



Science for a Better Life  
**A Global Leader in  
Health & Nutrition**



**Kepler Cheuvreux & UniCredit**

**22<sup>nd</sup> German Corporate  
Conference**

**Wolfgang Nickl**  
Chief Financial Officer

January 16, 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/>.

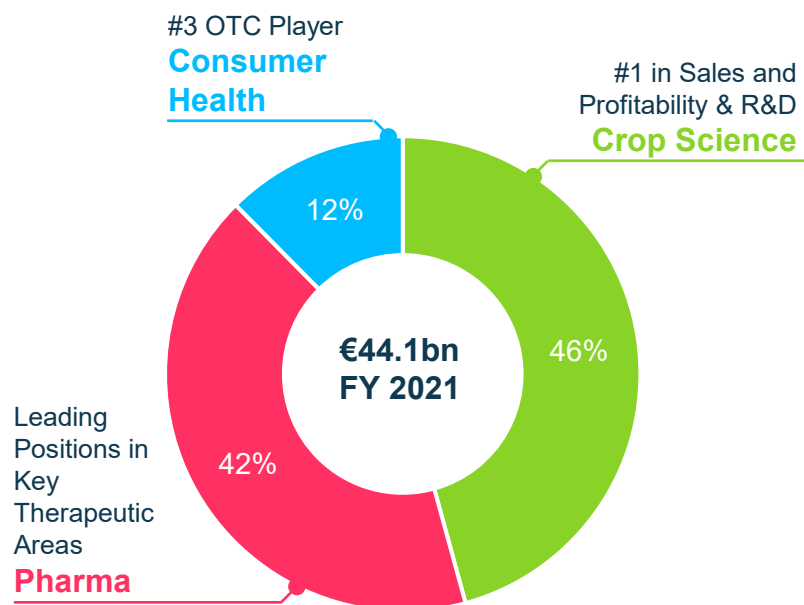
The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.



# 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



<sup>1</sup>Source: Company Estimates

<sup>2</sup>Source: IQVIA MIDAS MAT Q3-20

<sup>3</sup>Source: Nicholas Hall & Company DB6

## Market Size

### Crop Science



~€100bn<sup>1</sup>

### Pharmaceuticals



~€1,000bn<sup>2</sup>

### Consumer Health



~€150bn<sup>3</sup>



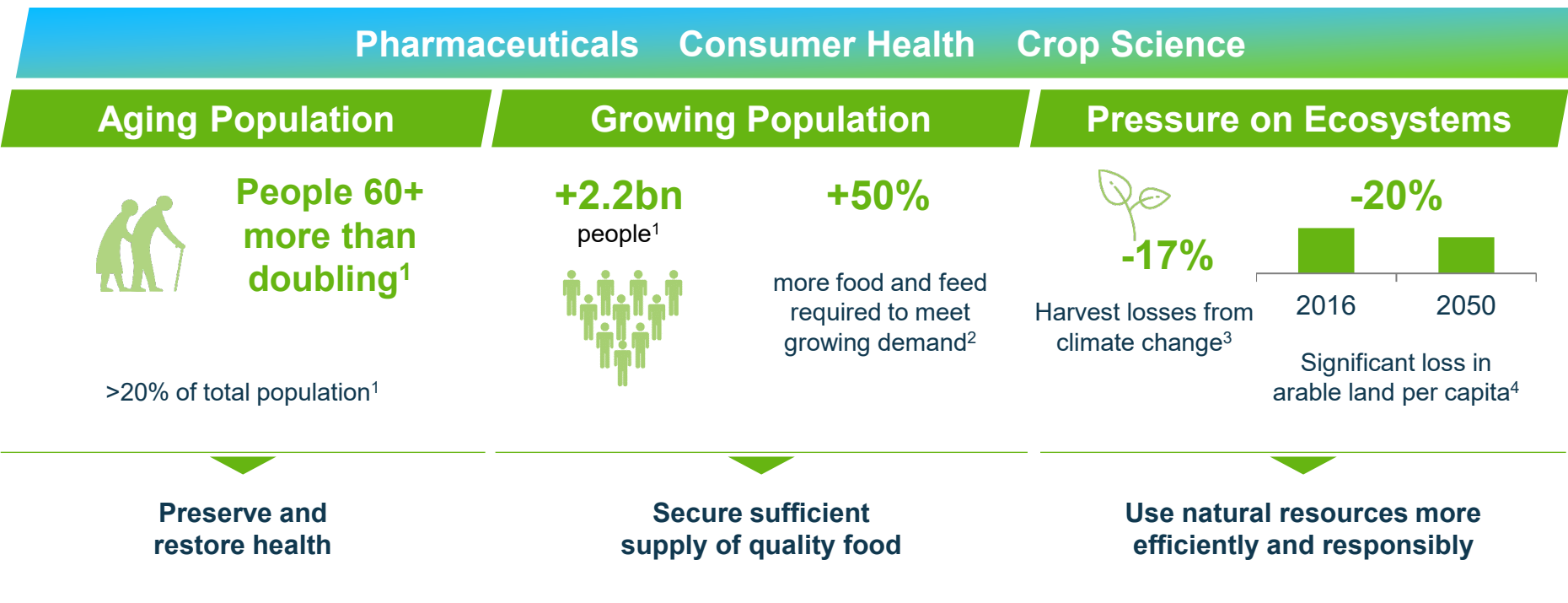
# Global Megatrends in Health & Nutrition

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

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

<sup>2</sup> FAO 2017, (FAO Global Perspective Studies)

