

Health for all, Hunger for none

## Compensation Report

# 2024

The Bayer logo is a large, circular emblem with a yellow outer ring and a light blue inner ring. The word "BAYER" is written in white, bold, sans-serif capital letters across the center. The letters are arranged in a circular pattern: "B" at the top, "A" below it, "BAYER" in the middle, and "ER" at the bottom.

**B  
A  
BAYER  
ER**

# Compensation Report

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## Foreword by the Chairman of the Supervisory Board

Dear stockholders,

On behalf of the Supervisory Board of Bayer AG, I am pleased to present our Compensation Report for 2024. It marks the first year in which we have applied the new Board of Management compensation system that I had outlined in my Foreword to the 2023 Compensation Report.

In my Foreword to this year's report, I would like to summarize the key areas of focus for the Supervisory Board and the Human Resources and Compensation Committee in 2024 in relation to Board of Management compensation. This included engaging with investors ahead of the 2024 Annual Stockholders' Meeting and adopting the new compensation system. We also reviewed the appropriateness of Board of Management compensation to ensure it is aligned with current market practice and stakeholder interests.



Prof. Dr. Norbert Winkeljohann,  
Chairman of the Supervisory Board  
of Bayer AG

### Improvements to the compensation system

The adjustments we made to the Board of Management compensation system effective January 1, 2024, were mainly focused on providing greater transparency and utilizing more ambitious parameters in the key performance indicators used for variable compensation. When updating the system, we endeavored to incorporate the comprehensive feedback shared by our investors. While the compensation system is typically in place for four years, the Supervisory Board had scheduled the next internal review mid-cycle to ensure it is working as intended.

### Investor feedback at the 2024 Annual Stockholders' Meeting

Extensive engagement with stockholders was once again a priority for Bayer in 2024, with a variety of topics discussed. Overall, we held more than 600 in-person and virtual meetings with investors, and also took part in numerous conferences and roadshows. We specifically focused on compensation as a key topic at our Corporate Governance Roadshow in January 2024, where we met with 23 of our largest investors representing approximately 40% of shares outstanding. As Chairman of the Supervisory Board, I'm grateful for the opportunity to participate in some of these discussions as it allows me the opportunity to directly gauge investor sentiment and receive feedback on important topics.

We are pleased that our new compensation system has received a positive reception from investors. The 93% approval at the Annual Stockholders' Meeting gives us confidence that we set the right priorities and have appropriately incorporated the feedback of investors. At the same time, we continue to engage with investors to ensure we are able to consider new perspectives and suggestions.

In addition, the vote on the Compensation Report received significantly improved support at 74% compared with 52% the previous year. However, we are still not satisfied with this result. It is important to note that the 2023 Compensation Report was based on 2023 compensation under the former compensation system. In 2024, we had the opportunity to engage with shareholders, including several who did not support the 2023 Compensation Report, to ensure that the new system and the 2024 Compensation Report address their key feedback.

### Payouts aligned with performance

2024 was a very challenging year for Bayer. The company was in the first year of a three-year restructuring period. Nevertheless, overall Group performance was largely in line with the capital market guidance set at the beginning of the year. However, Crop Science, our largest division, was impacted by a tough market environment and continued to experience price pressure in the crop protection business. Consumer Health likewise missed its currency- and portfolio-adjusted sales growth target. Growth was slower than originally anticipated, mirroring the development of the market as a whole. By contrast, the Pharmaceuticals Division performed well, buoyed by the strong performance of its new products (Nubeqa™ and Kerendia™) and Bayer's work to limit the impact of headwinds from the loss of exclusivity for Xarelto™ in Europe and the United Kingdom in 2024. The contrasting results within the individual divisions last year are appropriately reflected in the pay outcomes under the new compensation system, with variable compensation closely linked to the business performance of the Group as a whole and the interests of our shareholders.

At the start of the year, the Supervisory Board set the targets for the short-term and long-term incentive (STI and LTI) programs. Based on business dynamics that were anticipated to be more challenging than in the previous year, we determined to set targets in the 2024 STI partially below 2023 performance. The Supervisory Board is focused on setting targets that incentivize high performance and align to what is communicated to shareholders. While set below prior-year performance, we ensured that these STI targets were ambitious and at the upper end of or above our capital market guidance, reflecting both the anticipated performance and the opportunity and risk profile of our businesses. This ensured that the incentives offered continued to incentivize performance amid a challenging business environment.

Based on these targets, some of which were not met, the 2024 payouts for the Board of Management members were below target compensation. The average direct compensation (base compensation plus STI and LTI) awarded to Board of Management members for 2024 was approximately 50% of the target, demonstrating strong alignment between performance and pay outcomes in what was a challenging environment for the company and its workforce.

- // At the beginning of the year, the Supervisory Board defined targets for the three equally weighted components of the short-term variable compensation (STI), comprising core earnings per share, free cash flow and currency- and portfolio-adjusted sales growth. Core earnings per share came in at €5.05, resulting in target attainment of 65.5%. Free cash flow was €3,107 million for 2024, in line with our guidance and our ambitious target, resulting in target attainment of 100%. In addition, currency- and portfolio-adjusted sales growth for 2024 amounted to 0.4%<sup>1</sup>, corresponding to attainment of 50.3%. As a result, target attainment for the financial STI components amounted to 71.9% overall.
- // For the long-term variable compensation (LTI), the payout for the Aspire 3.0 tranche granted in 2021 was substantially below target, at 22.3% at the end of the four-year performance period. This reflects Bayer's disappointing share price performance during the period January 1, 2021, to December 31, 2024, both in absolute terms and relative to the EURO STOXX 50 Total Return, as well as the fact that the company did not earn its cost of capital (ROCE) in 2024.

<sup>1</sup> Due to the hyperinflation-related growth in Argentina and Turkey, currency- and portfolio-adjusted sales growth (0.7%) was adjusted by minus 0.3 percentage points when determining target attainment.

### Compensation levels adjusted

In view of the financial challenges in recent years, the target compensation of the members of the Board of Management had not been adjusted since October 1, 2021. In 2024, two types of compensation adjustments were implemented:

- // Effective January 1, 2024, the compensation levels of the ordinary members of the Board of Management (i.e. excluding the CEO) were harmonized, as had been envisaged in 2021. This involved increasing target compensation for Heike Prinz, Wolfgang Nickl and Heiko Schipper by 3.3%.
- // Effective April 1, 2024, target compensation was then increased by 6.5% for all ordinary Board of Management members in order to account for market developments while also acknowledging the importance of retaining a strong team to work toward attaining our future targets.

Maximum total annual compensation for the ordinary Board of Management members was not increased.

In addition, there was no increase in 2024 to our CEO Bill Anderson's target or maximum compensation.

These increases for the ordinary Board of Management members compare to the 14.7% increase in compensation which our broader workforce in Germany has received since 2021, the last time we increased Board of Management compensation.

More details regarding these adjustments can be found in section 1.2.2 of the Compensation Report.

### Conclusion

The new compensation system functioned effectively in 2024, ensuring that pay outcomes were in line with performance during a challenging year. Our constructive dialog with investors has provided valuable insights – and we will continue to seek feedback from shareholders as we evaluate the system's effectiveness, making sure we consistently provide the right incentives for attaining our strategic market-driven targets.

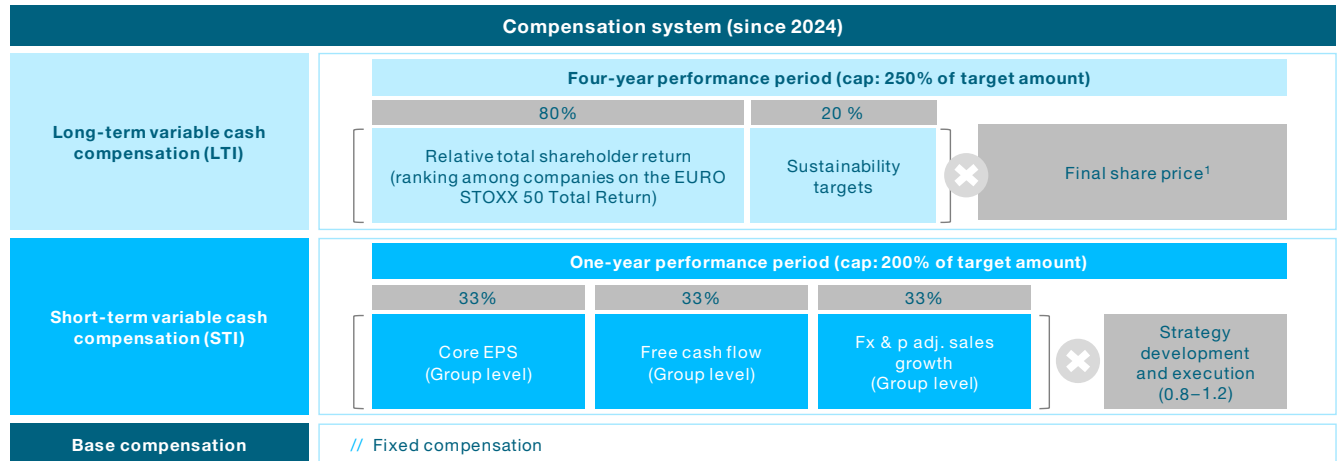
On behalf of the Supervisory Board, I would like to express our appreciation for your helpful feedback and support for the 2024 Compensation Report. Additional information on these and other compensation-related topics can be found in the 2024 Compensation Report and in the Notice of the Annual Stockholders' Meeting for 2025.

**Prof. Dr. Norbert Winkeljohann**

Chairman of the Supervisory Board

# Overview of Compensation in 2024

## Executive Summary



<sup>1</sup> Arithmetic mean of the XETRA closing prices for Bayer stock on the 30 stock exchange trading days preceding the end of the performance period plus accumulated dividends

## Actual performance against 2024 targets<sup>2</sup>

Short-term variable cash compensation (STI) – 2024 performance period			Long-term variable cash compensation (LTI) – 2021–2024 performance period		
	Target	Attained/Max.		Target	Attained/Max.
Core EPS:		66/200	Relative TSR:		0/200
Free cash flow:		100/200	ROCE:		0/200
Sales growth (Fx & p adj.):		50/200	Sustainability targets:		107/200
Factor for strategy development and execution:		110/120	Share price development:		-59%
<b>Total:</b>		<b>79/200</b>	Accumulated dividends per share:		€6.51
			<b>Total:</b>		<b>22/250</b>

<sup>2</sup> For definition and information on target attainment, see section 1.3.2. The individual target attainment level shown above (factor for strategy development and execution) is for CEO Bill Anderson.

## Compensation of the Board of Management members for 2024

The graphic below shows the target compensation as well as the (actual)<sup>3</sup> compensation awarded and due to serving Board of Management members as of December 31, 2024:



<sup>3</sup> Excluding fringe benefits and pension installment/service cost. For definition and components of target compensation and of compensation awarded and due, see section 1.3.

<sup>4</sup> Due to him joining the Board of Management on April 1, 2023, Bill Anderson did not receive any payouts from the LTI program in 2024.

<sup>5</sup> Prorated compensation due to his Board of Management appointment commencing part-way through the year, on April 1, 2024

# Compensation Report

## 1. Compensation of the Board of Management

The Compensation Report produced by the Board of Management and the Supervisory Board of Bayer Aktiengesellschaft (Bayer AG) outlines the essential features of the compensation packages for the members of the Board of Management and the Supervisory Board of Bayer AG, and also provides information on the compensation awarded and due to current or former members of the Board of Management and the Supervisory Board in 2024. Awarded compensation encompasses compensation for services that have been fully rendered once the fiscal year ends. The report thus complies with the regulatory requirements of Section 162 of the German Stock Corporation Act (AktG).

Pursuant to the stipulations of Section 120a, Paragraph 4 of the German Stock Corporation Act (AktG), we will propose that the Annual Stockholders' Meeting to be held on April 25, 2025, resolve on the approval of the prepared and audited Compensation Report.

### 1.1 Review of 2024

#### 1.1.1 Performance in 2024

Sales of the Bayer Group came in at €46,606 million in 2024 (Fx & portfolio adj. +0.7%<sup>2</sup>; reported -2.2%) and were therefore on a par with the prior year. Sales at Crop Science fell by 2.0% (Fx & portfolio adj.) to €22,259 million, primarily due to price declines in the crop protection business amid increased competitive pressure. Sales at Pharmaceuticals rose by 3.3% (Fx & portfolio adj.) to €18,131 million. Significant gains for our new products Nubeqa™ and Kerendia™ and continued sales growth for Eylea™ and our Radiology business were mainly offset by declines for Xarelto™. Sales were also up at Consumer Health, advancing 1.9% (Fx & portfolio adj.) to €5,870 million, with strong performance in the Dermatology and Digestive Health categories but significant declines at Allergy & Cold. In the Reconciliation, sales increased by 34.5% (Fx & portfolio adj.) to €346 million.

EBITDA before special items of the Bayer Group declined by 13.5% to €10,123 million (2023: €11,706 million). Overall, earnings were negatively impacted by allocations to provisions for the Group-wide short-term incentive (STI) program based on the overall improvement in target attainment levels at the divisions (STI effect) compared with the prior year. This effect significantly weighed on earnings at both Crop Science and Pharmaceuticals. At Crop Science, EBITDA before special items decreased by 14.2% to €4,325 million (2023: €5,038 million), mainly due to the aforementioned price declines in our crop protection business. Earnings were also diminished by a mainly inflation-related increase in costs. At Pharmaceuticals, EBITDA before special items declined by 9.0% to €4,722 million (2023: €5,189 million), primarily as a result of negative currency effects. Additional negative factors, such as shifts in the product mix, were partially offset by lower expenses in other areas. Consumer Health posted a 3.2% decline in EBITDA before special items to €1,366 million (2023: €1,411 million) that was likewise predominantly attributable to negative currency effects. In the Reconciliation, EBITDA before special items came in at minus €290 million (2023: €68 million). Free cash flow, which is the total operating cash flow less capital expenditures plus interest and dividends received less interest paid, increased to €3,107 million in 2024 (2023: €1,311 million).

