



Bayer AG

# Credit Suisse Basic Materials Conference



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# 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.

Guidance at constant currencies, not including portfolio divestitures if not mentioned differently.



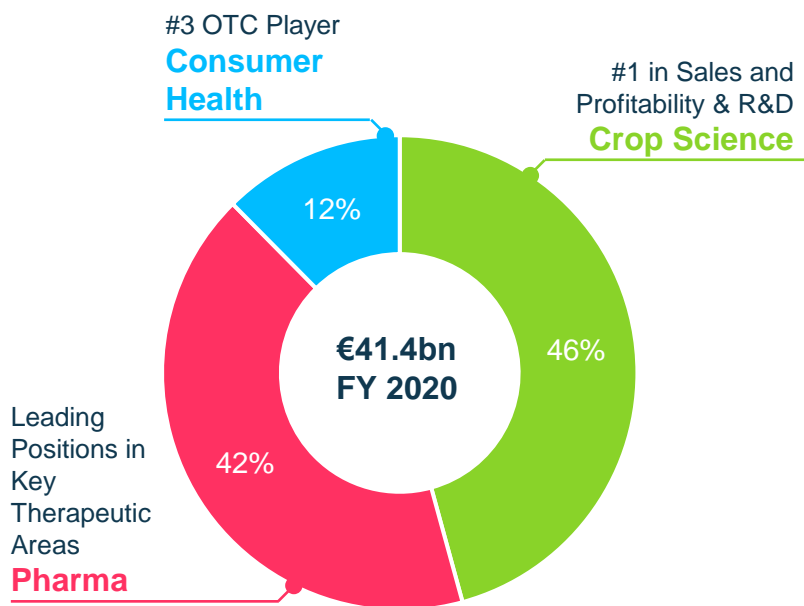
# *Group Investment Case*



# 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



## Market Size

### Crop Science



~€100bn<sup>1</sup>

### Pharmaceuticals



~€1,000bn<sup>2</sup>

### Consumer Health



~€150bn<sup>3</sup>

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

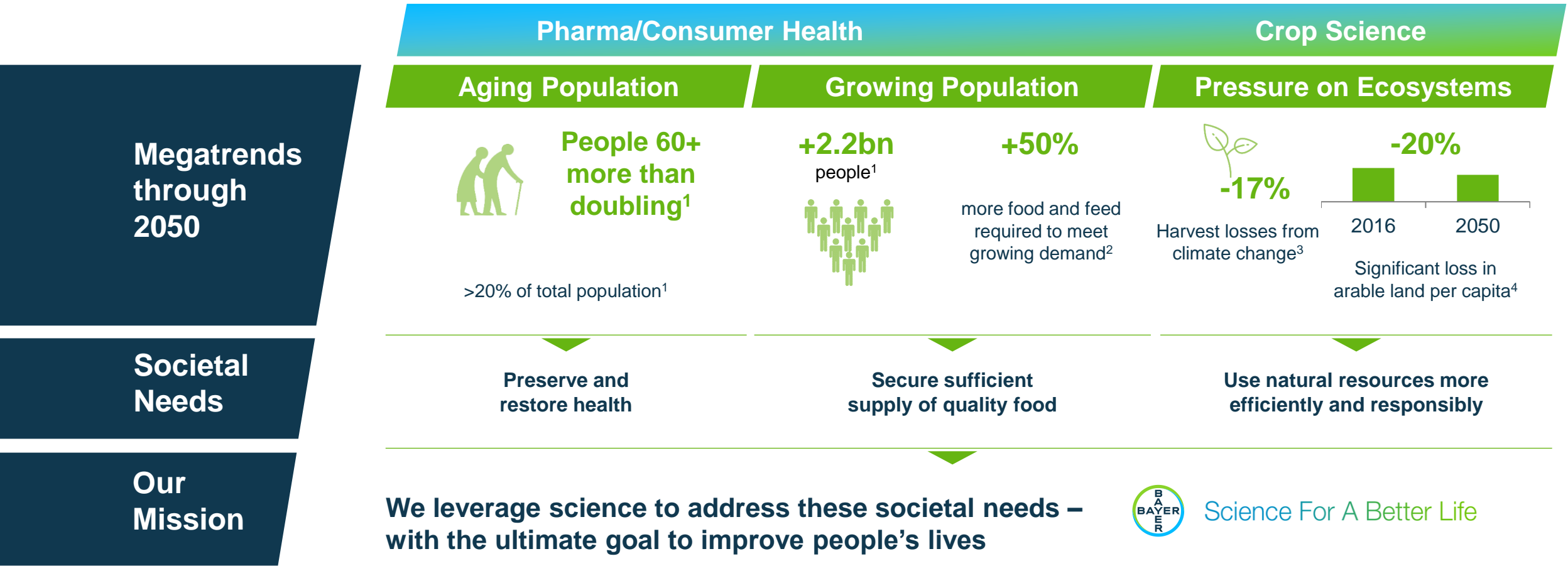
<sup>2</sup>Source: IQVIA MIDAS MAT Q3-20

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



# Global Megatrends in Health & Nutrition

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



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** **Fox Supra (Indiflin®)<sup>1</sup>**

## Pharmaceuticals Innovation Pipeline

Annual R&D Investment:

€2.7bn

Key Current Launch Products:



Key Mid-/Late-Stage Pipeline Opportunities:

- **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.

<sup>1</sup> 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 currencies<sup>1</sup>      At ,month-end Dec' 20 rates<sup>2</sup>