<sup>3</sup> Nelson et. al, (2014); FAO 2016 “Climate change and food security”






<sup>4</sup> 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**   


## Pharmaceuticals Innovation Pipeline

Annual R&D Investment:

€3.1bn

Key Current Launch Products:



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

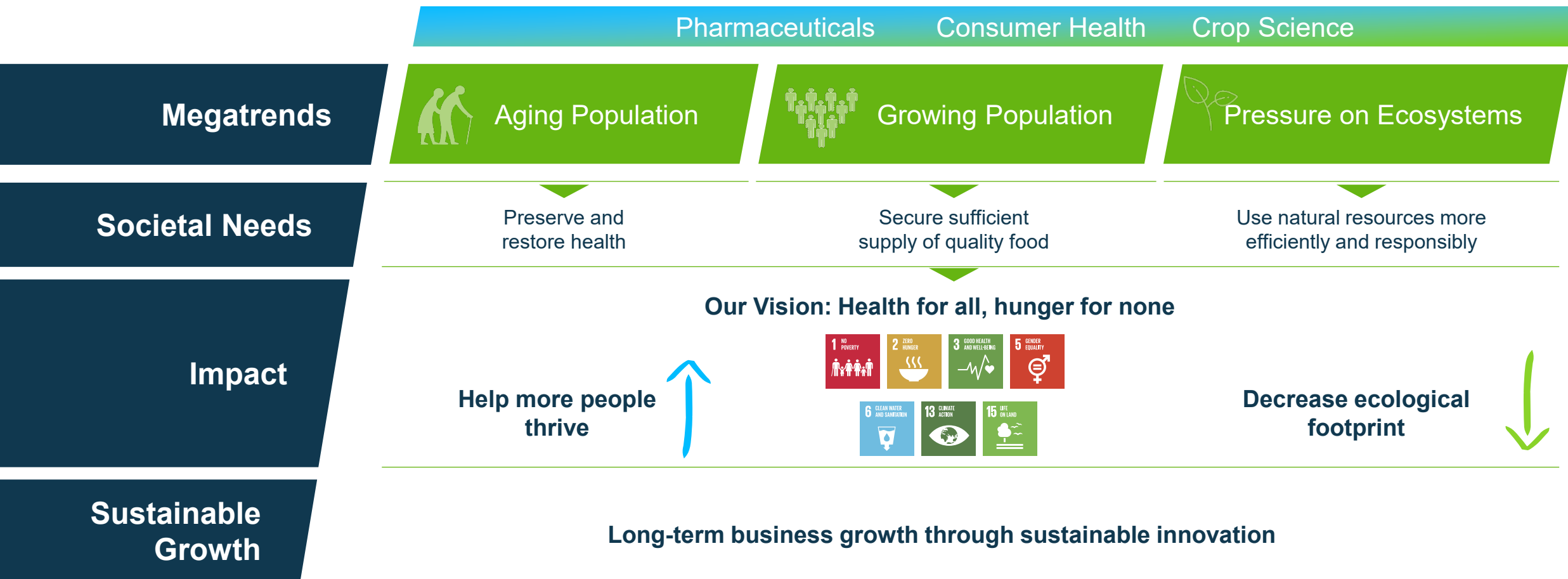
Note: Subject to regulatory approvals and pending registrations. Represents a subset of the pipeline.

<sup>1</sup> In collaboration with Sumitomo



# Sustainability is Integral to Our Values, Strategy and Operations








We intend to create bold impact and generate sustainable business opportunities





# Important Improvements in ESG Ratings Achieved

Removal of red flags at MSCI and ISS ESG Norm-Based Research in 2021/2022

| Agency   | Score (type)                    | Score 2022   | Comments   |
|--|---------------------------------|--|--|
|  MSCI                             | ESG Score<br>Controversy level  | A<br>■ (GMO)   | Improvement of Rating from BB to A<br>■ (GMO) removed                              |
|  SUSTAINALYTICS                   | Risk Score<br>Controversy level | 29.9 (medium)<br>5   | Controversy level and rating impacted by ongoing<br>Glyphosate litigations         |
|  ISS ESG                          | ESG Score<br>Norm-based         | C+ (1 <sup>st</sup> decile)<br>■ (Neonics)                       | Currently under review<br>■ (Neonics) removed in 2021                              |
|  RepRisk                          | Index                           | 53 (high risk)   | Ambition to reach medium risk target corridor                                      |
|  CDP<br>DISCLOSURE INSIGHT ACTION | Climate<br>Water<br>Forest      | A<br>A-<br>B   | Scores maintained on high level  |
|  access to<br>medicine<br>Index   | Ranking                         | #9 out of 20   | Entered Top 10 in November 2022<br>Significant improvement from previous score #13 |
|  Access to Seeds Index          | Ranking                         | #1 of 32 Africa <sup>1</sup><br>#3 of 31 South & South-East Asia | Leading Positions in relevant regions  |

DAX<sup>®</sup> 50 ESG



ecovadis  
Business Sustainability Ratings





# Preview 2023: Variables to Consider

A composite image showing green agricultural plants on the left and a blue body of water with green trees on the right.

**1** *Supply Chain Stability,  
Energy Supply Security*

A composite image showing a fingerprint being scanned on the left and a person riding a bicycle on the right.

**2** *Inflationary Cost Pressure*

A composite image showing a person lying on a medical table on the left and a blue molecular structure on the right.

**3** *Pricing,  
Market and Portfolio Dynamics*





# 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**



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