<sup>2</sup> Due to the hyperinflation-related growth in Argentina and Turkey, currency- and portfolio-adjusted sales growth (0.7%) was adjusted by minus 0.3 percentage points when determining target attainment.

### 1.1.2 Response to the vote on the 2023 Compensation Report at the 2024 Annual Stockholders' Meeting

The 2023 Compensation Report reported on compensation for the year 2023 and was based on the previous compensation system approved at the 2020 Annual Stockholders' Meeting. The Compensation Report was approved with 74.41% support at the 2024 Annual Stockholders' Meeting, marking a significant improvement over the previous year. The critical feedback on the Compensation Report continued to relate primarily to the design of the previous compensation system. The new compensation system introduced in 2024 addresses this critical feedback and was approved with 93.21% at the 2024 Annual Stockholders' Meeting.

The table below outlines the concerns expressed by our stockholders during engagement and how they were accounted for when preparing this Compensation Report, along with the compensation-related decisions taken by the Supervisory Board in 2024:

C 1.1/1

#### Investor Focus Areas and Actions Taken in Response

Area of focus	Investor feedback and Bayer's responsive actions
Transparency	<p>Some stockholders wanted to see greater transparency in the way we disclose the goals and targets set for the individual performance factor within the STI.</p> <p>// In the 2024 Compensation Report, we have enhanced the disclosure on the strategy development and execution multiplier, which serves as the individual performance factor in the new compensation system (adopted in 2024 and approved at the 2024 Annual Stockholders' Meeting). The enhanced disclosure, found in section 1.3.2, contains a detailed list of targets set for each Board of Management member, total attainment and an explanation of the Human Resources and Compensation Committee's evaluation of their performance against these goals.</p>
Litigation impact on free cash flow metric	<p>Some stockholders expressed concern that litigation was excluded from the calculation of the free cash flow metric for compensation purposes.</p> <p>// In the new compensation system (adopted in 2024 and approved at the 2024 Annual Stockholders' Meeting), the free cash flow metric in the STI is not adjusted for payments in connection with litigation and will align with values published in the Annual Report.</p>
Pay for performance	<p>Some stockholders expressed concern that LTI payouts are granted when TSR performance is below the median of the EURO STOXX 50 Total Return.</p> <p>// In the new compensation system (adopted in 2024 and approved at the 2024 Annual Stockholders' Meeting), the payout curve of the relative TSR has been revised to be much more ambitious. Previously, Bayer's performance only had to match that of the EURO STOXX 50 Total Return for 100% target attainment. In the new compensation system, Bayer's TSR must be at the 60<sup>th</sup> percentile of the EURO STOXX 50 Total Return, i.e. higher than 60% of the companies in the benchmark index, for 100% target attainment to be achieved.</p>
One-time indemnity payment for Bill Anderson	<p>Some stockholders voiced concerns about the size of the one-time indemnity payment for Bill Anderson and the level of transparency around it.</p> <p>// The one-time indemnity payment of €3.8 million was not a signing bonus for Bill Anderson. It was a payment to partially compensate him for entitlements forfeited at his previous employer. To attract suitable candidates, it is important to be able to offer a one-time indemnity payment to newly appointed Board of Management members.</p>
Payment of dividends within the LTI	<p>Some stockholders voiced concern about whether it was appropriate within the LTI to pay out a dividend equivalent based on the number of performance shares that were conditionally allocated at the beginning of each tranche yet not fully earned.</p> <p>// In the new compensation system (adopted in 2024 and approved at the 2024 Annual Stockholders' Meeting), the accumulated dividends are paid out solely based on the final number of performance shares. Thus, 0% target attainment in both performance criteria results in zero dividends being paid.</p>

### 1.1.3 Personnel changes on the Board of Management

The Supervisory Board of Bayer AG appointed Julio Triana as a member of the Board of Management effective April 1, 2024. He then became head of the Consumer Health Division on May 1, 2024. Prior to Triana's appointment, Heiko Schipper and the Supervisory Board had agreed to bring forward the end date of Schipper's contract, which had originally been set to run until February 28, 2025. His service contract and term of office ended by mutual agreement on April 30, 2024.



## 1.2 Overview: Design of Board of Management compensation

The Supervisory Board sets the Board of Management's compensation pursuant to Section 87, Paragraph 1 of the German Stock Corporation Act (AktG). The current compensation system for the Board of Management of Bayer AG applies in the version approved by a large majority of shareholders (93.21%) at the Annual Stockholders' Meeting on April 26, 2024. The compensation system is submitted to the Annual Stockholders' Meeting for approval whenever significant changes are made to this system, or at least every four years. The Supervisory Board applies the following guidelines and principles when designing the compensation system:

C 1.2/1

We ensure ...	We avoid ...
<ul style="list-style-type: none"> <li>✓ ... that we promote long-term and sustainable performance</li> <li>✓ ... that we set ambitious and measurable targets</li> <li>✓ ... that compensation is aligned toward performance and success</li> <li>✓ ... that compensation is geared toward creating long-term value for stockholders</li> <li>✓ ... that the interests of our stakeholders (e.g., stockholders and employees) are fully reflected in compensation</li> <li>✓ ... that we take regulatory requirements fully into account</li> <li>✓ ... that we offer appropriate compensation in line with market rates</li> <li>✓ ... that compensation is capped</li> <li>✓ ... that we are highly transparent in our compensation reporting</li> </ul>	<ul style="list-style-type: none"> <li>✗ ... prioritizing short-term success at the expense of long-term performance</li> <li>✗ ... offering guaranteed variable compensation levels</li> <li>✗ ... paying special discretionary bonuses</li> <li>✗ ... neglecting the interests of our stockholders</li> <li>✗ ... incentivizing inappropriate risks</li> <li>✗ ... inappropriately high payouts and excessive severance payments</li> <li>✗ ... retrospectively adjusting targets</li> <li>✗ ... providing insufficient transparency in our compensation reporting</li> <li>✗ ... overlapping STI and LTI targets</li> </ul>

The section below provides an overview of the new compensation system for the Board of Management that came into effect from 2024. A detailed description of the compensation system can be found at [www.bayer.com/cpr](http://www.bayer.com/cpr) and in Chapter 1.3 (Compensation components in detail).

### 1.2.1 Overview: Design of the compensation system

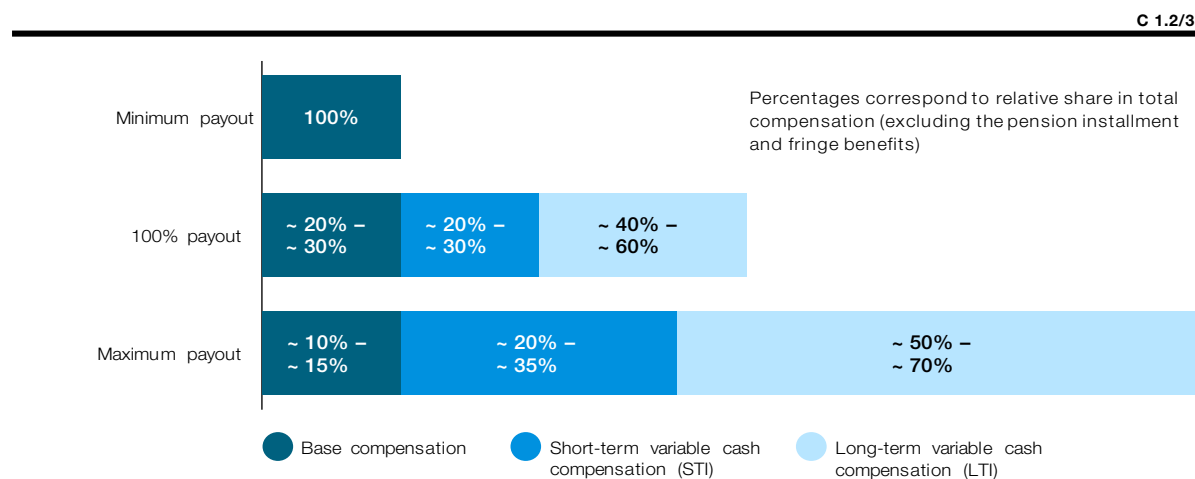
The compensation system comprises fixed and variable components that, when added together, make up the total compensation of the Board of Management members. The compensation system also covers additional contractual provisions such as maximum compensation pursuant to Section 87a, Paragraph 1, Sentence 2, No. 1 of the German Stock Corporation Act (AktG), malus and clawback, and the Share Ownership Guidelines. The table below provides an overview of the components of the new compensation system (significant changes compared with the previous compensation system are marked in green):

C 1.2/2

Comparison of the compensation systems		
Previous Board of Management compensation system (approved on April 28, 2020)	Compensation component	New Board of Management compensation system (in effect from 2024)
<b>Fixed compensation</b>		
// Fixed, contractually agreed compensation // Generally paid out in 12 equal installments each year	<b>Base compensation</b>	// Fixed, contractually agreed compensation // Generally paid out in 12 equal installments each year
// Regular health screening // Insurance policies // Company car with driver // Security installations at private residence // Temporary relocation and rental costs // Indemnity payments to new Board of Management members for variable compensation forfeited on termination of previous employment	<b>Fringe benefits</b>	// Regular health screening // Insurance policies // Company car with driver // Security installations at private residence // Temporary relocation and rental costs // Indemnity payments to new Board of Management members for variable compensation forfeited on termination of previous employment
// Pension installment that is paid out directly as a lump sum	<b>Pension installment</b>	// Pension installment that is paid out directly as a lump sum
<b>Variable compensation</b>		
// Annual bonus based on a target amount, with payout after one year calculated as follows: – 1/3 weighting: Core EPS at Group level – 1/3 weighting: Free cash flow at Group level – 1/3 weighting: Matrix for clean EBITDA margin vs. sales growth at divisional level – Individual performance factor (0.8–1.2) // Payout capped at 200% of individual target amount	<b>Short-term variable cash compensation (STI)</b>	// Annual bonus based on a target amount, with payout after one year calculated as follows: – 1/3 weighting: Core EPS at Group level – 1/3 weighting: Free cash flow at Group level <b>“as reported”</b> – 1/3 weighting: <b>Sales growth at Group level (Fx &amp; p adj.)</b> – Factor for <b>strategy development and execution</b> (0.8–1.2) // Payout capped at 200% of individual target amount
// Performance shares based on absolute performance of Bayer stock. The number of performance shares is determined at the end of a four-year performance period on the basis of a target amount and the following performance criteria: – 40% weighting: Relative total shareholder return compared to the EURO STOXX 50 (outperformance) – 40% weighting: ROCE at Group level – 20% weighting: Sustainability targets // Payout capped at 250% of individual target amount	<b>Long-term variable cash compensation (LTI)</b>	// Performance shares based on absolute performance of Bayer stock. The number of performance shares is determined at the end of a four-year performance period on the basis of a target amount and the following performance criteria: – <b>80%</b> weighting: Relative total shareholder return compared to the companies of the EURO STOXX 50 Total Return ( <b>ranking</b> ) – 20% weighting: Sustainability targets // Payout capped at 250% of the individual target amount
<b>Other contractual components</b>		
// The maximum total annual compensation is €12 million for the Chairman of the Board of Management (CEO) and €7.5 million for the other members of the Board of Management	<b>Maximum total compensation</b>	// The maximum total annual compensation is €12 million for the Chairman of the Board of Management (CEO) and €7.5 million for the other members of the Board of Management
// In the event of gross misconduct or misrepresentation in financial reporting, the Supervisory Board may withhold all or part of the STI and LTI (malus) or require their repayment to the company (clawback)	<b>Malus and clawback provisions</b>	// In the event of gross misconduct or misrepresentation in financial reporting, the Supervisory Board may withhold all or part of the STI and LTI (malus) or require their repayment to the company (clawback)
// Pledge to build a certain position size in Bayer stock by the end of a four-year period // Obligation to retain the shares throughout the period of service on the Board of Management and for two years thereafter	<b>Share Ownership Guidelines</b>	// Pledge to build a certain position size in Bayer stock by the end of a four-year period // Obligation to retain the shares throughout the period of service on the Board of Management and for two years thereafter
// In the event of a change of control, members of the Board of Management are entitled to a severance payment of 250% of annual base compensation if certain narrow conditions are met. The payment is limited to the compensation for the remaining term of the respective contract, capped at twice the annual compensation.	<b>Change of control</b>	// In the event of a change of control, members of the Board of Management are entitled to a severance payment of 250% of annual base compensation if certain narrow conditions are met. The payment is limited to the compensation for the remaining term of the respective contract, capped at twice the annual compensation.
// If the service contract is terminated early – other than for cause – at the company’s instigation, a severance payment of up to twice the annual compensation may be made, but this is limited to the compensation for the remaining term of the respective contract. // Two-year post-contractual noncompete agreement; indemnity payment in the amount of base compensation, any severance payments are deducted from the indemnity payment	<b>Contract termination</b>	// If the service contract is terminated early – other than for cause – at the company’s instigation, a severance payment of up to twice the annual compensation may be made, but this is limited to the compensation for the remaining term of the respective contract. // Two-year post-contractual noncompete agreement; indemnity payment in the amount of base compensation, any severance payments are deducted from the indemnity payment

At least 70% of contractually agreed target direct compensation is performance-based (assuming 100% target attainment for variable compensation and excluding fringe benefits and the pension installment). In accordance with the requirements of the German Stock Corporation Act (AktG), the recommendations of the German Corporate Governance Code and the Guidelines for Sustainable Management Board Remuneration Systems, the variable portion of compensation at Bayer has a predominantly long-term focus. Long-term variable target compensation is therefore higher than short-term variable target compensation. This places the focus on Bayer’s sustainable development without losing sight of the operational targets.