1

Enable  
growth

2

Drive  
profitability

3

Focus  
on cash

**Sales**  
in €bn

41.4

42 - 43

40 - 41

43 - 45

**Core EPS**  
in €

6.39

6.10 - 6.30

5.60 - 5.80

7.00 - 7.50

**Free Cash Flow**  
in €bn

1.3

-3 - -4\*

-3 - -4\*

~5\*\*

2020

2021e

2021e

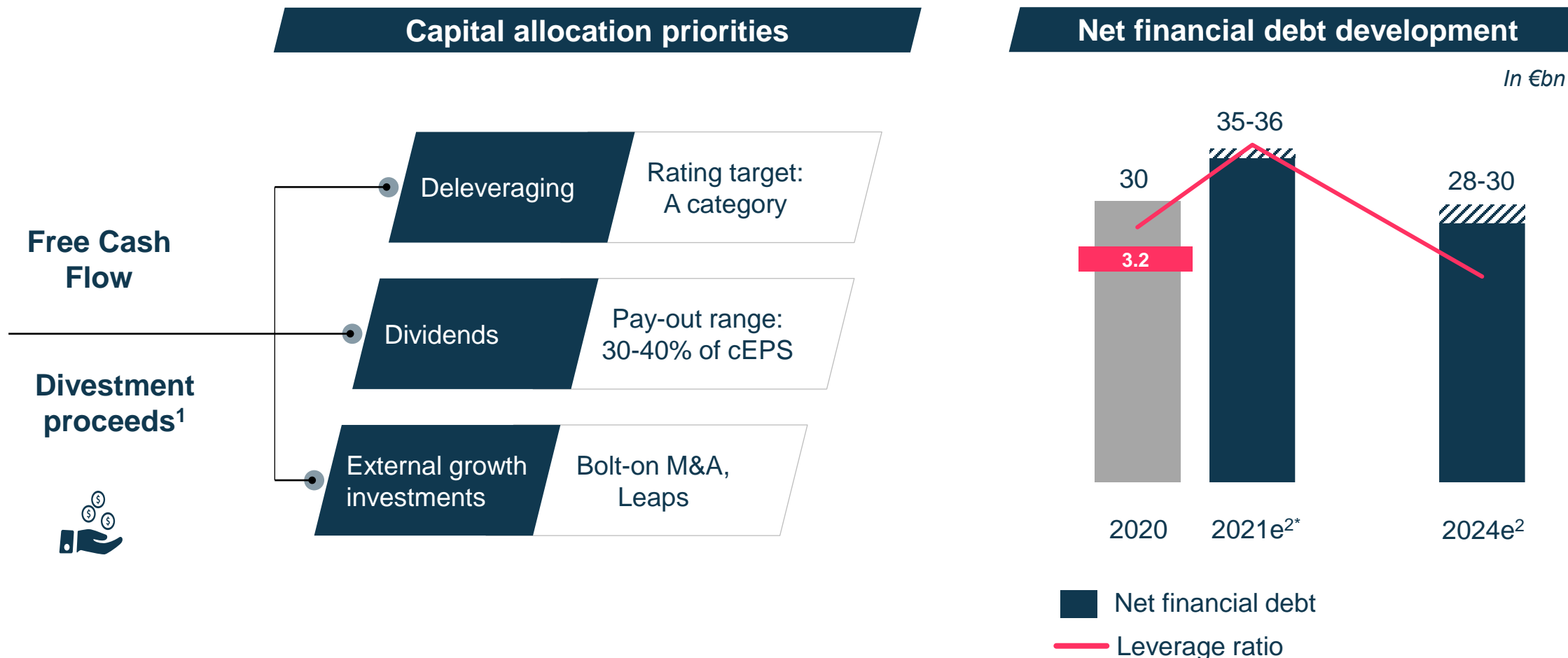
2024e

<sup>1</sup> Reflects our 2021 plan at the average actual currencies for 2020 <sup>2</sup> 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



<sup>1</sup> From non-strategic divestments below divisional level and sale of other fixed assets <sup>2</sup> 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 **100m<sup>1</sup> smallholder farmers** in LMIC<sup>2</sup>



Provide **100m<sup>1</sup> women** in LMIC with **access to modern contraception**



Expand **access to self-care for 100m<sup>1</sup> people** in underserved<sup>3</sup> communities



## Decrease ECOLOGICAL footprint: Drive growth through sustainable resource use



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

// 42%<sup>1</sup> reduction target for Scope 1 & 2<sup>4</sup>

// 12.3%<sup>1</sup> reduction target for Scope 3<sup>4</sup>

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

**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**

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

<sup>2</sup> Baseline(2019). Numbers reflect people; preliminary figures; pending external audit : ~42m smallholder farmers; ~38m women; ~41m people; 3.7m tCO<sub>2</sub>e for Scope 1&2; 10m tCO<sub>2</sub>e for Scope 3.

<sup>3</sup> Underserved : Economically or medically.

<sup>4</sup> 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**

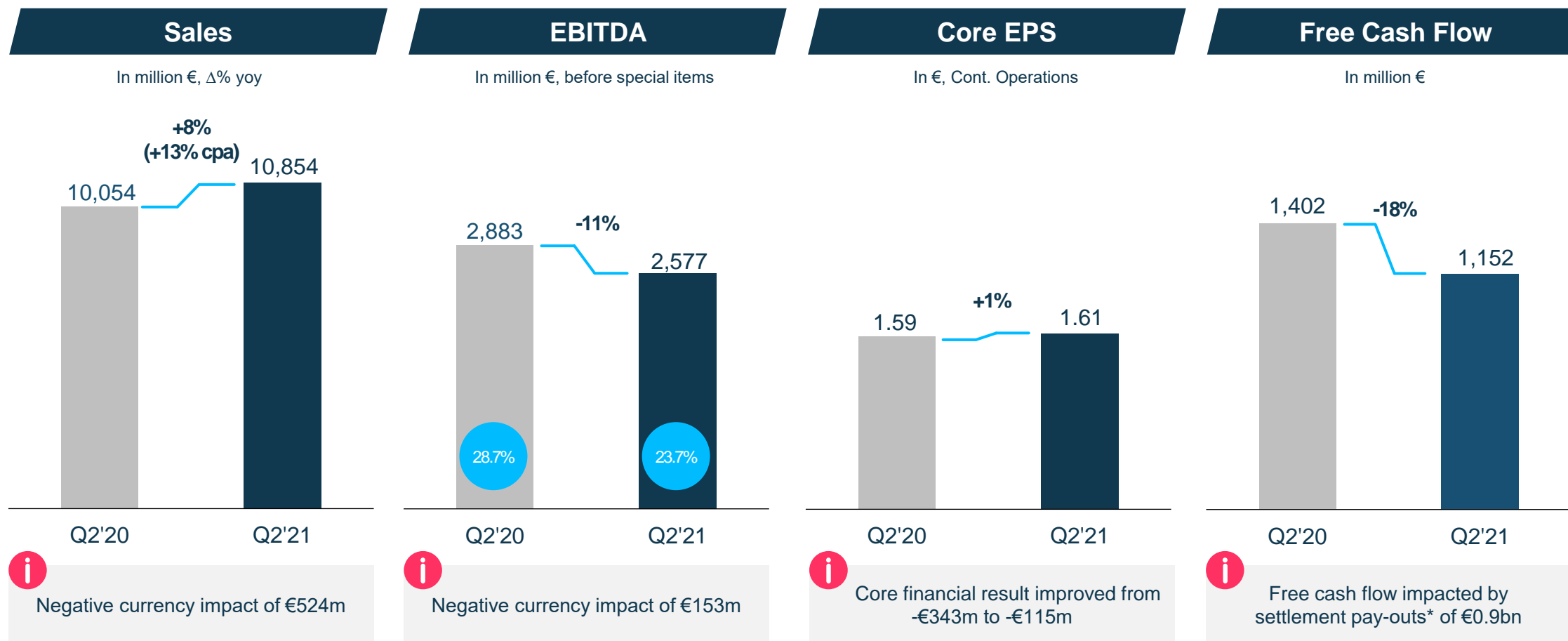


# *Q2'21 Results and Outlook*



# Q2 2021: All Businesses Contribute to Strong Sales Growth

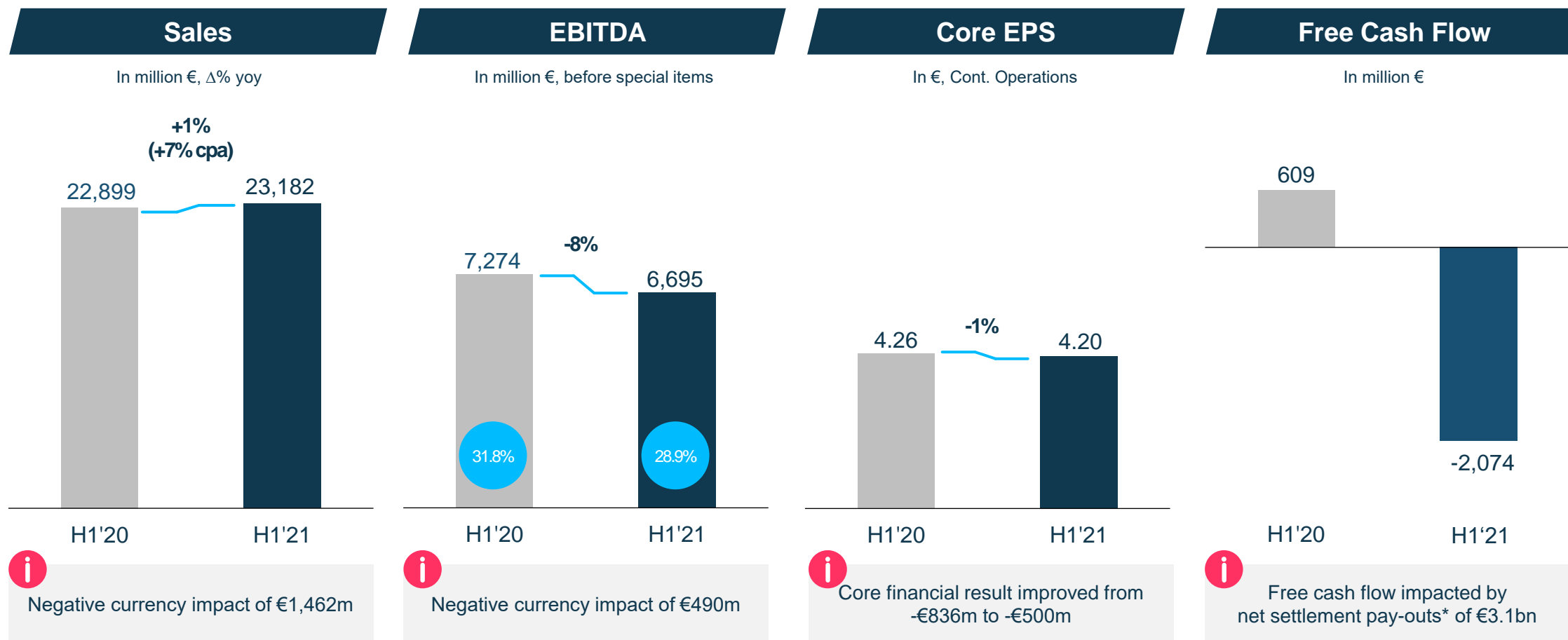
## Currency Headwinds Weigh on EBITDA Before Special Items



