310.8 bps spread + 5Y Swap ¹	+25 bps/Nov 32	+75 bps/Nov 47
NC5.5	2.375	1	264.7 bps spread + 5Y Swap ¹	+25 bps/May 30	+75 bps/May 45

¹ Swap is reset every fifths year starting with the first call date



3 \$56.9bn Monsanto Acquisition Loan Facilities



1: Fully repaid in January 2021



4 Other Sources of Liquidity

Syndicated Loan Facility

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

Borrower	// Bayer AG, Germany // Bayer Corporation, USA
Total Amount	€4.5bn, thereof €1.5bn/\$1.5bn Swingline
Signing	December 2018
Initial Tenor	5Y + two 1Y extension options (first extension option already used)
Syndicate Size	23 Banks
Purpose	General Corporate Purposes

Commercial Paper Program

Commercial Paper (CP) is a short-term unsecured debt instrument. CP are normally issued at a discount and redeemed at nominal value. The term of CP generally lies between 1 and 364 days. Bayer's CP program allows the company to issue in both the U.S. market (USCP) and the Euro market (ECP). It is structured as a SEC regulation's section 4(a)(2) program so that there are no restrictions related to the use of proceeds.

Issuer	// Bayer AG, Germany // Bayer Corporation, USA
Guarantor	Bayer AG
Total Amount	\$8bn or equivalent
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, London Branch // <u>USCP</u> : The Bank of New York Mellon



Upcoming Events 2021

Date	Event/ Publication
Thursday, February 25, 2021	Annual Report 2020
Wednesday/Thursday, March 10/11, 2021	Virtual Capital Markets Day 2021
Tuesday, April 27, 2021	Annual Stockholders' Meeting
Wednesday, May 12, 2021	Q1 2021 Quarterly Statement
Thursday, August 5, 2021	Half-Year Report 2021

Please note that the event calendar might be subject to changes

/// Bayer Debt Investor Relations /// Status: FY 2020



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