The compensation structure (excluding fringe benefits and the pension installment) is shown in the graphic below.



Scenario <sup>1</sup>	Description
Minimum payout	STI: 0% of target amount; LTI: 0% of target amount
100% payout	STI: 100% of target amount; LTI: 100% of target amount
Maximum payout	STI: 200% of target amount; LTI: 250% of target amount

<sup>1</sup> In isolated cases, the specific, individual compensation structure in a fiscal year may deviate slightly from the structure presented above due to compensation adjustments made during the course of the year.

### 1.2.2 Setting compensation levels

The Supervisory Board reviews individual compensation levels within the framework of the approved compensation system to ensure that the Board of Management members receive an appropriate level of compensation in line with competitive market rates. To this end, Bayer conducts benchmarking with appropriate peer groups in terms of size, country and industry.

#### External comparison of compensation

The DAX companies, as well as international competitors that are comparable in terms of size and industry, serve as benchmarks when setting compensation levels.

The DAX companies are a suitable primary comparison group, especially in terms of the aspects of size and country. Bayer’s economic position is factored in by regularly reviewing the company’s relative positioning in the DAX in terms of size, as measured by sales, number of employees and market capitalization. On this basis, Bayer aims to ensure its relative positioning within the DAX is in the top third in terms of target total compensation. Reviewing compensation levels and taking into account size criteria over time ensures that the compensation the members of the Board of Management of Bayer AG receive appropriately reflects the company’s positioning.

The international comparison group is taken into account as an additional indicator to validate the competitiveness of Board of Management compensation on an international level, too. The international comparison group currently comprises the following companies:

C 1.2/4

#### International Comparison Group for Board of Management Compensation

// AstraZeneca	// BASF	// Bristol Myers Squibb	// Corteva
// FMC Corp	// GlaxoSmithKline	// Johnson & Johnson	// Merck & Co.
// Novartis	// Novo Nordisk	// Nutrien	// Pfizer
// Reckitt Benckiser	// Roche	// Sanofi	// Takeda

#### Development of compensation vs. workforce

In setting Board of Management compensation, the Supervisory Board also takes into account the company's internal compensation structure in Germany. For this purpose, the Supervisory Board compares the average target direct compensation of the Group's Board of Management with the average target direct compensation of various management levels and the workforce as a whole, considering both the current ratios and the changes in ratios over time. The groups used for comparison are:

- // The first management level below the Board of Management
- // Managerial employees
- // The overall workforce
- // Nonmanagerial employees

#### Outcome of the compensation review in 2024

As resolved at the Supervisory Board meeting on September 8, 2021, an external comparison of compensation is conducted each year. In this context, there had been discussions about harmonizing compensation levels for ordinary Board of Management members in the future. However, due to the financial challenges encountered in recent years, the plan to harmonize compensation levels was not implemented until January 1, 2024. This involved raising the target compensation of Heike Prinz, Wolfgang Nickl and Heiko Schipper by 3.3%, respectively, to match that of Stefan Oelrich and Rodrigo Santos.

Following this, effective April 1, 2024, we increased target compensation by 6.5% for all ordinary Board of Management members, to account for current market developments while also acknowledging the importance of retaining a strong team to work toward attaining our future targets.

These increases for the ordinary Board members compare with the 14.7% increase in the compensation which our broader workforce has received since 2021, the last time we increased Board of Management compensation.

The resulting target total compensation levels for the ordinary Board of Management members (approximately €3.4 million excluding pensions) are significantly below the median (approximately €4.5 million excluding pensions) of the benchmarking comparison including international competitors, and within the targeted top third of DAX-listed companies. This means that the new target total compensation levels remain within the standard market range, including when taking into account Bayer's relative positioning in terms of size, as measured by sales, number of employees and market capitalization. Julio Triana, who was appointed to the Board of Management effective April 1, 2024, receives the same compensation package as the other ordinary members of the Board of Management. Maximum total annual compensation pursuant to Section 87a, Paragraph 1, Sentence 2, No. 1 of the German Stock Corporation Act (AktG) was not increased.

There was no increase in 2024 to our CEO Bill Anderson's target or maximum compensation.

#### 1.2.3 Target-setting and attainment process

The Supervisory Board aims to set ambitious yet attainable targets that are in step with the expectations of investors and the capital market.

- // The targets used in the short-term incentive program are based on the main parameters and KPIs employed to measure the organization's operational success in the current fiscal year.

- // The target values are based on the business environment as well as company-specific circumstances for the year ahead and can therefore fluctuate from year to year. As such, it is also possible for target values to be lower than the previous year. For example, in 2024 we set several STI targets below 2023 performance to align with our business plan and capital markets guidance in what was anticipated to be a difficult year for Bayer, for example, due to the first meaningful impacts of the Xarelto™ loss of exclusivity, a further decline in glyphosate pricing compared to 2023, as well as currency headwinds.
- // These still reflected ambitious targets for 2024 set at the upper end of or above the capital market guidance, reflecting both the anticipated performance and the opportunity and risk profile of the respective businesses. This ensured that the incentives offered remained ambitious and continued to drive motivation amid a challenging business environment.
- // The targets used in the long-term incentive system are aimed at incentivizing long-term value creation.
- // Up until 2023, target attainment for our LTI was based on share price performance – both in absolute terms and relative to the EURO STOXX 50 Total Return – as well as on ROCE and sustainability-related KPIs. From 2024, target attainment is primarily based on where Bayer's stock ranks among the shares included in the EURO STOXX 50 Total Return in terms of total shareholder return, while also incorporating a 20% weighting on sustainability. This is designed to ensure strong alignment between investor interests and management incentivization.

At the start of each fiscal year, the Supervisory Board sets a minimum value, a target corridor, a maximum value and additional benchmarks for all KPIs, using the operational planning as a baseline. When setting the targets, the Supervisory Board takes into account the planning values, along with the parameters below and any updated information not already included in the operational planning:

- // Market growth forecasts and competition-related information
- // Capital market guidance
- // Analyst expectations
- // Additional factors that could significantly impact the opportunity and risk profile for the fiscal year

At the start of the year, the Supervisory Board also sets individual annual targets for each Board of Management member. The target values for these objectives are also determined based on KPIs where possible.

After the year has ended, the Supervisory Board evaluates the performance of the Board of Management members based on the level of target attainment for the individual financial and nonfinancial KPIs. In line with Recommendation G.11 of the German Corporate Governance Code, the Supervisory Board has the possibility to account for extraordinary developments to an appropriate extent. Special factors in determining core EPS are described in Chapter 2.3 of the Management Report. Responsibility for deciding the extent to which special factors are taken into account for the purposes of Board of Management compensation lies with the Supervisory Board.

In 2024, no adjustments were made due to significant unplanned and nonrecurring effects.

## 1.3 Compensation components in detail

### 1.3.1 Base compensation

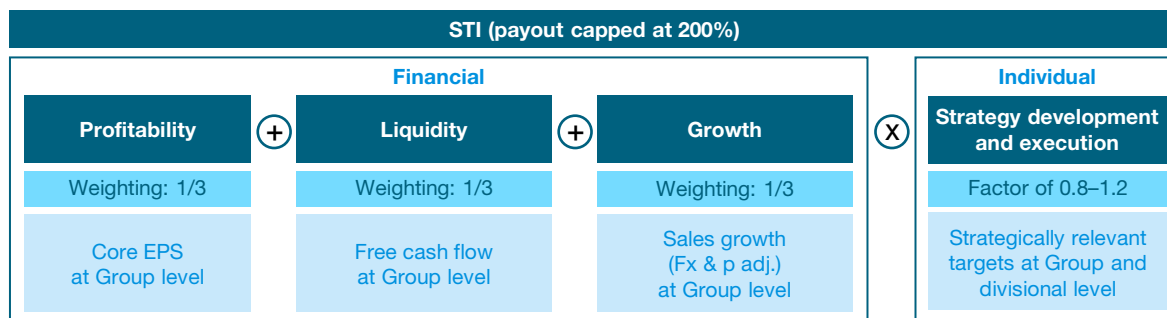
The base compensation is fixed, contractually agreed annual compensation that is paid out in monthly installments within a calendar year.

### 1.3.2 Short-term variable cash compensation (STI) for 2024

The short-term variable cash compensation (STI) depends on the success of the business in the respective year. The compensation system incentivizes operational success in the form of profitable growth, with a focus on increasing cash flow. In addition, strategy development and execution are evaluated as part of a multiplicative factor that allows additional financial and nonfinancial targets (e.g., ESG targets) to be set. The level of the STI payout is based on each Board of Management member's contractually agreed target amount, the target attainment for the three financial components (core EPS, free cash flow, and currency- and portfolio-adjusted sales growth), and the factor for strategy development and execution. Depending on how well the company performs, target attainment for the three equally weighted financial components may vary between 0% and 200%. The factor for strategy development and execution ranges from 0.8 to 1.2. The graphic below shows the components of the STI and how it functions.

C 1.3/1

**Components of Short-Term Variable Cash Compensation (STI)**



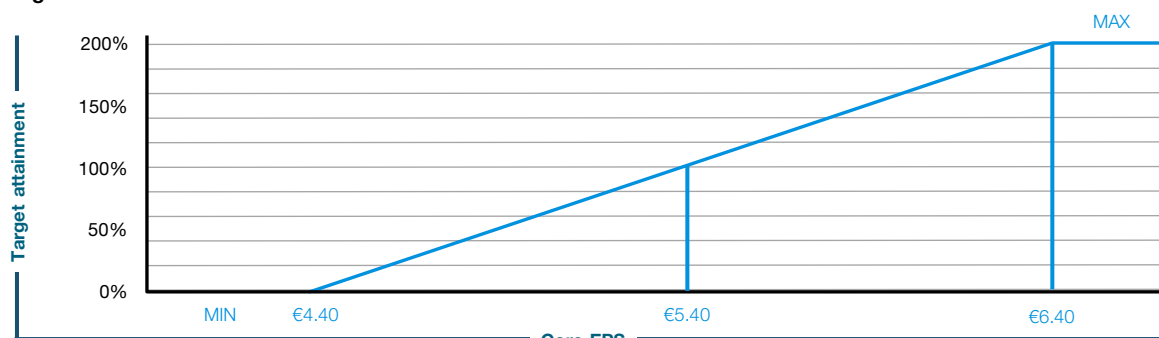
**Profitability component**

The profitability component is determined on the basis of core earnings per share (core EPS) at Group level. Using core EPS instead of simply EPS for this component means that special items do not have any impact on target attainment, and therefore offers a more accurate reflection of operational performance. In addition, core EPS is a key profitability indicator that we use in our external reporting and our corporate steering.

Using core EPS for this component provides specific incentives to raise profitability in the Bayer Group. The graphic below shows the minimum value, target value and maximum value that the Supervisory Board defined for core EPS at the beginning of 2024:

C 1.3/2

**Target Attainment Function for Core EPS**

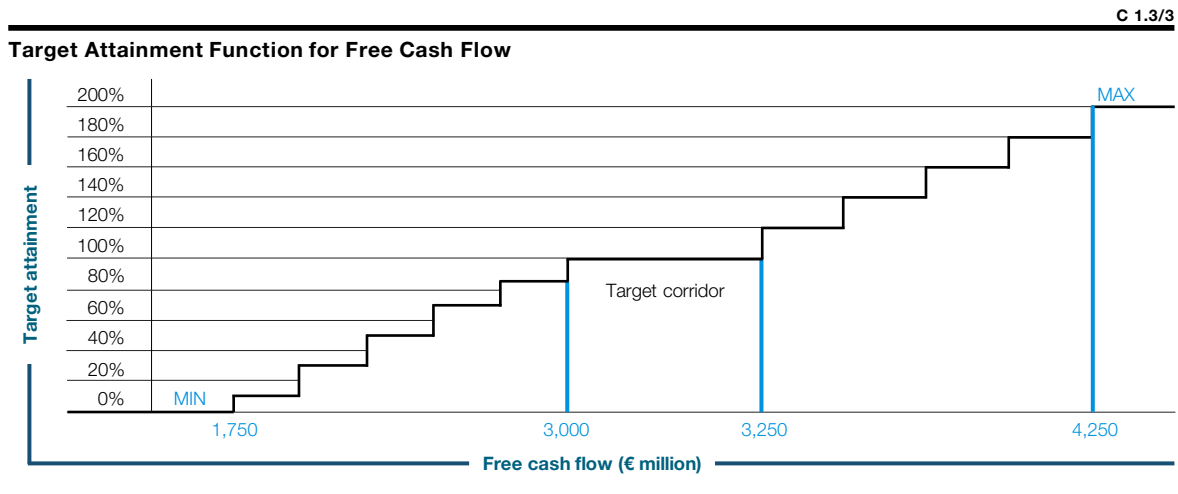


For 2024, the core EPS target for the profitability component was set at €5.40. This target is below the 2023 target and actual performance, reflecting the more challenging business dynamics compared to 2023 (for example, the financial impact of the loss of exclusivity for Xarelto™ as the major driver). However, it nonetheless represented an ambitious target at the upper end of the capital market guidance which was provided at the beginning of 2024. Actual core EPS came in at €5.05 in 2024, corresponding to a target attainment level of 65.5%.