● EBITDA Margin before special items, cpa = currency and portfolio adjusted; \*includes Glyphosate, Essure and Dicamba



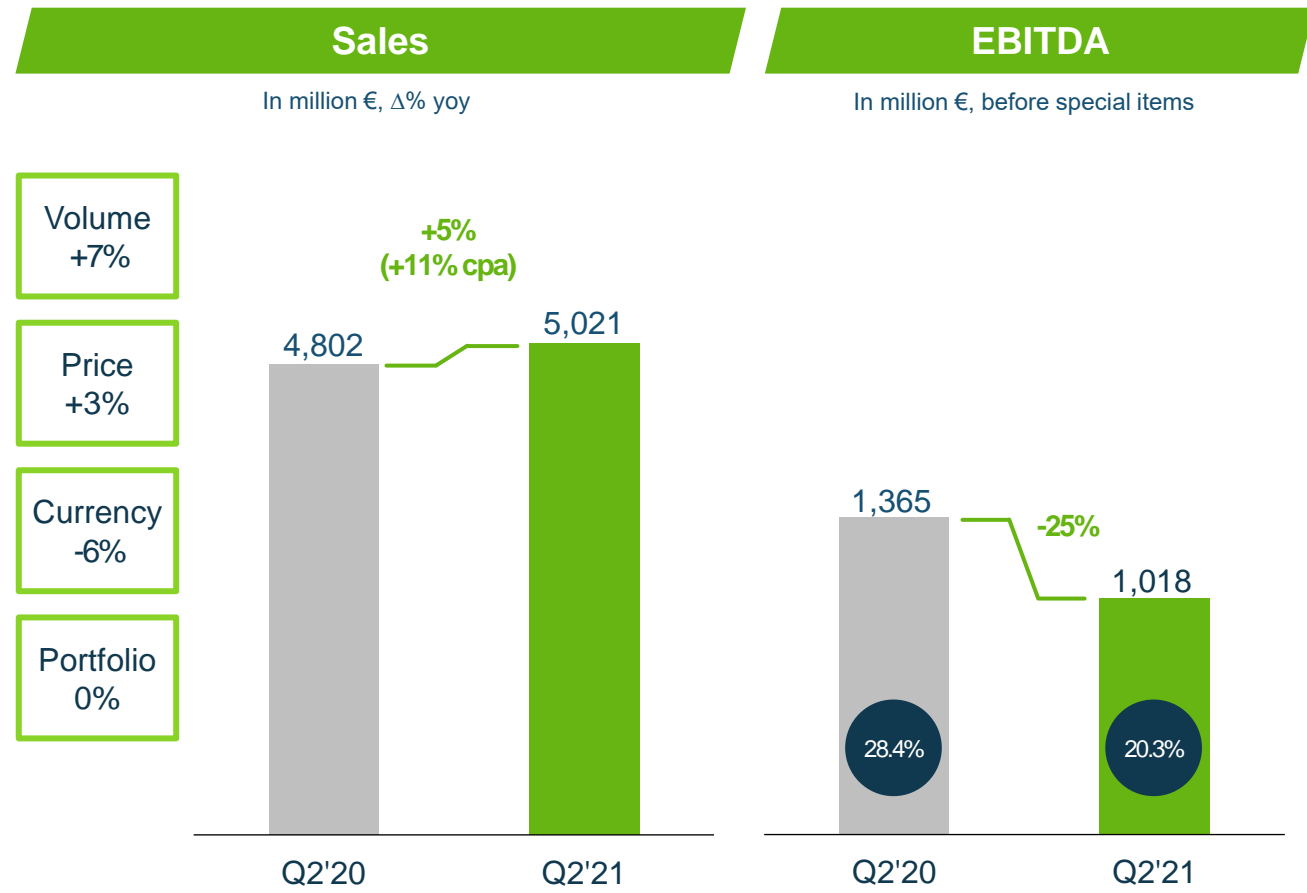
# HY1 2021: Good Performance Setting Stage for Guidance Raise



● EBITDA Margin before special items, cpa = currency and portfolio adjusted; \*includes Glyphosate, Essure and Dicamba



# Crop Science with Strong Growth Momentum Supported by Positive Market Dynamics



- Volume +7%
- Price +3%
- Currency -6%
- Portfolio 0%

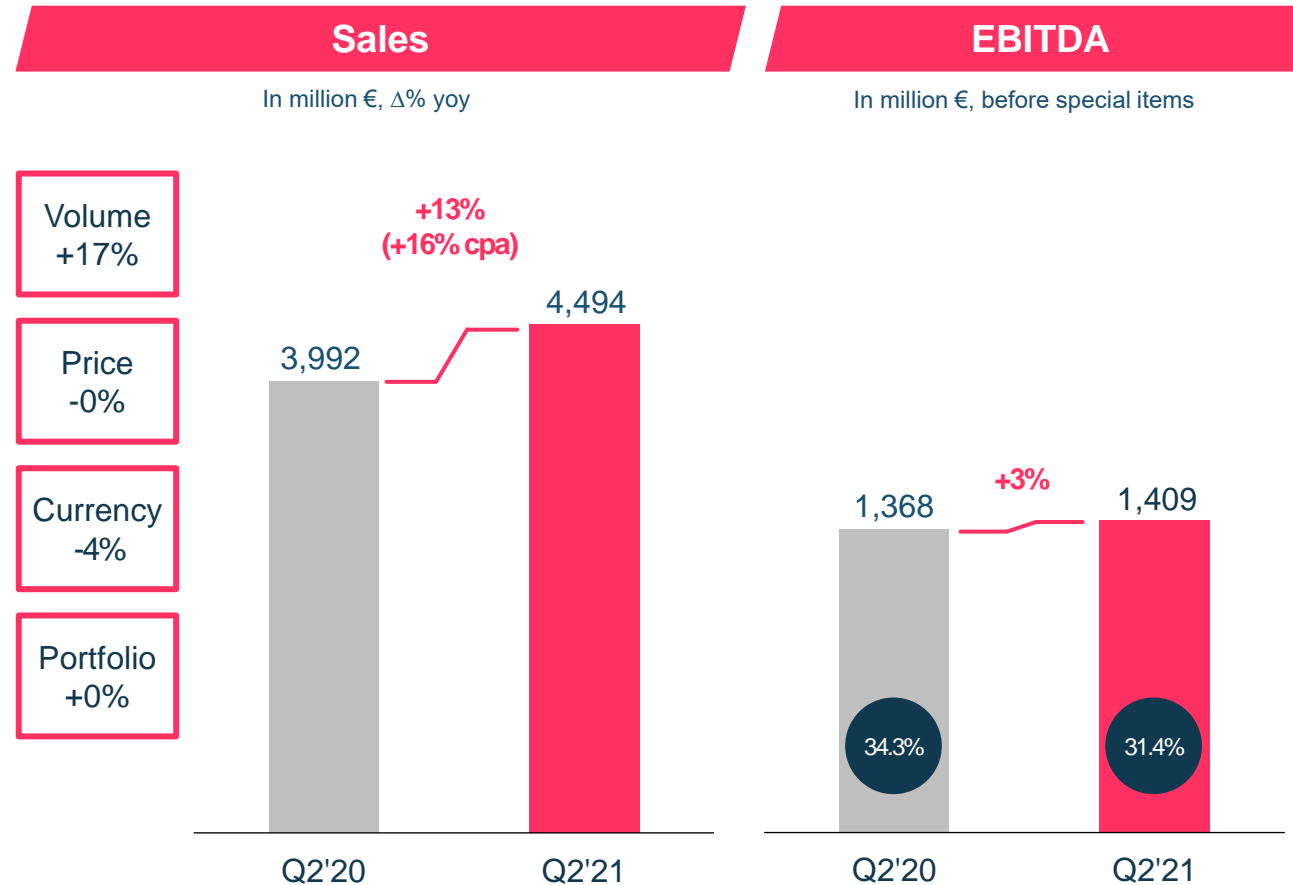
● EBITDA Margin before special items, cpa = currency and portfolio adjusted