**Liquidity component**

The liquidity component is determined by the free cash flow at Group level. This component is aimed at incentivizing an increase in the cash flow available for reducing debt and making acquisitions, while also ensuring the Bayer Group’s liquidity. As of 2024, payments in connection with the ongoing liability litigations surrounding glyphosate, dicamba, PCBs and Essure™ are taken into consideration when the KPI for free cash flow is defined. These payments are therefore taken into account during the target-setting process and are thus also relevant when determining target attainment. The free cash flow target is thus set in alignment with the capital market guidance and is in line with how the metric is presented in the Annual Report.

The graphic below shows the minimum value, target corridor, and maximum value that the Supervisory Board defined for free cash flow at the beginning of 2024:

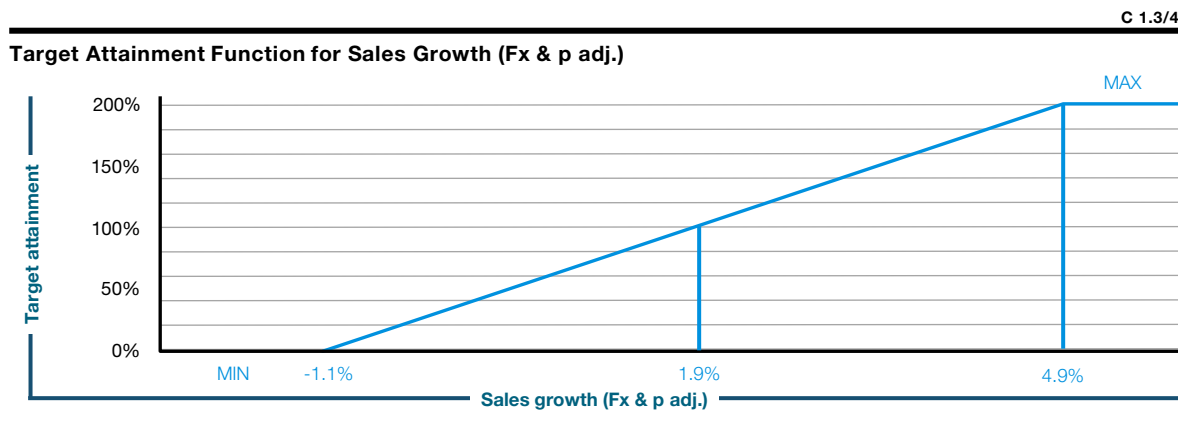


For 2024, the target corridor for free cash flow was set at €3,000 million to €3,250 million, reflecting the inclusion of litigation payouts as well as the fact that business dynamics for 2024 were expected to be more challenging compared to 2023. Consequently, the target corridor for 2024 was lower than the previous year’s but still ambitious as it was set above the capital market guidance provided at the beginning of 2024. Actual free cash flow came in at €3,107 million in 2024, corresponding to a target attainment level of 100%.

**Growth component**

The growth component is determined on the basis of currency- and portfolio-adjusted (Fx & portfolio adj.) sales growth at Group level. It is designed to incentivize sustainable sales growth at Group level and in the individual divisions, which is one of the Bayer Group’s overarching objectives. Using currency- and portfolio-adjusted sales growth instead of simply sales growth for this component means that exchange rates and major acquisitions and divestments do not have any impact on target attainment, and therefore offers a more accurate reflection of operational performance. In addition, currency- and portfolio-adjusted sales growth is a metric we use in our external reporting and corporate steering, and is also the KPI used in our capital market guidance.

The graphic below shows the minimum value, target value and maximum value that the Supervisory Board defined for sales growth (Fx & portfolio adj.) at the beginning of 2024:



For 2024, the sales growth (Fx & portfolio adj.) target for the growth component was set at 1.9%. Actual sales growth (Fx & portfolio adj.) amounted to 0.4%<sup>3</sup> in 2024, corresponding to a target attainment level of 50.3%.

### Factor for strategy development and execution

Successful strategy development and execution are measured as part of a modifier. For this purpose, individual targets are agreed with the Board of Management members at the beginning of the year. These targets specifically cover the main priorities, especially those of a strategic nature, for each Board of Management member and their area of responsibility.

Target attainment for the strategy development and execution factor is determined by the Supervisory Board after the end of the year. The target attainment levels for the financial performance criteria are multiplied by the respective factor for each Board of Management member. The factor can range from 0.8 to 1.2 (i.e., +/-20%). The table below shows the targets agreed and the respective attainment levels for 2024.

C 1.3/5

### Individual Targets and Attainment Levels for 2024 – Strategy Development and Execution

Board of Management member	Target	Attainment	Explanation
Bill Anderson	<ul style="list-style-type: none"> <li>// Achieve financial budget targets</li> <li>// Reduce expenses by €500 million through implementation of DSO</li> <li>// Reduce net financial debt by €2 billion</li> <li>// Improve stockholder communication</li> <li>// Adopt AI tools throughout Bayer</li> <li>// Expand product portfolio through innovation</li> <li>// Achieve progress in addressing litigations</li> <li>// Establish a succession-planning and career-development program while increasing diversity</li> </ul>	1.1	<p>According to the Supervisory Board, Bill Anderson exceeded most of his targets for 2024 as follows:</p> <ul style="list-style-type: none"> <li>// He largely met the financial targets.</li> <li>// He made major progress in the development and activation of DSO, reducing headcount (by around 6,900 FTEs) and driving innovation speed and growth.</li> <li>// Bayer's strategy was effectively communicated to the investor base, which remains stable.</li> <li>// Significant progress was made in integrating AI across the divisions and the entire value chain.</li> <li>// He made a key contribution to driving the further development and implementation of the Pharmaceutical Division's innovation approach.</li> <li>// A comprehensive program to holistically address all aspects of the litigations was put in place.</li> <li>// He made good progress on gender diversity (percentage of women among the top 500 managers at the Bayer Group increased from 32% to 35%).</li> </ul> <p>The Supervisory Board therefore set the factor for Bill Anderson at 1.1.</p>
Wolfgang Nickl	<ul style="list-style-type: none"> <li>// Deliver on 2024 guidance</li> <li>// Plan and execute refinancing activities for 2024/25</li> <li>// Implement organizational changes within the Group</li> <li>// Advance digital transformation by adopting AI tools</li> <li>// Successfully engage with target investors</li> <li>// Support efforts to resolve litigation challenges</li> <li>// Implement EU Taxonomy/CSRD</li> <li>// Establish a succession-planning and career-development program while increasing diversity</li> </ul>	1.1	<p>According to the Supervisory Board, Wolfgang Nickl exceeded most of his targets for 2024 as follows:</p> <ul style="list-style-type: none"> <li>// Significant progress was achieved in reducing net financial debt (decreased by €1.9 billion).</li> <li>// He successfully led the Enabling Functions through a difficult change process.</li> <li>// The CORE program (SAP S/4HANA implementation) was successfully advanced.</li> <li>// He engaged in proactive dialogue with our stakeholders.</li> <li>// He made a significant contribution to the new 2025 strategy to resolve the litigations, and ensured that EU Taxonomy/CSRD implementation remained on track.</li> <li>// He significantly advanced the development of promising future leaders.</li> </ul> <p>The Supervisory Board therefore set the factor for Wolfgang Nickl at 1.1.</p>

<sup>3</sup> Due to the hyperinflation-related growth in Argentina and Turkey, currency- and portfolio-adjusted sales growth (0.7%) was adjusted by minus 0.3 percentage points when determining target attainment.



C 1.3/5 (continued)

**Individual Targets and Attainment Levels for 2024 – Strategy Development and Execution**

Board of Management member	Target	Attainment	Explanation
Stefan Oelrich	<ul style="list-style-type: none"> <li>// Achieve financial budget targets</li> <li>// Maximize launch performance and reach launch readiness for multiple pharmaceutical assets</li> <li>// Build pipeline momentum and take steps to maximize potential through 2030</li> <li>// Implement new operating model</li> <li>// Improve capital market communication and investor relations activities</li> <li>// Establish a succession-planning and career-development program while increasing diversity</li> <li>// Drive forward initiatives that promote access to medicines</li> </ul>	1.1	<p>According to the Supervisory Board, Stefan Oelrich exceeded most of his targets for 2024 as follows:</p> <ul style="list-style-type: none"> <li>// Pharmaceuticals had a highly successful year in 2024, surpassing its sales targets while also reducing costs. In addition, Nubeqa™ and Kerendia™ sales growth in the United States continued to advance.</li> <li>// The pipeline of future products has been strengthened, with projects successfully transitioning onto further phases. This also played a significant role in improving capital market communication.</li> <li>// He considerably advanced the implementation of the new operating model.</li> <li>// He was able to significantly evolve his leadership team as part of the new operating model.</li> </ul> <p>The Supervisory Board therefore set the factor for Stefan Oelrich at 1.1.</p>
Heike Prinz	<ul style="list-style-type: none"> <li>// Transform key HR systems and processes</li> <li>// Drive transformation of HR function to generate efficiencies of around 40% by year-end 2025</li> <li>// Increase employee participation, flexibility, motivation and productivity</li> <li>// Implement new operating model</li> <li>// Strengthen principles such as diversity and inclusion and Bayer's employer value proposition</li> <li>// Establish a succession-planning and career-development program while increasing diversity</li> </ul>	1.1	<p>According to the Supervisory Board, Heike Prinz exceeded most of her targets for 2024 as follows:</p> <ul style="list-style-type: none"> <li>// She pragmatically implemented and improved a variety of HR processes.</li> <li>// She achieved notable progress in implementing the new operating model while maintaining HR service excellence.</li> <li>// She brought in talented new leaders who are an ideal fit for the Bayer culture.</li> <li>// She established a very effective working relationship with the Supervisory Board and the Works' Council, fostering dialogue between the Board of Management and the workforce.</li> <li>// Under her leadership, the percentage of women among the top 500 managers at the Bayer Group increased from 32% to 35%.</li> </ul> <p>The Supervisory Board therefore set the factor for Heike Prinz at 1.1.</p>
Rodrigo Santos	<ul style="list-style-type: none"> <li>// Achieve financial budget targets</li> <li>// Implement new operating model</li> <li>// Drive forward capital market communication and investor engagement</li> <li>// Successfully scale regenerative agriculture</li> <li>// Drive product innovation and leverage long-term growth opportunities</li> <li>// Improve employee retention</li> <li>// Establish a succession-planning and career-development program while increasing diversity</li> </ul>	1.0	<p>According to the Supervisory Board, Rodrigo Santos met his targets for 2024 as follows:</p> <ul style="list-style-type: none"> <li>// Crop Science encountered major challenges due to the difficult market conditions. However, the division was nonetheless able to deliver strong sales results compared to key competitors.</li> <li>// He played a pioneering role in implementing the new operating model.</li> <li>// He continued to drive progress on innovative new products, with positive first reviews for Preceon™ corn, for example.</li> </ul> <p>The Supervisory Board therefore set the factor for Rodrigo Santos at 1.0.</p>
Heiko Schipper (until April 30, 2024)	<ul style="list-style-type: none"> <li>// Steer the division towards business targets</li> <li>// Reduce bureaucracy</li> <li>// Deliver impactful progress in implementing new operating model</li> <li>// Actively engage and support Group initiatives</li> <li>// Establish a succession-planning and career-development program while increasing diversity</li> </ul>	1.0	<p>According to the Supervisory Board, Heiko Schipper met his targets for 2024 prior to his departure as follows:</p> <ul style="list-style-type: none"> <li>// Despite the challenging consumer health market, strong performance was achieved outside of the United States.</li> <li>// He laid the basis for the new operating model for reducing bureaucracy that his successor Julio Triana and his team were able to build on.</li> </ul> <p>The Supervisory Board therefore set the factor for Heiko Schipper at 1.0.</p>
Julio Triana (from April 1, 2024)	<ul style="list-style-type: none"> <li>// Steer the division towards business targets</li> <li>// Reduce bureaucracy</li> <li>// Deliver impactful progress in implementing new operating model</li> <li>// Actively engage and support Group initiatives</li> <li>// Establish a succession-planning and career-development program while increasing diversity</li> </ul>	1.0	<p>According to the Supervisory Board, Julio Triana met his targets for 2024 after joining the Board of Management as follows:</p> <ul style="list-style-type: none"> <li>// Despite the challenging consumer health market, strong performance was achieved outside of the United States.</li> <li>// He developed a comprehensive strategy to focus investments on key brand/country intersections.</li> <li>// He successfully advanced the implementation of the new operating model for reducing bureaucracy.</li> </ul> <p>The Supervisory Board therefore set the factor for Julio Triana at 1.0.</p>

### Payment of the short-term variable compensation (STI)

The STI is paid out the following year at the earliest possible opportunity after closing of the financial statements for 2024. For 2024, it is calculated as follows:

C 1.3/6

#### Short-Term Variable Compensation in 2024 at a Glance

	Target amount (€)	Financial performance at Group level			Target attainment		Payout amount (€)
		Core EPS	Free cash flow	Sales growth (Fx & p adj.)	Individual performance		
					Strategy development and execution	Total	
<b>Serving members of the Board of Management as of December 31, 2024</b>							
Bill Anderson	2,025,000				1.1	79.11%	1,601,977.50
Wolfgang Nickl	891,405				1.1	79.11%	705,190.50
Stefan Oelrich	891,405	65.50%	100.00%	50.27%	1.1	79.11%	705,190.50
Heike Prinz	891,405				1.1	79.11%	705,190.50
Rodrigo Santos	891,405				1.0	71.92%	641,098.48
Julio Triana <sup>1</sup>	668,554				1.0	71.92%	480,823.86
<b>Former Board of Management members</b>							
Heiko Schipper <sup>2</sup>	279,000	65.50%	100.00%	50.27%	1.0	71.92%	200,656.80

<sup>1</sup> Prorated STI from April 1, 2024 (start of Board of Management appointment)

<sup>2</sup> Prorated STI until April 30, 2024 (termination of Board of Management appointment)

### 1.3.3 Long-term stock-based cash compensation (LTI) for 2024

#### Allocated long-term stock-based cash compensation (from 2024)

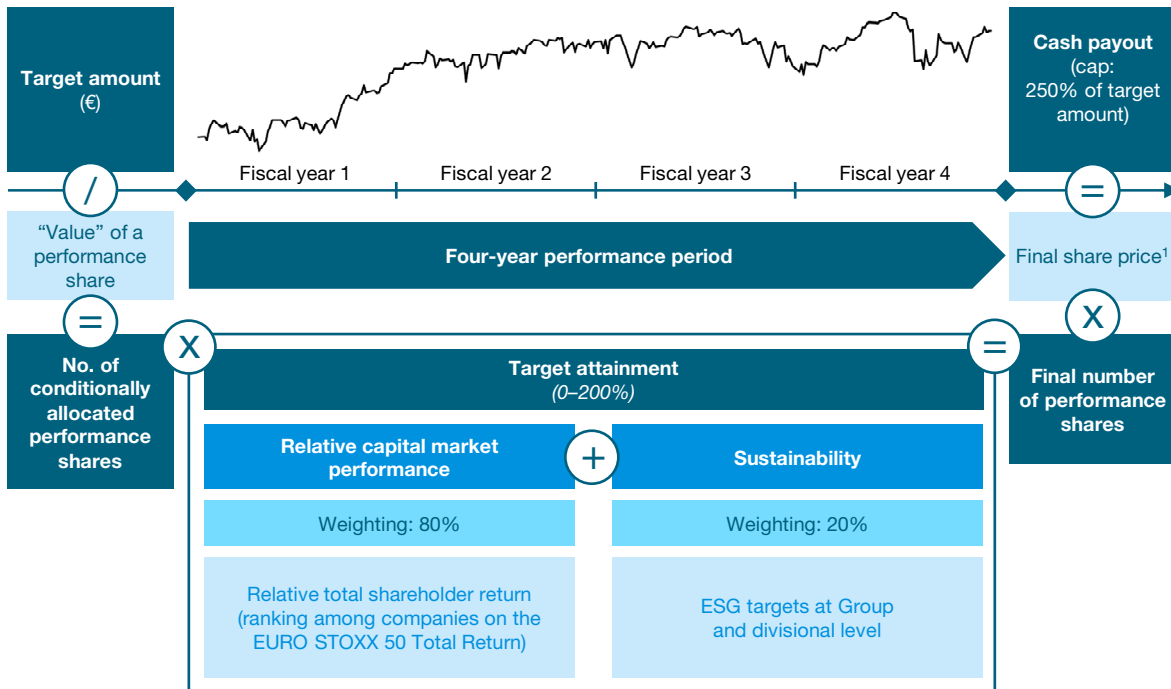
Members of the Board of Management are eligible to participate in the annual tranches of the four-year stock-based LTI program provided that they purchase an individually determined number of Bayer shares as a personal investment and hold them for a specified period of time (see "Share Ownership Guidelines").

The annual tranches are conditionally allocated in the form of (virtual) performance shares at the beginning of each fiscal year, with a performance period of four years for each tranche. To establish the number of performance shares conditionally allocated, a contractually agreed target amount is divided by the value (fair value) of a performance share at the time of allocation. The final number of performance shares is determined by multiplying the number of performance shares conditionally allocated by total target attainment, which is derived from weighted target attainment in the two performance criteria – relative capital market performance (80% weighting) and sustainability (20% weighting) – and is capped at 200%. Depending on how well the company performs, the target attainment levels for the two performance criteria may vary between 0% and 200%. Total target attainment of 0% results in zero performance shares and an LTI payout of zero.

The payout is based on the final number of performance shares multiplied by the arithmetic mean of the XETRA closing prices for Bayer stock on the 30 stock exchange trading days immediately preceding the end of the performance period plus the total dividends paid over the four-year performance period. This mirrors the way real shares work and renders the Board of Management "dividend-neutral", with no financial incentive to keep dividends low. Dividends are not paid out in advance, nor are they guaranteed. The payout is capped at 250% of the contractually agreed target amount. The graphic below shows the components of the LTI and how it functions:

C 1.3/7

**Components of Long-Term Variable Cash Compensation (LTI)**



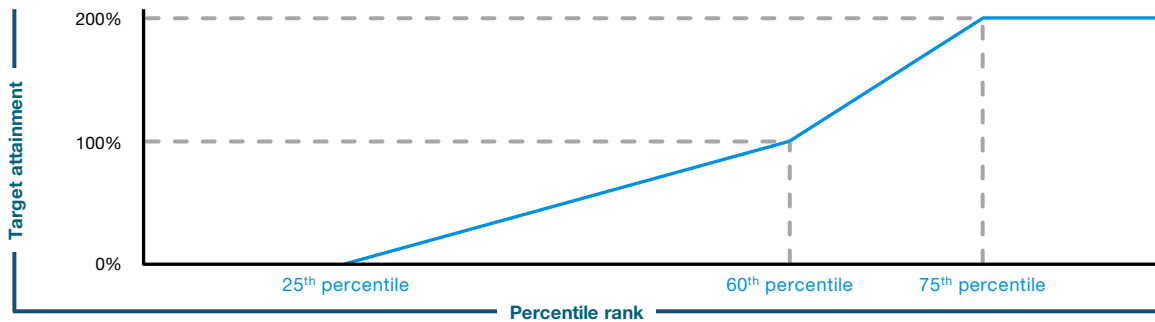
<sup>1</sup> Arithmetic mean of the XETRA closing prices for Bayer stock on the 30 stock exchange trading days immediately preceding the end of the respective four-year performance period, plus accumulated dividend payments

**Relative capital market performance**

Relative capital market performance is determined by ranking Bayer’s total shareholder return (TSR) against companies in a benchmark index (in 2024 the EURO STOXX 50 Total Return, in line with the compensation system). The companies on the EURO STOXX 50 Total Return represent an appropriate peer group for benchmarking since the 49 companies in question are large, publicly listed firms that are comparable to Bayer in terms of size and international footprint. Bayer stock is also listed on the index. Bayer aims to be an attractive investment target and therefore incentivizes above-average capital market performance, both in absolute terms and relative to the market. The initial and final values for calculating the TSR are based on the arithmetic mean of the XETRA closing prices on the 30 stock exchange trading days immediately preceding the start and the end of the respective four-year performance period. The final value also includes the hypothetically reinvested gross dividends during that time. Target attainment is determined by calculating the TSR values of Bayer and of the individual benchmark companies, sorting them by order of amount, and then expressing their respective positioning as a percentile rank from 0 to 100. If Bayer is at or below the 25<sup>th</sup> percentile, target attainment is 0%. If Bayer is ranked at the 60<sup>th</sup> percentile, meaning the company’s TSR is higher than 60% of companies in the benchmark index, target attainment is 100%. If Bayer’s TSR lies at the 75<sup>th</sup> percentile, target attainment is 200%. Percentile ranks above this level do not result in higher target attainment (cap). Target attainment percentages between these points are determined through linear interpolation. The payout curve is shown in the graphic below.

C 1.3/8

**Target Attainment Function for Relative Total Shareholder Return (Ranking)**



**Sustainability**



We embrace sustainability in our activities, helping to safeguard our future social and economic viability. As a leader in nutrition and health, we aim to play our part in overcoming some of the world’s biggest challenges by leveraging our innovative products and services. This includes combating hunger and improving healthcare, as well as taking measures to reduce our carbon footprint.

Against this backdrop, we have set ourselves sustainability targets as part of our sustainability strategy. These targets are also reflected in our long-term compensation system (LTI). At the beginning of each LTI tranche, the Supervisory Board defines measurable sustainability targets for the respective four-year performance period that are in line with our corporate strategy. In setting the sustainability targets, the Supervisory Board takes care to ensure that they are aligned with the Sustainable Development Goals (SDGs) of the United Nations as a minimum, and are also in step with international best practice, such as the Science Based Targets initiative (SBTi), with respect to how they are determined, measured and reviewed.

At the start of each tranche, the Supervisory Board sets a minimum value, a target value and a maximum value for the individual sustainability targets. If the target value has been achieved, target attainment is 100%. If the value achieved is below the minimum value, target attainment is 0%. If the maximum value has been achieved or exceeded, target attainment is 200%. The target attainment curves (minimum value, target value, maximum value) are based on the published sustainability targets for 2030. The sustainability targets for the 2024-2027 LTI tranche are shown in the graphic below:

C 1.3/9

**Sustainability Targets for the 2024–2027 Tranche**

 Reduction in ...	 Number of ...
Scope 1 and 2 greenhouse gas emissions	... smallholder farmers supported in low- and middle-income countries
Scope 3 greenhouse gas emissions from relevant categories	... people supported with self-care in underserved communities
	... women in low- and middle-income countries with access to modern contraception

Scope 1 and 2 greenhouse gas emissions encompass our own greenhouse gas emissions.  
Scope 3 greenhouse gas emissions consist of the greenhouse gas emissions along our value chain.

The individual sustainability targets set and the attainment thereof will be reported on in the corresponding Compensation Report following the end of the performance period. Thus, the targets and attainment for the sustainability goals for awards granted in 2024 will be reported on in the 2027 Compensation Report published in 2028.

**Long-term stock-based cash compensation (allocations through 2023)**

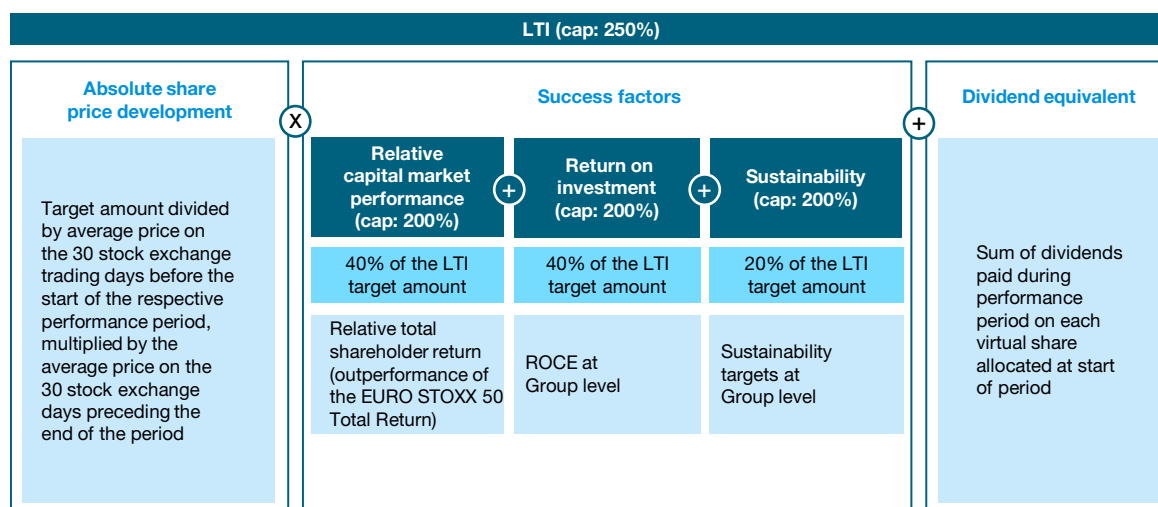
Under the former compensation system which was used until 2023, the annual Aspire 3.0 tranches were allocated in the form of virtual shares with a performance period of four years for each tranche. The number of virtual shares conditionally allocated is calculated by multiplying base compensation by a contractually agreed target rate and then dividing by the arithmetic mean of the XETRA closing prices for Bayer stock on the 30 stock exchange trading days immediately preceding the start of the respective performance period.

The final number of virtual shares depends on the target attainment levels for the three components: relative capital market performance, return on investment and sustainability. The three components are weighted at 40%, 40%, and 20%, respectively. To determine the final number of virtual shares, the conditionally allocated number of virtual shares is multiplied by the weighted total target attainment of the three components.

The payout is calculated by multiplying the final number of virtual shares by the arithmetic mean of the XETRA closing prices for Bayer stock on the 30 stock exchange trading days immediately preceding the end of the performance period. In addition, the Board of Management members receive the accumulated dividends paid on each conditionally allocated virtual share during the four-year period. The components of the long-term variable cash compensation (LTI) are shown in the graphic below.

C 1.3/10

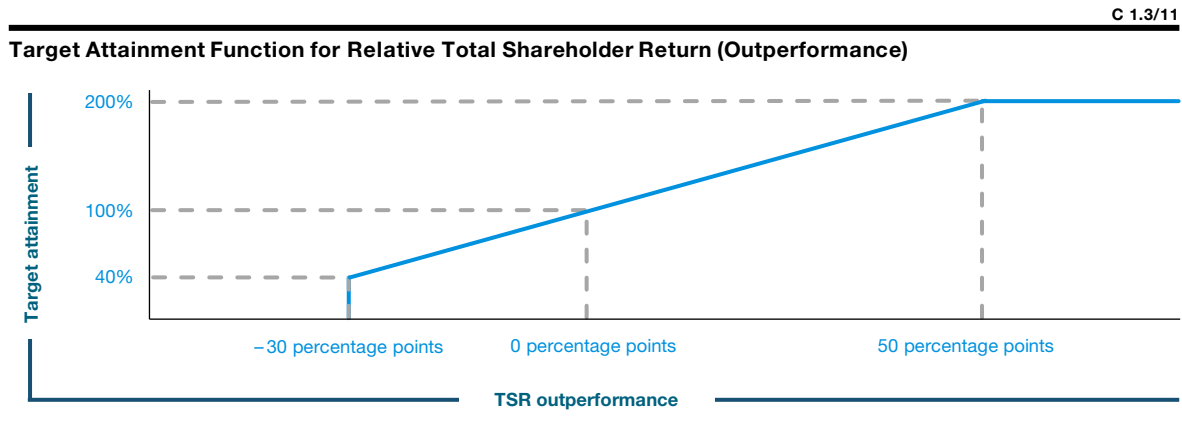
**Components of Long-Term Variable Cash Compensation (LTI)**



**Relative capital market performance**

Relative capital market performance is determined by the difference between Bayer’s total shareholder return (TSR) and that of the EURO STOXX 50 Total Return, which serves as the benchmark index. The initial and final values for calculating the TSR are based on the arithmetic mean of the XETRA closing prices for Bayer stock on the 30 stock exchange trading days immediately preceding the start and the end of the respective four-year performance period. The final value also includes the hypothetically reinvested gross dividends during that time. Target attainment is determined based on the difference between Bayer’s TSR over the period and that of the EURO STOXX 50 Total Return. If the difference is zero – i.e., performance is on a par with that of the index – target attainment is 100%. If the difference is more than –30 percentage points, target attainment is 0%. If the difference equals –30 percentage points, target attainment is 40%. If the difference is +50 percentage points or more, target attainment is 200%.