## Key Messages

- + Fungicides (+23% cpa) driven by Fox Xpro™ and new launches in North America
- + Herbicides (+16% cpa) benefit from higher sales of XtendiMax™ and price increases of Roundup™ in North America
- + Volume gains in North America drive Soybean Seed & Traits (+9% cpa)
- + Corn Seed & Traits up (+9% cpa) due to expansion in all regions, most notably in the Americas
- Insecticides (-1% cpa) impacted by loss of thiacloprid license
- EBITDA before special items affected by currency headwinds, increased COGS and negative sales mix



# Pharmaceuticals with Substantial Growth and Progress on Late-Stage Pipeline



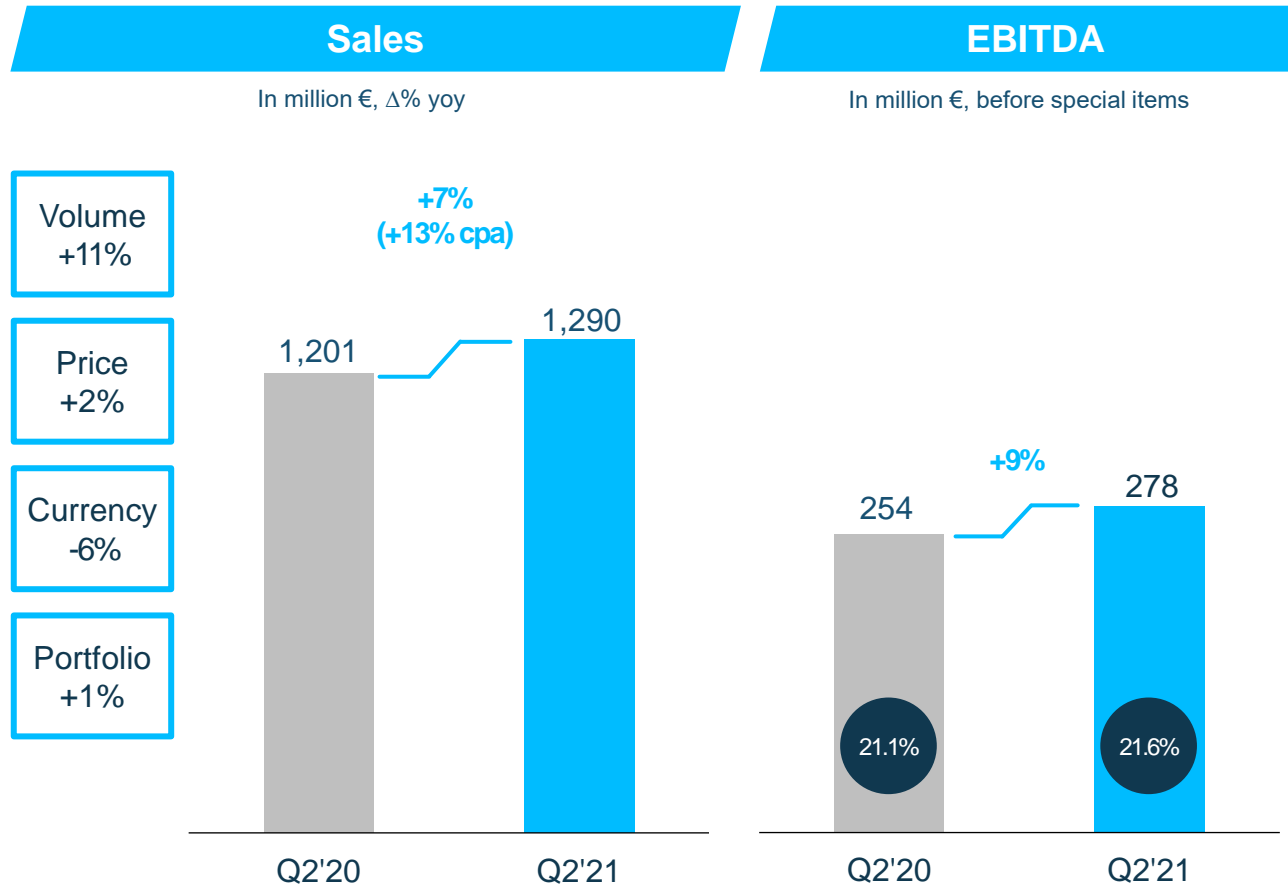
## Key Messages

- + Strong performance of Eylea (+27% cpa) and Xarelto (+13% cpa)
- + IUD franchise (+68% cpa) and Radiology (+37% cpa) up significantly following recovery from Covid-19 impact
- + Double digit sales growth in China (+22% cpa)
- + De-risking of key late-stage pipeline with approvals for Verquvo and Kerendia
- EBITDA before special items affected by launch investments and currency headwinds

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



# Consumer Health Continues to Outperform



## Key Messages

- + Growth across all regions and categories
- + Allergy & Cold (+16% cpa) driven by a strong spring allergy season
- + Nutritionals (+16% cpa) continues growth trajectory due to sustained high demand
- + Successful launches of Bepanthen DrySkin and Aleve Topical
- + Margin expansion supported by sales growth and disciplined cost management despite launch investments and negative currency effects

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





# Updated Full-Year Guidance 2021 - Group

*Excluding currency impact*

	Outlook as of Feb 2021 <sup>1</sup>	Outlook as of Aug 2021	Expected currency impact <sup>2</sup>	Outlook as of Aug 2021 incl. currency impact
Sales	€42 - €43bn	~ €44bn	~ -€1bn	~ €43bn
EBITDA margin (before special items)	~ 27%	~ 26%	-50 bps	~ 25%
Core EPS	€6.10 – €6.30	€6.40 – €6.60	-€0.40	€6.00 – €6.20
Free cash flow	~ -€3 - -€4bn <sup>3</sup>	~ -€2 - -€3bn <sup>4</sup>	no material effect	~ -€2 - -€3bn <sup>4</sup>
Net financial debt	~ €36bn - €37bn	~ €36bn	~ €1bn	~ €35bn

<sup>1</sup> Reflects our 2021 plan at the average actual currencies for 2020; Acquisition of Vividion Therapeutics not yet included


<sup>2</sup> Currency assumptions based on month-end June spot rates (1 EUR=) 1.19 USD, 5.90 BRL, 7.69 CNY, 131 JPY, 23.6 MXN, 86.8 RUB. Impact is calculated as difference to constant currencies.