The target attainment curve for the relative TSR target is given in the graphic below.



The four-year performance period of the 2021 Aspire 3.0 tranche ended at the end of 2024. For this period, TSR was -54.22% for Bayer stock and +52.01% for the EURO STOXX 50 Total Return. This results in a TSR performance of -106.23 percentage points, corresponding to a target attainment level of 0%.

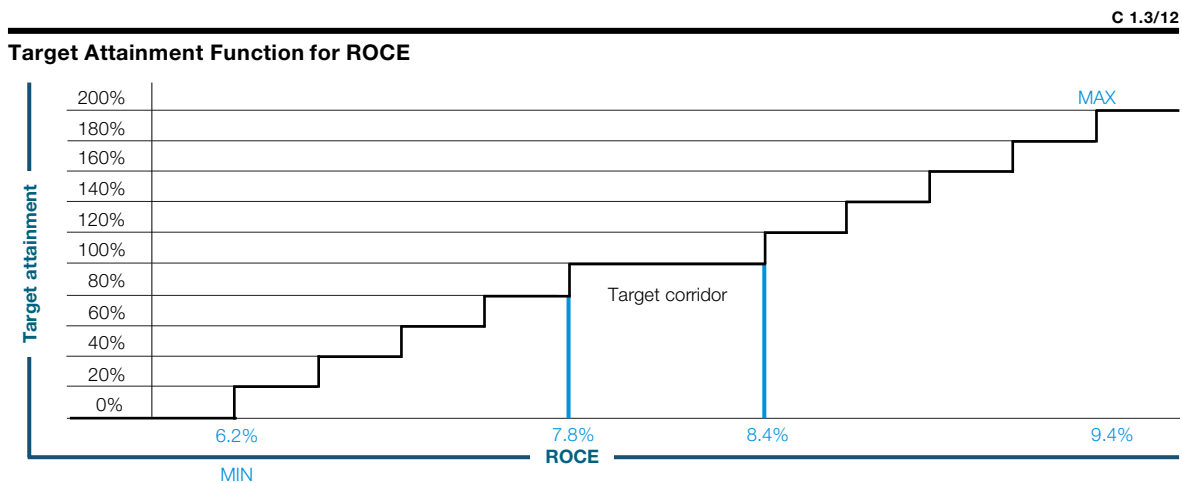
**Return on investment**

The return on investment is based on the return on capital employed (ROCE) at Group level. The annual comparison of the ROCE to the weighted average cost of capital indicates the value generated by the company. The ROCE is a metric that is applied as part of Bayer’s corporate steering system.

At the start of each tranche, the Supervisory Board sets a minimum value, a target corridor, a maximum value and additional benchmarks for ROCE in the final year of the four-year performance period. The minimum value is based on the weighted average cost of capital (WACC) on the date the respective tranche is issued. The target corridor for 100% target attainment is based on the WACC and an ambitious premium. This premium is based on business expectations for the fourth and final year of the respective tranche. The ROCE target corridor can therefore fluctuate from year to year. As such, it is also possible for target corridors to be lower than in the previous year.

At the end of the four-year performance period, the ROCE achieved in the final year of the performance period is compared to the target corridor set for that tranche of the LTI. If the target corridor has been achieved, target attainment is 100%. If performance is above or below the target corridor, attainment corresponds to the target function within an interval of 0% to 200%.

The graphic below shows the minimum value, the target corridor and maximum value for the 2021 tranche, the performance period for which ended in 2024:



For the 2021 tranche, an ROCE target corridor of 7.8% to 8.4% was set for return on investment in 2024. Actual ROCE came in at minus 0.1%, mainly driven by lower operating earnings and special charges for impairment losses and restructuring. This corresponded to an attainment level of 0%.

### Sustainability

Starting with the 2021 tranche, the Supervisory Board defines specific sustainability targets for the four-year performance period that are taken into account with a weighting of 20%. Sustainability targets at both divisional and Group level can be taken into account.

In setting the sustainability targets, the Supervisory Board takes care to ensure that these are aligned with the Sustainable Development Goals (SDGs) of the United Nations as a minimum, and are also in step with international best practice, such as the Science Based Targets initiative (SBTi), with respect to how they are determined, measured and reviewed. Furthermore, they are an integral part of the business strategy, providing access to new customer groups and contributing to greater supply security, for example. All the sustainability targets below are given the same weighting. The Supervisory Board also sets a minimum value, a target corridor and a maximum value for the individual sustainability targets. If performance is above or below the target corridor, the target attainment corresponds to a target function within an interval of 0% to 200%. The graphic below shows a breakdown of the Group sustainability targets for 2030. These formed the basis of the ESG targets set for the 2021-2024 LTI.

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#### Group Sustainability Targets Through 2030

Target <sup>1</sup>	Target for 2030
Number of smallholder farmers in low- and middle-income countries supported by products, services and partnerships	100 million
Number of women in low- and middle-income countries who have their need for modern contraception satisfied due to interventions supported by Bayer	100 million
Number of people in underserved <sup>2</sup> communities whose self-care is supported by interventions from Bayer	100 million
Scope 1 and 2 <sup>3</sup> greenhouse gas emissions	42% decrease <sup>4, 6</sup>
Scope 3 greenhouse gas emissions from relevant <sup>7</sup> categories	12.3% decrease <sup>5, 6</sup>
Offsetting of remaining Scope 1 and 2 greenhouse gas emissions <sup>8</sup>	100%

<sup>1</sup> A more detailed description of the calculation methodologies is published on our website: [www.bayer.com/en/sustainability/targets](http://www.bayer.com/en/sustainability/targets).

<sup>2</sup> Economically or medically

<sup>3</sup> Covering Scope 1 and 2 emissions (market-based) of sites that have an energy consumption in excess of 1.5 TJ

<sup>4</sup> Corresponding to the sustainability target of limiting global temperature rise to below 1.5°C above pre-industrial level

<sup>5</sup> Corresponding to the sustainability target of limiting global temperature rise to below 2°C above pre-industrial level

<sup>6</sup> By the end of 2029

<sup>7</sup> In accordance with the criteria set out by the Science Based Targets initiative, the Scope 3 categories relevant for our goal include emissions in the following categories: (1) purchased goods and services, (2) capital goods, (3) fuel- and energy-related activities, (4) (upstream) transportation and distribution, and (6) business travel.

<sup>8</sup> To be offset by purchasing certificates from verified climate protection projects, primarily in forestry and agriculture

The four-year performance period for the sustainability targets covers the years 2021 through 2024, which means that it ended at the end of fiscal 2024. The overview below shows the target figures that the Supervisory Board specified for the respective sustainability targets and levels achieved as of the end of 2024, as well as aggregated target attainment levels for each target based on these figures.

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**Group Sustainability Targets for 2024**

Target	2019 baseline	2024 min. (0% attainment)	2024 target (100% attainment)	2024 max. (200% attainment)	2024 actual figures	Target attainment for 2024
Number of smallholder farmers in low- and middle-income countries supported by products, services and partnerships	42 million	<46 million	50–52 million	>56 million	52 million	100%
Number of women in low- and middle-income countries who have their need for modern contraception satisfied due to interventions supported by Bayer	38 million	<51 million	55–57 million	>61 million	51 million	20%
Number of people in underserved communities whose self-care is supported by interventions from Bayer	41 million	<46 million	50–52 million	>56 million	53 million	120%
Scope 1 and 2 greenhouse gas emissions (metric tons)	3.8 million	>3.5 million	2.9–3.1 million	<2.5 million	3.0 million	100%
Scope 3 greenhouse gas emissions from relevant categories (metric tons)	8.82 million	>8.55 million	8.25–8.35 million	<8.05 million	7.69 million	200%
Offsetting of remaining Scope 1 and 2 greenhouse gas emissions (metric tons)	–	<0.5 million	0.7–0.8 million	>1.0 million	0.7 million	100%
<b>Target attainment (aggregated)</b>						<b>106.67%</b>

Based on the target attainment levels for the individual sustainability targets, overall attainment for this component is 106.67%.

**Payment of the 2021 tranche of Aspire 3.0**

Payment takes place the following year at the earliest possible opportunity. For the 2021 tranche, it is calculated as follows:

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**Aspire 3.0 Payout Percentages**

	2021 tranche
Bayer stock starting price	€47.99
Bayer stock final price	€19.60
<b>Bayer stock performance</b>	<b>-59.16%</b>
<b>Performance factor – relative capital market performance</b>	<b>0%</b>
<b>Performance factor – return on investment (ROCE)</b>	<b>0%</b>
<b>Performance factor – sustainability targets</b>	<b>106.67%</b>
<b>Accumulated dividends per share</b>	<b>€6.51</b>
<b>Payout percentage</b>	<b>22.28%</b>



### Ongoing tranches of long-term variable cash compensation (LTI)

The following table provides an overview of the ongoing tranches for serving members of the Board of Management of Bayer AG in 2024:

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#### Overview of LTI Tranches of Board of Management Members Serving as of Dec. 31, 2024

Overview of LTI tranches allocated

		Target amount (€)	Bayer stock starting price <sup>1</sup> (€)	No. of conditionally allocated virtual shares <sup>2</sup>	Target attainment for performance component <sup>3</sup>	Bayer stock final price <sup>1</sup> (€)	Total dividends per virtual share (€)	Payout percentage	Payout amount <sup>4</sup> (€)
2021 Aspire 3.0 tranche (Jan. 1, 2021 – Dec. 31, 2024)	Wolfgang Nickl	1,198,800	47.99	24,980	21.33%	19.60	6.51	22.28%	267,093
	Stefan Oelrich	1,278,600		26,643					284,873
2022 Aspire 3.0 tranche (Jan. 1, 2022 – Dec. 31, 2025)	Wolfgang Nickl	1,440,000	46.37	31,055					
	Stefan Oelrich	1,488,000		32,090					
	Rodrigo Santos <sup>5</sup>	1,488,000		32,090					
	Bill Anderson <sup>6</sup>	3,375,000		64,717					
2023 Aspire 3.0 tranche (Jan. 1, 2023 – Dec. 31, 2026)	Wolfgang Nickl	1,440,000	52.15	27,613					
	Stefan Oelrich	1,488,000		28,533					
	Heike Prinz <sup>5</sup>	1,200,000		23,011					
	Rodrigo Santos	1,488,000		28,533					
	Bill Anderson	3,600,000		116,769					
2024 LTI tranche (Jan. 1, 2024 – Dec. 31, 2027)	Wolfgang Nickl	1,488,000	30.83 <sup>7</sup>	48,265					
	Stefan Oelrich	1,488,000		48,265					
	Heike Prinz	1,488,000		48,265					
	Rodrigo Santos	1,488,000		48,265					
	Julio Triana <sup>5</sup>	1,485,675		48,189					

<sup>1</sup> Average share price on the 30 trading days preceding the start/end of a tranche

<sup>2</sup> The number of conditionally allocated virtual shares is determined by dividing the LTI target value by the fair value of the conditionally allocated virtual performance shares (for the 2024 tranche) or by the average share price over the preceding 30 stock exchange trading days before the tranche is issued (up to the 2023 tranche).

<sup>3</sup> Target attainment for the 2024 LTI tranche is determined on the basis of the weighted target attainment levels for the two performance criteria, "EURO STOXX 50 Total Return ranking" and "Sustainability". Target attainment for Aspire 3.0 is based on the weighted target attainment levels for the three performance criteria "Relative capital market performance", "Return on investment" and "Sustainability".

<sup>4</sup> Shown here is the amount actually paid out, taking into account system-related rounding.

<sup>5</sup> LTI tranches granted by Bayer prior to their appointment to the Board of Management are not shown. Where appropriate, the LTI tranche granted in the year they were appointed to the Board of Management is therefore presented on a prorated basis from the date of appointment. When each performance period comes to an end, the respective tranche will be shown in the "Compensation Awarded and Due" table.

<sup>6</sup> Prorated entitlement (45/48) due to Board of Management appointment starting on April 1, 2023

<sup>7</sup> For the 2024 tranche, the fair value of the conditionally allocated virtual performance shares is used as the basis. It is calculated using a Monte Carlo simulation model. The relevant volatilities and correlations are determined based on historical returns. Discounting is based on the four-year ESTR swap rate. For the ESG factor, an attainment rate of 100% is assumed. The payout cap (250%) is also taken into account when determining the fair value.