<sup>3</sup> Settlement payouts of ~€8bn included; <sup>4</sup> Settlement payouts of ~€7bn included



# Updated Full-Year Guidance 2021 - Divisions

Guidance at constant currencies\*

Division		Est. Market Growth 2021	Sales Growth 2021 (cpa) as of Feb.	Sales Growth 2021 (cpa) as of Aug.	EBITDA-margin 2021 as of Feb. (before special items)	EBITDA-margin 2021 as of Aug. (before special items)
Crop Science		~ 5%	~ 2%	~ 7%	~ 24% <sup>1</sup>	~ 24% <sup>2</sup>
Pharma		~ 5%	~ 4%	~ 6%	~ 32%	~ 32%
Consumer Health		~2%	~ 2-3%	~ 3-4%	~ 22-23%	~ 22-23%

\* Reflects our 2021 plan at the average actual currencies for 2020; cpa: currency and portfolio adjusted; <sup>1</sup> at December spot rates ~23%; <sup>2</sup> at June spot rates ~23%



# *Our Businesses*

## *Focus on Crop Science*



Science for a Better Life  
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

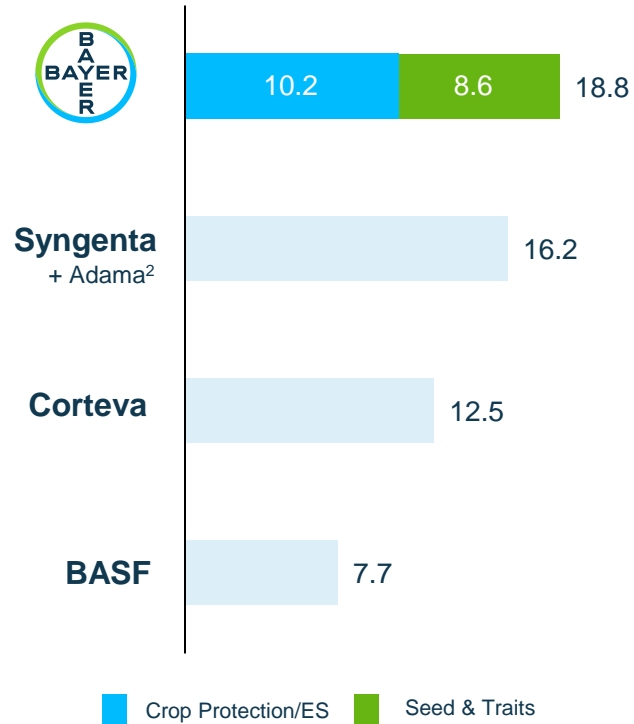


# The Established Leader in Crop Science

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

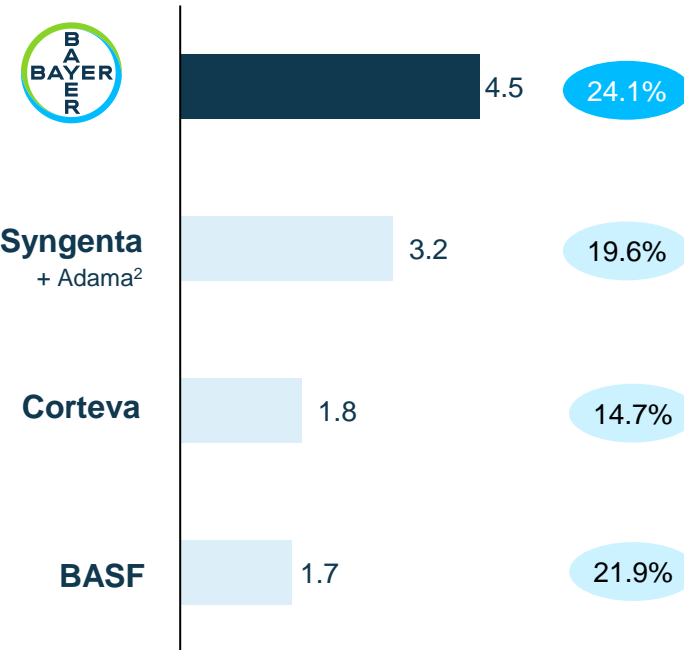
## Largest in Sales

Total Sales<sup>1</sup> (€bn)



## Highest Profitability

EBITDA<sup>1</sup> (€bn) / EBITDA<sup>1</sup> Margin (%)

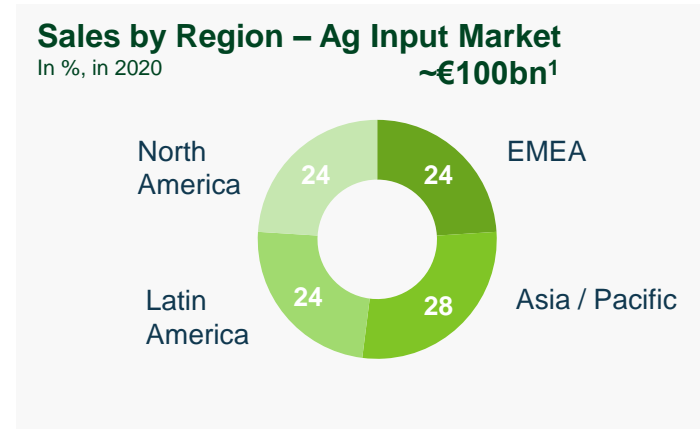
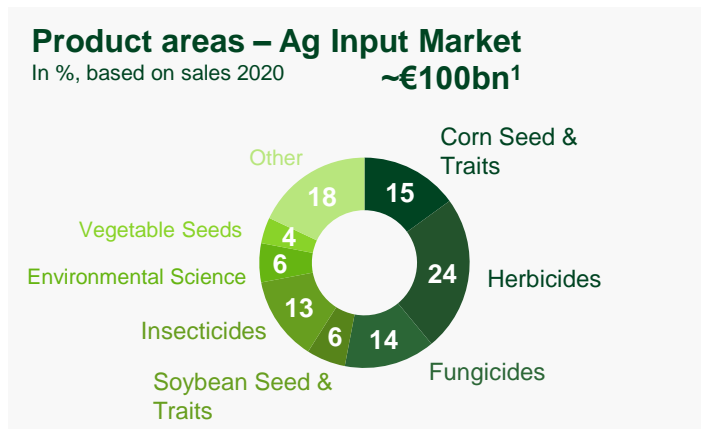
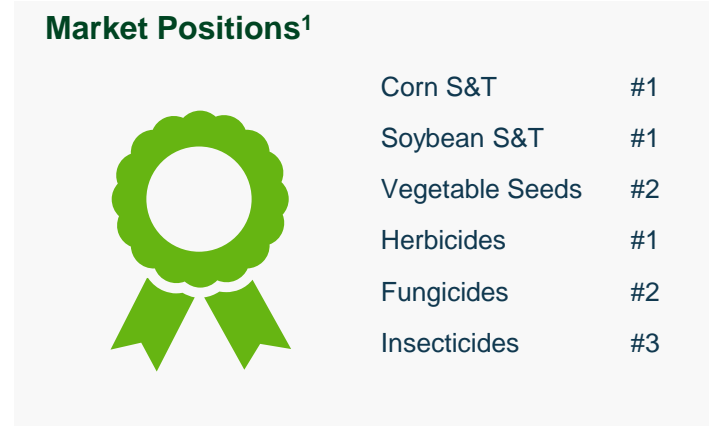
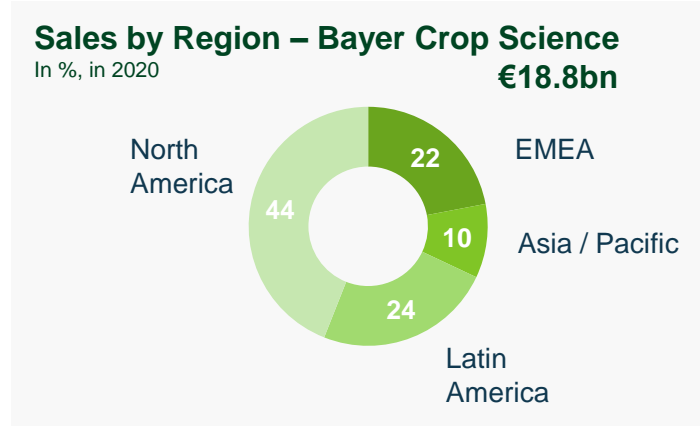
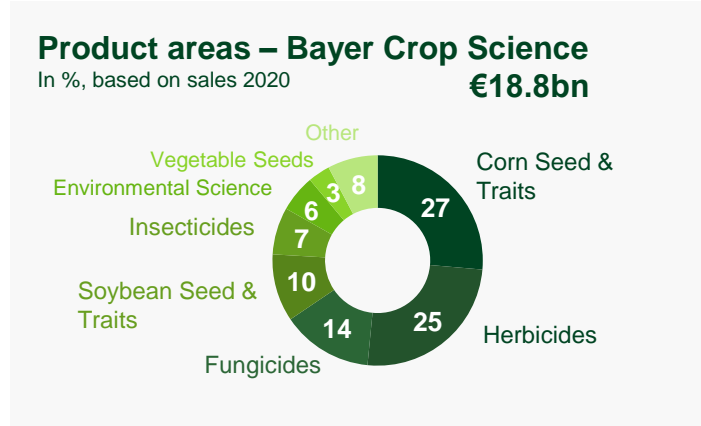


<sup>1</sup> Company information ; exchange rate: FY 2020: ~1.14 USD/EUR. EBITDA before special items. FY2020 sales

<sup>2</sup> Represents the legacy Syngenta results plus Adama



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



<sup>1</sup> Source: Company estimates. Market positions based on 2019 data.