In line with the recommendation of the German Corporate Governance Code, already allocated LTI tranches are paid out according to the originally agreed targets at the end of the contractually specified performance period should a Board of Management member's service contract be terminated. The table below shows the ongoing tranches for the former members of the Board of Management of Bayer AG. Since Heiko Schipper's Board of Management contract was terminated early at his instigation, the LTI entitlements already granted to him for the years 2021 to 2024 have lapsed and are therefore not included in the table below.

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### Overview of LTI Tranches of Former Board of Management Members

Overview of LTI tranches allocated

		Target amount (€)	Bayer stock starting price <sup>1</sup> (€)	No. of conditionally allocated virtual shares <sup>2</sup>	Target attainment for performance component <sup>3</sup>	Bayer stock final price <sup>1</sup> (€)	Total dividends per virtual share (€)	Payout percentage	Payout amount <sup>4</sup> (€)
2021 Aspire 3.0 tranche (Jan. 1, 2021 – Dec. 31, 2024)	Werner Baumann	2,512,350		52,352					559,752
	Liam Condon	1,446,450	47.99	30,141	21.33%	19.60	6.51	22.28%	322,270
	Sarena Lin <sup>5</sup>	1,098,900		22,899					244,835
	Kemal Malik	1,284,923		26,775					286,281
2022 Aspire 3.0 tranche (Jan. 1, 2022 – Dec. 31, 2025)	Werner Baumann	2,840,000	46.37	61,246					
	Sarena Lin	1,440,000		31,055					
2023 Aspire 3.0 tranche (Jan. 1, 2023 – Dec. 31, 2026)	Werner Baumann	2,840,000	52.15	54,458					
	Sarena Lin	1,440,000		27,613					
2024 LTI tranche (Jan. 1, 2024 – Dec. 31, 2027)	Sarena Lin <sup>6</sup>	120,000	30.83 <sup>7</sup>	3,892					

<sup>1</sup> Average share price on the 30 trading days preceding the start/end of a tranche

<sup>2</sup> The number of conditionally allocated virtual shares is determined by dividing the LTI target value by the fair value of the conditionally allocated virtual performance shares (for the 2024 tranche) or by the average share price over the preceding 30 stock exchange trading days before the tranche is issued (up to the 2023 tranche).

<sup>3</sup> Target attainment for the 2024 LTI tranche is determined on the basis of the weighted target attainment levels for the two performance criteria, "EURO STOXX 50 Total Return ranking" and "Sustainability". Target attainment for Aspire 3.0 is based on the weighted target attainment levels for the three performance criteria "Relative capital market performance", "Return on investment" and "Sustainability".

<sup>4</sup> Shown here is the amount actually paid, taking into account system-related rounding.

<sup>5</sup> Prorated entitlement (11/12) due to Board of Management appointment starting on February 1, 2021

<sup>6</sup> Due to the termination agreement as of August 31, 2023, prorated entitlement (1/12) until January 31, 2024, the original end date of her contract

<sup>7</sup> For the 2024 tranche, the fair value of the conditionally allocated virtual performance shares is used as the basis. It is calculated using a Monte Carlo simulation model. The relevant volatilities and correlations are determined based on historical returns. Discounting is based on the four-year ESTR swap rate. For the ESG factor, an attainment rate of 100% is assumed. The payout cap (250%) is also taken into account when determining the fair value.

### 1.3.4 Fringe benefits

Fringe benefits include costs assumed by the company for health screening and various work-related insurance policies. Each member of the Board of Management has access to a company car, including driver, for business and a reasonable amount of private use, or receives a corresponding budget. In addition, the company pays the cost of security installations at each member's private residence. Work-related moving expenses are either individually reimbursed or compensated in the form of a flat-rate allowance. Any indemnity payments to new members of the Board of Management for variable compensation forfeited on termination of previous employment also constitute fringe benefits.

### 1.3.5 Pension entitlement/installment

Members of the Board of Management appointed after January 1, 2020, are not entitled to a company pension plan but instead receive a pension installment, which is paid out directly. The pension installment is equivalent to 40% of the respective base compensation. For the company, this avoids all the interest-rate and biometric risks involved in financing a pension entitlement, and also eliminates the complex actuarial calculations and administrative procedures involved. In addition, it means that the members of the Board of Management are responsible for making their own pension arrangements.

Members of the Board of Management appointed prior to January 1, 2020, retain their contribution-based pension entitlements. Bayer makes company contributions to complement the personal contributions of 2% up to the ceiling for statutory pension contributions in Germany. The company contributions are currently set at 2% to Rheinische Pensionskasse VVaG on fixed annual compensation up to the ceiling for statutory pension contributions in Germany. In addition, Bayer provides a hypothetical annual contribution equal to 42% of the amount by which the respective base compensation exceeds that ceiling. This percentage is comprised of a basic contribution of 6% and a matching contribution of 36%, which is four times the member's personal contribution of 9%. The total annual contribution is converted into a pension component according to the annuity table for the applicable tariff of the Rheinische Pensionskasse VVaG pension fund. The annual pension entitlement upon retirement is the total amount of the accumulated pension components including any investment bonus, the amount of which is determined annually based on the net return on the assets of the Rheinische Pensionskasse VVaG minus the minimum return (0.9%) on the contributions that is guaranteed under tariff 4 and approved by the German Financial Supervisory Authority (BaFin). Future pension payments are reviewed annually and adjusted in line with the respective entitlements.

If the contract of a member of the Board of Management is terminated due to permanent incapacity to work before he or she reaches the age of 60, an invalidity pension is granted.

In addition, the following arrangements are in place for members of the Board of Management who served in 2024:

- // In view of his split contract, Heiko Schipper (until April 30, 2024) participated in pension plans in Germany (30%) – for his service on the Board of Management of Bayer AG – and in Switzerland (70%) – under his contract as head of Consumer Health at Bayer Consumer Care AG in Basel – on a prorated basis. Schipper's pension entitlement in Switzerland arose from a defined benefit plan in which contributions accumulate in an account and are then disbursed as a retirement annuity.
- // Due to his split contract (30% Germany/70% Switzerland), Julio Triana (from April 1, 2024) receives a pension installment amounting to 40% of his base compensation in Germany for his service on the Board of Management of Bayer AG. In Switzerland, he additionally participates in the local pension plan under his contract as head of Consumer Health at Bayer Consumer Care AG in Basel in line with the relevant provisions. It is a defined benefit plan in which contributions accumulate in an account and are then disbursed as a retirement annuity.

Certain assets are administered by Bayer Pension Trust e. V. under a contractual trust arrangement (CTA) to cover pension entitlements resulting from direct commitments in Germany. This provides substantial additional security – beyond the benefits from the Pension Insurance Association – for the respective pension entitlements of the Board of Management members and other managerial employees in Germany.

The service cost according to IFRS is calculated based on contractual obligations and actuarial assumptions. It reflects the amount, calculated actuarially, that was earned by the respective Board of Management member in the respective year through their work and that was recognized through profit or loss. It corresponds to the present value of the newly earned future pension payments, and is impacted by updated actuarial adjustments. The service cost does not reflect a payout amount or payments currently being made to Board of Management members. A lower discount rate at the start of the year, higher anticipated salary and pension increases, and a shorter vesting period in years are factors that result in a higher service cost. The current service cost for the pension entitlements of the Board of Management members recognized in 2024 according to IFRS was €529 thousand (2023: €1,707 thousand). The following table shows the service cost according to IFRS and the settlement or present value of the pension obligations attributable to the individual members of the Board of Management.

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**Pension Entitlements According to IFRS**

€ thousand	Service cost according to IFRS		Present value of defined benefit pension obligation as of Dec. 31	
	2023	2024	2023	2024
Serving members of the Board of Management as of December 31, 2024				
<b>Contribution-based pension entitlements</b>				
Wolfgang Nickl	116	118	1,044	1,346
Stefan Oelrich	125	131	1,023	1,304
Julio Triana	–	215	–	333
<b>Former Board of Management members</b>				
Heiko Schipper	144	65	7,534	346

The service cost according to IFRS can therefore fluctuate from one year to the next. The existing pension entitlements of a Board of Management member cannot legally be unilaterally adjusted by Bayer.

**1.3.6 Caps on variable compensation components and total compensation**

If targets are not attained, variable compensation can fall to as low as zero. However, if targets are clearly exceeded, the payout is limited to 200% (STI cap) or 250% (LTI cap) of the individual target amount.

In addition, the Supervisory Board has set an absolute amount in euros for the maximum total compensation granted in a fiscal year pursuant to Section 87a, Paragraph 1, Sentence 2, No.1 of the German Stock Corporation Act (AktG). The maximum total annual compensation is set at €12 million for the Chairman of the Board of Management (CEO) and €7.5 million for the other members of the Board of Management. The maximum total compensation for a fiscal year includes all fixed and variable compensation components:

- // Base compensation
- // Fringe benefits
- // Short-term variable cash compensation (STI)
- // Long-term variable cash compensation (LTI)
- // Pension installment or service cost according to IFRS for pension entitlement

Compliance with the specified thresholds for the maximum total compensation of Board of Management members cannot be reported on conclusively until all compensation components granted for a given fiscal year have been paid out. This means that for fiscal years 2022 to 2024, this can only be reported on after the respective LTI four-year performance periods have ended.

The respective actual compensation levels for the 2021 reference year were significantly below the established maximum compensation levels for all Board of Management members.

**1.3.7 Malus and clawback provisions for variable compensation**

In the event of gross misconduct or misrepresentation in financial reporting, the Supervisory Board has the discretion to withhold the STI and LTI for fiscal years from 2020 onward (malus) or – if these have already been paid out – to require that they be repaid to the company (clawback).

In the event that a member of the Board of Management violates a substantial duty of care, significant obligations under his or her service contract, or other important operating principles such as those prescribed by the Code of Conduct for Members of the Board of Management or the Corporate Compliance Policy, the Supervisory Board may, in the proper exercise of its discretion, withhold all or part of the variable compensation that has not yet been paid out (malus). In addition, the Supervisory Board may, in the proper exercise of its discretion, require that all or part of any gross amount that has already been paid out be repaid to the company (clawback).

Moreover, the members of the Board of Management are required to repay variable compensation already paid out if it is subsequently established that the audited and approved consolidated financial statements on which the calculation of the payout for fiscal years from 2020 onward was based were defective, with the amount to be repaid reflecting the corrections to be made. This applies even if the defectiveness of the consolidated financial statements is not attributable to any fault on the part of the members of the Board of Management. Irrespective of the above, a legal basis also exists for payment reductions or regress in the event of a damaging breach of duty by members of the Board of Management.

In 2024, the Supervisory Board did not see any cause to reduce any variable compensation that had not yet been paid out (malus) or reclaim variable compensation that had already been paid out (clawback).

### 1.3.8 Share Ownership Guidelines

The Bayer Share Ownership Guidelines form an integral part of the compensation system, serving to ensure alignment between Board of Management and stockholder interests as well as to promote sustainable development. Under the Bayer Share Ownership Guidelines, members of the Board of Management are required to build substantial positions in Bayer shares within four years of joining the Board. The Chairman (CEO) must purchase shares to the value of 200% of base compensation, while the other Board of Management members must purchase shares to the value of 100% of their respective base compensation. They must then retain at least these shares for the remainder of their service on the Board of Management, and for two years thereafter. If they cannot provide evidence of this share ownership, they will not be entitled to payment of the LTI. The virtual shares allocated as part of the LTI program do not count toward the number of Bayer shares to be purchased under the Share Ownership Guidelines.

An overview of the current Share Ownership Guidelines can be found below:

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#### Share Ownership Guidelines – Status

Serving Board of Management members as of December 31, 2024

Board of Management member	Target (% of base compensation)	End of position-building phase	Status
Bill Anderson	200%	March 31, 2027	In progress
Wolfgang Nickl	100%	April 25, 2022	Fulfilled
Stefan Oelrich	100%	Oct. 31, 2022	Fulfilled
Heike Prinz	100%	Aug. 31, 2027	In progress
Rodrigo Santos	100%	Dec. 31, 2025	In progress
Julio Triana	100%	March 31, 2028	Fulfilled

### 1.3.9 Entitlements upon termination of service on the Board of Management

If the service contract of a member of the Board of Management is terminated before the end of the term of office – other than for cause – at the company's instigation, his or her entitlements under the service contract are fulfilled until the departure date.

Payments of variable compensation are made on the dates and at the conditions originally agreed, and are not brought forward. In doing so, Bayer observes the principles of good corporate governance: LTI allocations already granted are paid out to departing Board of Management members according to the original payment plans and calculated according to the previously agreed rules.

In line with the recommendations of the German Corporate Governance Code, the service contracts of the members of the Board of Management contain the provision that payments upon termination of service shall not exceed twice the annual compensation or the compensation amount for the remaining term of the contract if this is lower (severance cap).

### Change of control

To ensure their independence, members of the Board of Management are also entitled to a severance payment in the event of a change of control as defined in the German Securities Acquisition and Takeover Act (WpÜG), provided certain narrow conditions are met. The entitlement to a severance payment only arises if the service contract is terminated by mutual agreement at the company's instigation or if the position of the Board of Management member is significantly affected by the change of control and he or she gives notice of termination within 12 months of the date of the change of control. The position of the Board of Management member is significantly affected if, in particular, one of the following conditions is fulfilled:

- // Significant changes in the company's strategy
- // Significant changes in his or her duties
- // Significant changes in the company's legal form

In these cases, members of the Board of Management are entitled to a severance payment of 250% of annual base compensation, though this must not exceed the compensation for the remaining term of the respective contract. This entitlement does not exist if termination takes place for cause as defined in Section 626 of the German Civil Code (BGB).