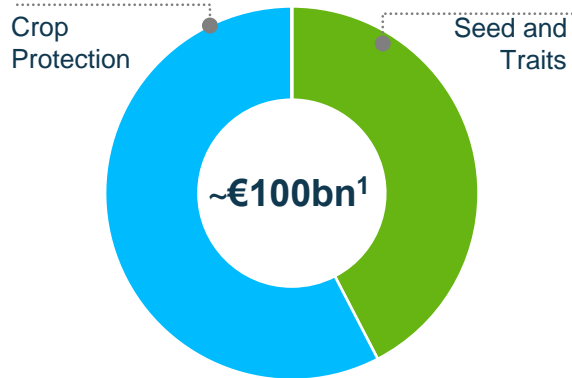
# Megatrends Drive Market Growth and Need for Innovation

Ag Market Remains Attractive with Expected ~3% CAGR<sup>1</sup> to 2030

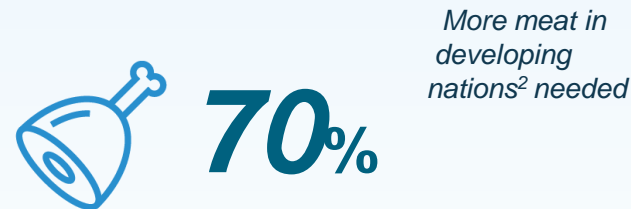
Expected 10 Yr. Global Ag Input Market Growth Rate



2020E Global Ag Input Market



## Demand



## Supply



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

<sup>2</sup> 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 Growth<sup>1</sup>

~ 7%

EBITDA Margin<sup>2</sup>

~23%

Sales Growth<sup>1</sup>

3% to 5%

EBITDA Margin<sup>2</sup>

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

<sup>1</sup> Currency and portfolio adjusted

<sup>2</sup> 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



■ EMEA 
 ■ LATAM 
 ■ NA 
 ■ APAC 
 ■ Volume 
 ■ Price 
 ■ New Products

<sup>1</sup> Company estimates, currency and portfolio adjusted.



# Deploying New Corn Hybrids and Traits to Grow Sales

Expect 3-4%<sup>2</sup> 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%<sup>2</sup>

**Mexico #1** Market Pos.

Market Size: ~20m acres  
Germplasm Share: >65%<sup>2</sup>

**Europe #2** Market Pos.

Market Size<sup>1</sup>: ~60m acres  
Germplasm Share: ~20%

**Brazil #1** Market Pos.

Market Size: ~48m acres  
Germplasm Share<sup>1</sup>: ~30%

**South Africa #1** Market Pos.

Market Size: ~6m acres  
Germplasm Share: >70%

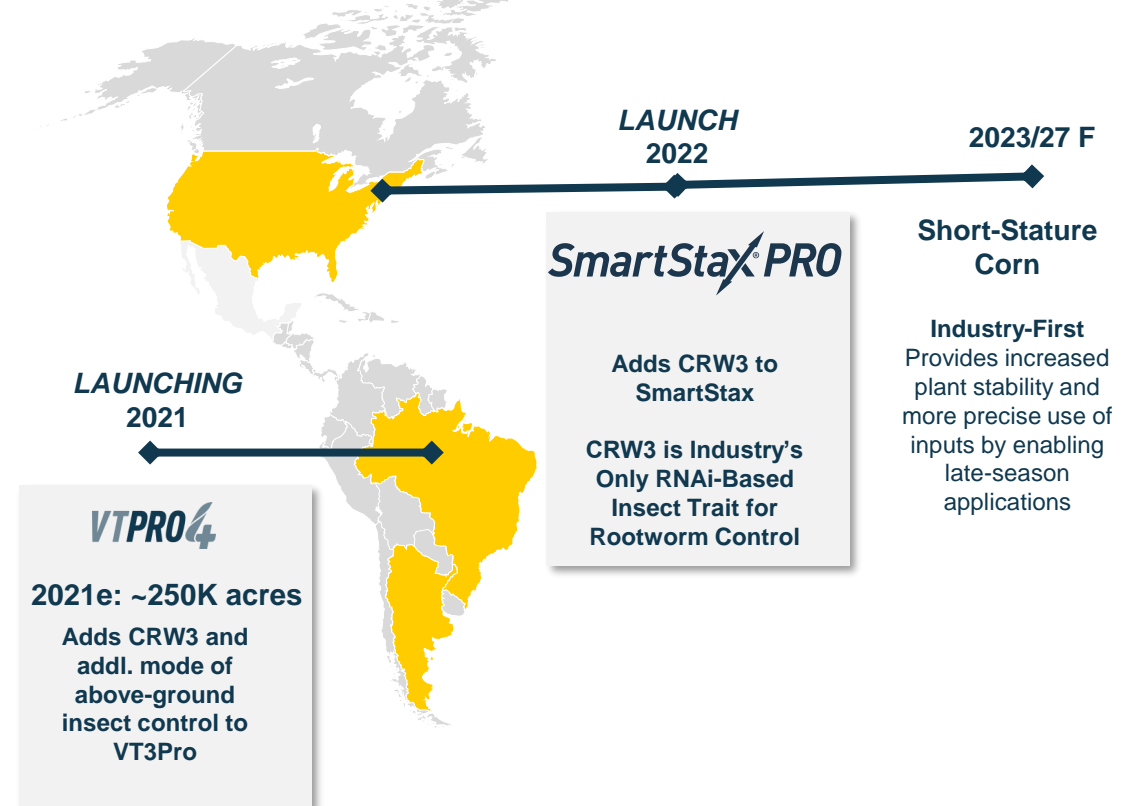
Note: Size of market, market position and germplasm share measured as of 2020.

<sup>1</sup> Eu27 +UK, Russia and Ukraine <sup>2</sup>In hybrid corn market only

<sup>2</sup> Currency and portfolio adjusted

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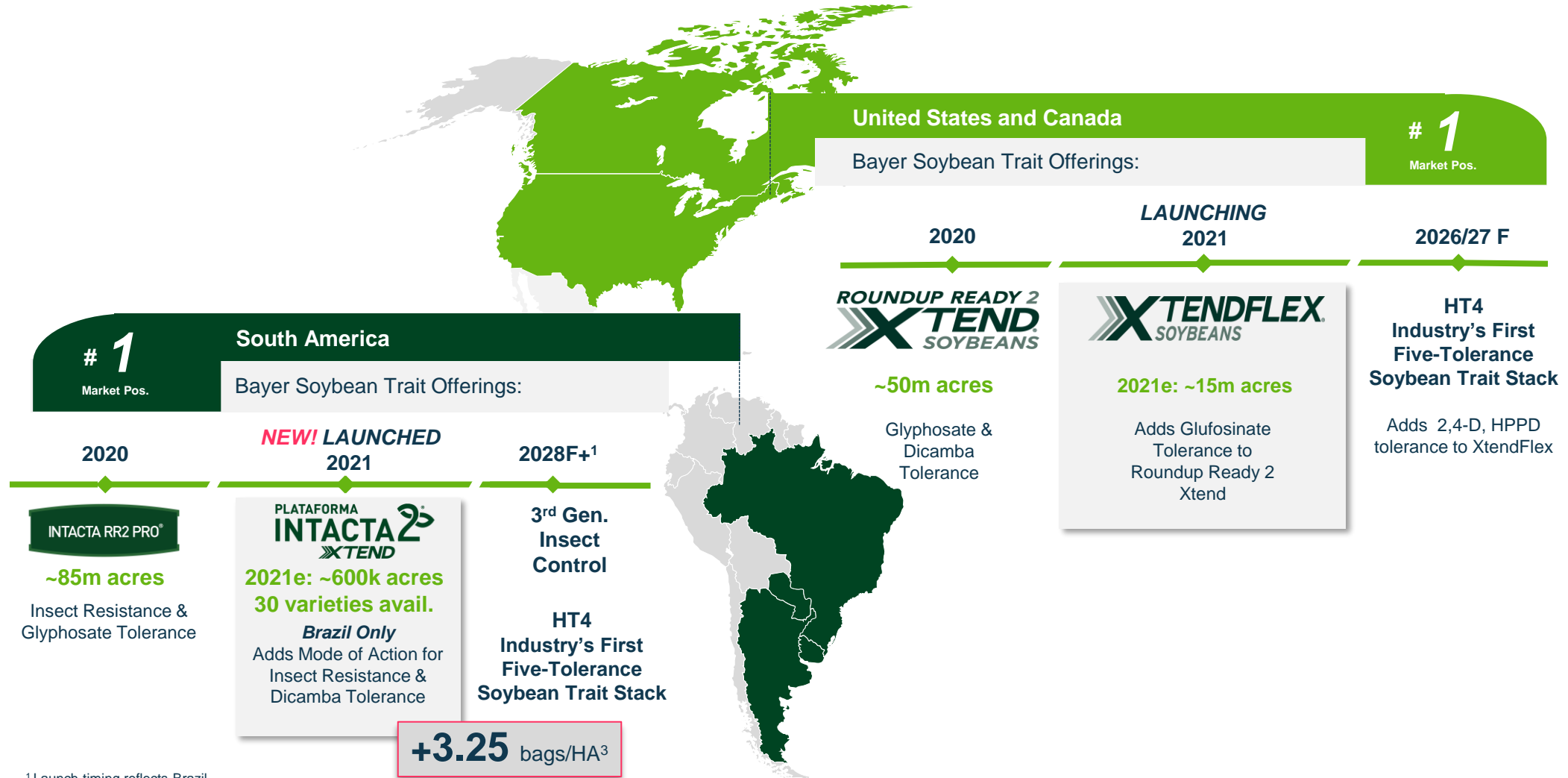
Launching CRW3 as a part of VTPro4 and SmartStax Pro stacked offerings in the near-term; game-changing short-stature corn expected launch in the mid-term in the U.S. and Brazil.





# Upgrading the Americas to Next-Gen Soybean Trait Technology

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



<sup>1</sup> Launch timing reflects Brazil

<sup>2</sup> Currency and portfolio adjusted

<sup>3</sup> Compared to similar varieties in checks across 500 locations in 2020/2021 crop year.

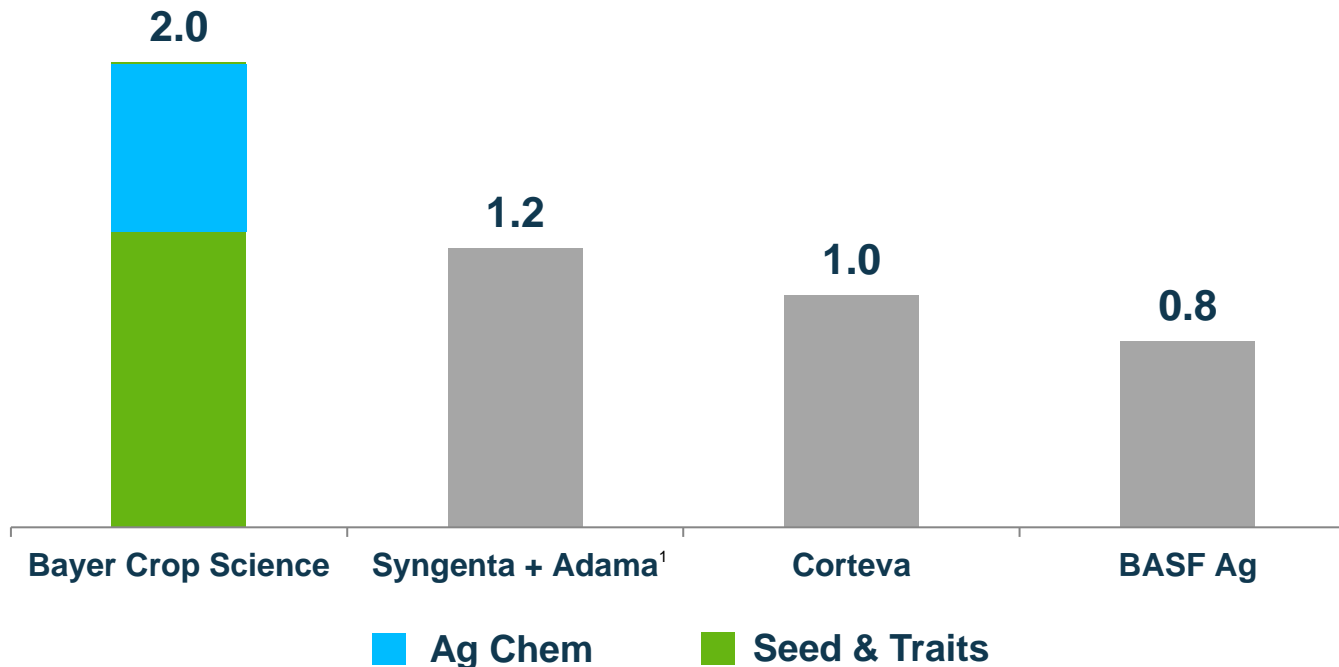
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# R&D Investment Powers Industry-Leading Portfolio

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

## Ag R&D Investment (€bn)<sup>3</sup>



**#1** R&D Platform  
in Crop Science



- Fueled by **~7,100** R&D employees<sup>2</sup> in **>50** countries

<sup>1</sup> 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.

<sup>2</sup> Includes permanent and temporary employees

<sup>3</sup> 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 €30bn<sup>2</sup>; ~50% Incremental

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



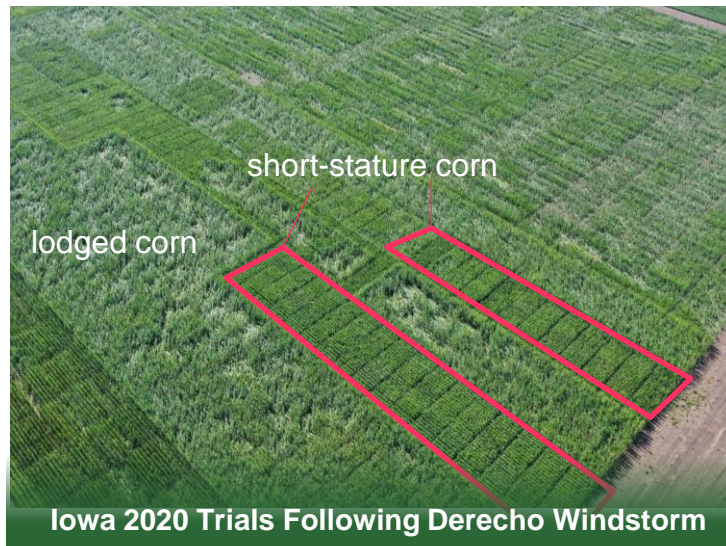
### Digitally Optimized System

- 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



<sup>1</sup> 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**

- **>165m** subscribed acres in 2021
- **#1** brand in digital ag
- Operates in **23** countries



- **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**

<sup>1</sup> 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

## Sales / Sales Growth

Actual	cpa	At month-end Dec. 20 rates <sup>1</sup>
2020	2021e*	2022-'24e

Crop  
Science

€18.8bn

~ 7%

3% to 5%

## EBITDA Margin (before special items)

		At month-end Dec. 20 rates <sup>1</sup>
2020	2021e	2024e

Crop  
Science

24.1%

~ 23%

27% to 29%

## Divisional Drivers

CAGR cpa  
2020-'24<sup>2</sup>

**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
- 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.

\* As updated in August 2021

cpa: currency and portfolio adjusted

<sup>1</sup>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.

<sup>2</sup>CAGR from 2020 base year.



Science for a Better Life  
Transforming Pharma  
to Deliver Sustainable  
Long-term Growth

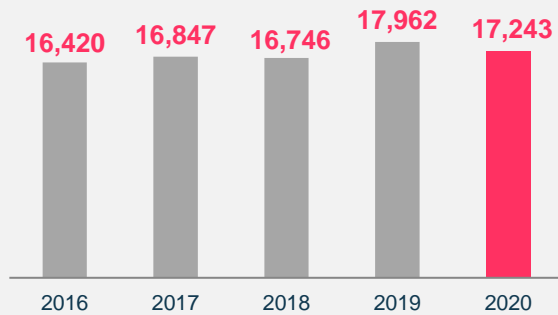




# Pharma: Focused on Therapeutic Areas with High Unmet Needs

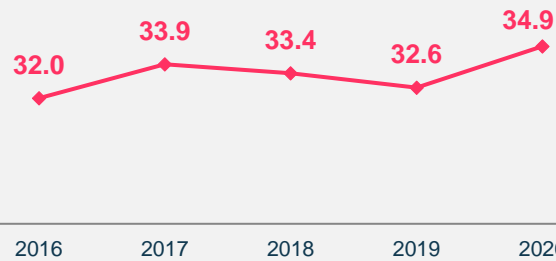
## Sales development

In €m



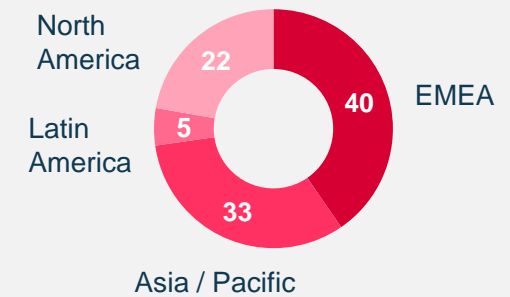
## EBITDA margin development

In %, before special items



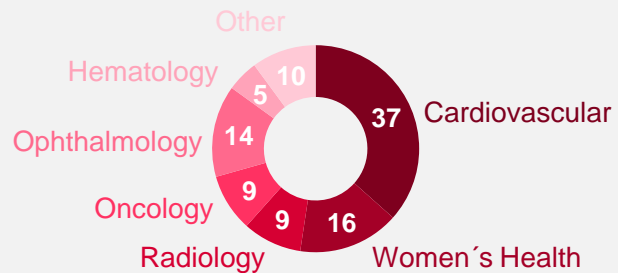
## Sales by region

In %, in 2020



## Therapeutic areas

In %, based on sales 2020



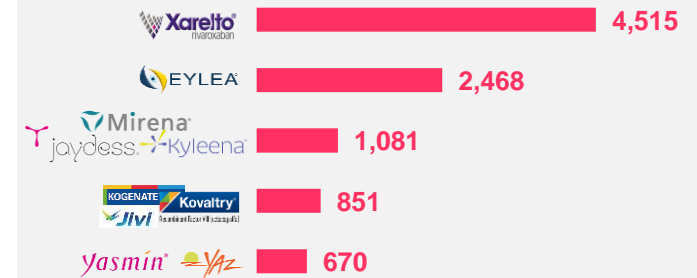
## Leading positions in key therapeutic areas



- Cardiovascular
- Hematology
- Retinal Diseases
- Women's Health
- Radiology

## Top products

In €m, based on sales 2020





# Mid-term Targets for Pharma Reflect Limited Impact from the LoE for Xarelto

## Sales / Sales Growth

	act	At constant currencies <sup>1</sup>	At month-end Dec' 20 rates <sup>2</sup>	
	2020	2021e*	2022/2023e	2024e
Pharmaceuticals	€17.2bn	~ 6%	3% to 5%	Low- to mid-single-digit decline

## Divisional Drivers

- Top-line trough due to Xarelto LoE expected in 2024 - returning to growth thereafter
- New launches (eg. Nubeqa, Verquvo, Finerenone) to drive growth

## EBITDA margin (before special items)

	2020	2021e	2022/2023e	2024e
Pharmaceuticals	34.9%	~32%	32% to 34%	Above 30%

- Continued focus on tight expense control
- Investing in new launches

cpa: currency and portfolio adjusted

\* As updated in August 2021

<sup>1</sup> Reflects our 2021 plan at the average actual currencies for 2020 <sup>2</sup> 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



Science for a Better Life  
**Winning in  
Consumer Health**

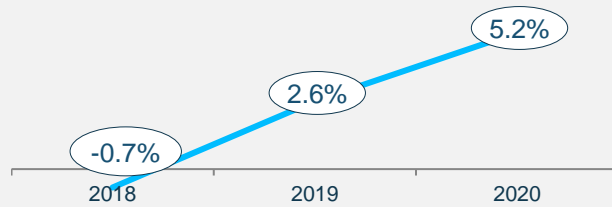




# Consumer Health: A Leading Global OTC Player

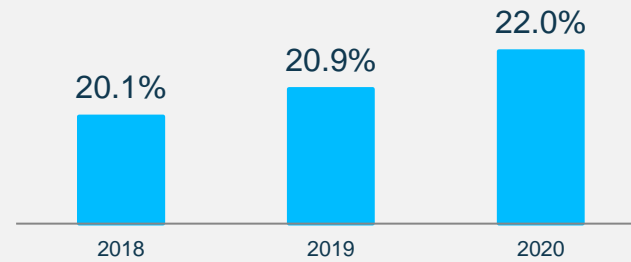
## Sales development

In €m / % yoy cpa



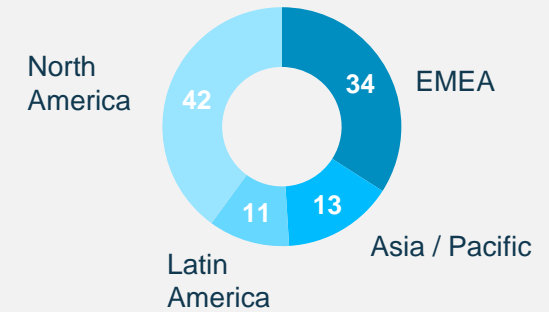
## EBITDA margin development

In %, before special items



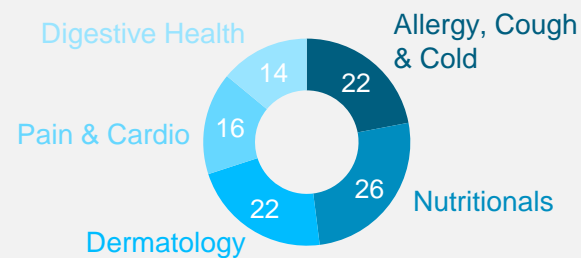
## Sales by region

In %, in 2020



## Categories

In %, based on sales 2020



## Market positions<sup>1</sup>



## Key products



<sup>1</sup> Nicholas Hall & Company DB6 October 2020





# Consumer Health: Sustainable Profitable Growth

## Sales / Sales Growth

— act — At constant currencies<sup>1</sup> — At month-end Dec' 20 rates<sup>2</sup>—

2020 2021e\* 2022-'24e

€5.1bn 3 to 4% 3 to 5%

Consumer Health

## EBITDA Margin (before special items)

2020 2021e 2024e

22.0% 22 - 23% Mid-20's

Consumer Health

## Divisional Drivers

- Net Sales to grow above market
- cEBITDA improvement through growth acceleration and continued efficiency gains
- Focus on continued Cash Flow improvement

\* As updated in August 2021

cpa: currency and portfolio adjusted

<sup>1</sup> Reflects our 2021 plan at the average actual currencies for 2020 <sup>2</sup> 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



Bayer AG

# Credit Suisse Basic Materials Conference



**Liam Condon**  
President of the Crop Science Division

**Robert Reiter**  
Head of R&D, Crop Science

September 14, 2021