### Post-contractual noncompete agreements

Post-contractual noncompete agreements are in place with the members of the Board of Management, providing for indemnity payments to be made by the company for the two-year noncompete period. The indemnity payment for each of the two years amounts to 100% of a member's average base compensation for the 12 months preceding his or her departure. In the event a service contract is terminated early, any severance payment for the remaining part of the original term of the contract is deducted from the indemnity payment. Upon contract termination, the company may waive the post-contractual noncompete agreement, in which case no indemnity is paid.

### Unfitness for work

In the event of temporary unfitness for work, members of the Board of Management continue to receive their contractually agreed compensation. If a Board of Management member has been continuously unfit for work for at least 18 months and is likely to be permanently incapable of fully performing his or her duties (permanent incapacity to work), the Supervisory Board may terminate his or her service contract early.

#### 1.3.10 Payment for service on governance bodies and third-party compensation

Any compensation a member of the Board of Management receives for service on the supervisory board of a Bayer Group company is deducted from his or her base compensation. Any membership in a supervisory board of a company outside the Bayer Group must be approved in advance by the Supervisory Board. Where a member of the Board of Management serves on the supervisory board of a company outside the Bayer Group, the Supervisory Board of Bayer AG decides whether and to what extent a deduction is to be made. No deductions are being made for Board of Management members currently serving on external supervisory boards.

No member of the Board of Management received compensation from a third party in 2024 for serving on their management and/or supervisory boards.

## 1.4 Individual Board of Management compensation levels in 2024

### 1.4.1 Target compensation

The following tables show the individual target values, along with the minimum and maximum values, for the compensation components contractually agreed in 2024, including expenses for fringe benefits and pension entitlements, along with the relative shares of the individual compensation components.

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#### Target Compensation (Part I)

	Serving members of the Board of Management as of December 31, 2024									
	Bill Anderson <sup>1, 2</sup> (Chairman/CEO)					Wolfgang Nickl (Finance)				
	Joined April 1, 2023					Joined April 26, 2018				
	2024 (€ thousand)	2024 (%)	Min. 2024 (€ thousand)	Max. <sup>3</sup> 2024 (€ thousand)	2023 (€ thousand)	2024 (€ thousand)	2024 (%)	Min. 2024 (€ thousand)	Max. <sup>3</sup> 2024 (€ thousand)	2023 (€ thousand)
Base compensation	2,250	25.4	2,250	2,250	1,688	975	26.9	975	975	900
Fringe benefits	67	0.8	67	67	3,985	159	4.4	159	159	156
Pension installment	900	10.2	900	900	675	-	-	-	-	-
<b>Short-term variable cash compensation</b>										
STI 2023	-	-	-	-	1,519	-	-	-	-	810
STI 2024	2,025	22.9	0	4,050	-	891	24.5	0	1,783	-
<b>Long-term stock-based cash compensation</b>										
Aspire 3.0 2023 (Jan. 1, 2023 – Dec. 31, 2026)	-	-	-	-	3,375	-	-	-	-	1,440
LTI tranche 2024 (Jan. 1, 2024 – Dec. 31, 2027)	3,600	40.7	0	9,000	-	1,488	40.9	0	3,720	-
Service cost/benefit expense (IFRS)	-	-	-	-	-	118	3.3	118	118	116
<b>Total compensation</b>	<b>8,842</b>	<b>100.0</b>	<b>3,217</b>	<b>16,267</b>	<b>11,242</b>	<b>3,631</b>	<b>100.0</b>	<b>1,252</b>	<b>6,755</b>	<b>3,422</b>

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#### Target Compensation (Part II)

	Serving members of the Board of Management as of December 31, 2024									
	Stefan Oelrich (Pharmaceuticals)					Heike Prinz <sup>1, 4</sup> (Labor Director)				
	Joined Nov. 1, 2018					Joined Sept. 1, 2023				
	2024 (€ thousand)	2024 (%)	Min. 2024 (€ thousand)	Max. <sup>3</sup> 2024 (€ thousand)	2023 (€ thousand)	2024 (€ thousand)	2024 (%)	Min. 2024 (€ thousand)	Max. <sup>3</sup> 2024 (€ thousand)	2023 (€ thousand)
Base compensation	975	26.5	975	975	930	975	25.7	975	975	300
Fringe benefits	198	5.4	198	198	54	46	1.2	46	46	39
Pension installment	-	-	-	-	-	390	10.3	390	390	120
<b>Short-term variable cash compensation</b>										
STI 2023	-	-	-	-	837	-	-	-	-	270
STI 2024	891	24.2	0	1,783	-	891	23.5	0	1,783	-
<b>Long-term stock-based cash compensation</b>										
Aspire 3.0 2023 (Jan. 1, 2023 – Dec. 31, 2026)	-	-	-	-	1,488	-	-	-	-	1,200
LTI tranche 2024 (Jan. 1, 2024 – Dec. 31, 2027)	1,488	40.4	0	3,720	-	1,488	39.3	0	3,720	-
Service cost/benefit expense (IFRS)	131	3.5	131	131	125	-	-	-	-	-
<b>Total compensation</b>	<b>3,683</b>	<b>100.0</b>	<b>1,304</b>	<b>6,807</b>	<b>3,434</b>	<b>3,790</b>	<b>100.0</b>	<b>1,411</b>	<b>6,914</b>	<b>1,929</b>

C 1.4/3

**Target Compensation (Part III)**

	Serving members of the Board of Management as of December 31, 2024									
	Rodrigo Santos (Crop Science)					Julio Triana <sup>1, 5</sup> (Consumer Health)				
	Joined Jan. 1, 2022					Joined April 1, 2024				
	2024 (€ thou- sand)	2024 (%)	Min. 2024 (€ thou- sand)	Max. <sup>3</sup> 2024 (€ thou- sand)	2023 (€ thou- sand)	2024 (€ thou- sand)	2024 (%)	Min. 2024 (€ thou- sand)	Max. <sup>3</sup> 2024 (€ thou- sand)	2023 (€ thou- sand)
Base compensation	975	25.9	975	975	930	743	22.3	743	743	–
Fringe benefits	26	0.7	26	26	26	131	3.9	131	131	–
Pension installment	390	10.3	390	390	372	89	2.7	89	89	–
<b>Short-term variable cash compensation</b>										
STI 2023	–	–	–	–	837	–	–	–	–	–
STI 2024	891	23.6	0	1,783	–	669	20.1	0	1,337	–
<b>Long-term stock-based cash compensation</b>										
Aspire 3.0 2023 (Jan. 1, 2023 – Dec. 31, 2026)	–	–	–	–	1,488	–	–	–	–	–
LTI tranche 2024 (Jan. 1, 2024 – Dec. 31, 2027)	1,488	39.5	0	3,720	–	1,486	44.6	0	3,714	–
Service cost/benefit expense (IFRS)	–	–	–	–	–	215	6.4	215	215	–
<b>Total compensation</b>	<b>3,770</b>	<b>100.0</b>	<b>1,391</b>	<b>6,894</b>	<b>3,653</b>	<b>3,333</b>	<b>100.0</b>	<b>1,178</b>	<b>6,229</b>	<b>–</b>

<sup>1</sup> In cases where Board of Management appointments began during the year, target compensation is presented on a pro rata temporis basis from the appointment date.

<sup>2</sup> Bill Anderson's fringe benefits for 2023 included a one-time partial indemnity payment of €3.8 million for compensation entitlements forfeited at his previous employer, customary fringe benefits and expenditures for relocation and accommodation expenses of up to €200 thousand provisionally covered by the company.

<sup>3</sup> The maximum figures shown here do not yet take into account the caps on total compensation.

<sup>4</sup> Heike Prinz' fringe benefits for 2023 included a one-time relocation assistance payment of €25 thousand.

<sup>5</sup> Julio Triana's fringe benefits include relocation assistance costs of €111 thousand.

**1.4.2 Compensation awarded and due**

The tables below show all fixed and variable compensation components along with their respective relative shares for each member of the Board of Management. Awarded compensation encompasses compensation for services that have been fully rendered once the fiscal year ends, even though actual payment will not be made until the subsequent fiscal year. Due compensation comprises compensation that is legally due but has not yet actually been paid out to the Board of Management member.

The payout amounts for the 2024 STI and the Aspire 3.0 tranche issued in 2021 are included in the 2024 table for compensation awarded and due, since the respective Board of Management member had fully rendered the services on which the respective compensation is based during the one- and four-year periods. The fact that the payouts will not actually be made until the subsequent year is overlooked in order to present the link between the compensation and performance of the Board of Management in the same period.

The service cost according to IFRS is additionally shown as a part of Board of Management compensation, even though it does not constitute awarded or due compensation within the meaning of Section 162 of the German Stock Corporation Act (AktG).

Heiko Schipper stepped down from the Board of Management of Bayer AG by mutual agreement as of April 30, 2024. The LTI entitlements already granted to Schipper for the years from 2021 through 2024 lapsed due to him terminating his service contract. In addition, Heiko Schipper did not receive an indemnity payment or any other severance payments.



C 1.4/4

**Compensation Awarded and Due (Part I)**

Serving members of the Board of Management as of December 31, 2024

	Bill Anderson <sup>1</sup> (Chairman/CEO) Joined April 1, 2023			Wolfgang Nickl (Finance) Joined April 26, 2018		
	2024 (€ thousand)	2024 (%)	2023 (€ thousand)	2024 (€ thousand)	2024 (%)	2023 (€ thousand)
Base compensation	2,250	46.7	1,688	975	46.3	900
Fringe benefits	67	1.4	3,985	159	7.5	156
Pension installment	900	18.7	675	-	-	-
<b>Short-term variable cash compensation</b>						
STI 2023	-	-	144	-	-	77
STI 2024	1,602	33.2	-	705	33.5	-
<b>Long-term stock-based cash compensation</b>						
Aspire 3.0 2020 (Jan. 1, 2020 – Dec. 31, 2023)	-	-	-	-	-	157
Aspire 3.0 2021 (Jan. 1, 2021 – Dec. 31, 2024)	-	-	-	267	12.7	-
<b>Total compensation awarded and due</b>	<b>4,819</b>	<b>100.0</b>	<b>6,492</b>	<b>2,106</b>	<b>100.0</b>	<b>1,290</b>
Service cost/benefit expense (IFRS)	-	-	-	118	-	116
<b>Total compensation</b>	<b>4,819</b>		<b>6,492</b>	<b>2,224</b>		<b>1,406</b>

C 1.4/5

**Compensation Awarded and Due (Part II)**

Serving members of the Board of Management as of December 31, 2024

	Stefan Oelrich (Pharmaceuticals) Joined Nov. 1, 2018			Heike Prinz <sup>2</sup> (Labor Director) Joined Sept. 1, 2023		
	2024 (€ thousand)	2024 (%)	2023 (€ thousand)	2024 (€ thousand)	2024 (%)	2023 (€ thousand)
Base compensation	975	45.1	930	975	45.7	300
Fringe benefits	198	9.1	54	46	2.2	39
Pension installment	-	-	-	390	18.3	120
<b>Short-term variable cash compensation</b>						
STI 2023	-	-	103	-	-	23
STI 2024	705	32.6	-	705	33.0	-
<b>Long-term stock-based cash compensation<sup>3</sup></b>						
Aspire 3.0 2020 (Jan. 1, 2020 – Dec. 31, 2023)	-	-	167	-	-	68
Aspire 3.0 2021 (Jan. 1, 2021 – Dec. 31, 2024)	285	13.2	-	18	0.8	-
<b>Total compensation awarded and due</b>	<b>2,163</b>	<b>100.0</b>	<b>1,254</b>	<b>2,134</b>	<b>100.0</b>	<b>550</b>
Service cost/benefit expense (IFRS)	131	-	125	-	-	-
<b>Total compensation</b>	<b>2,294</b>		<b>1,379</b>	<b>2,134</b>		<b>550</b>

C 1.4/6

**Compensation Awarded and Due (Part III)**

Serving members of the Board of Management as of December 31, 2024

	Rodrigo Santos (Crop Science) Joined Jan. 1, 2022			Julio Triana <sup>4</sup> (Consumer Health) Joined April 1, 2024		
	2024 (€ thousand)	2024 (%)	2023 (€ thousand)	2024 (€ thousand)	2024 (%)	2023 (€ thousand)
Base compensation	975	47.4	930	743	50.7	–
Fringe benefits	26	1.3	26	131	8.9	–
Pension installment	390	19.0	372	89	6.1	–
<b>Short-term variable cash compensation</b>						
STI 2023	–	–	–	–	–	–
STI 2024	641	31.2	–	481	32.8	–
<b>Long-term stock-based cash compensation<sup>3</sup></b>						
Aspire 3.0 2020 (Jan. 1, 2020 – Dec. 31, 2023)	–	–	68	–	–	–
Aspire 3.0 2021 (Jan. 1, 2021 – Dec. 31, 2024)	23	1.1	–	22	1.5	–
<b>Total compensation awarded and due</b>	<b>2,055</b>	<b>100.0</b>	<b>1,396</b>	<b>1,466</b>	<b>100.0</b>	<b>–</b>
Service cost/benefit expense (IFRS)	–	–	–	215	–	–
<b>Total compensation</b>	<b>2,055</b>		<b>1,396</b>	<b>1,681</b>		<b>–</b>

<sup>1</sup> Bill Anderson's fringe benefits for 2023 included a one-time partial indemnity payment of €3.8 million for compensation entitlements forfeited at his previous employer, customary fringe benefits and expenditures for relocation and accommodation expenses of up to €200 thousand provisionally covered by the company.

<sup>2</sup> Heike Prinz' fringe benefits for 2023 included a one-time relocation assistance payment of €25 thousand.

<sup>3</sup> The LTI tranches granted to Heike Prinz, Rodrigo Santos and Julio Triana prior to their appointment to the Board of Management are included in awarded compensation.

<sup>4</sup> Julio Triana's fringe benefits include relocation assistance costs of €111 thousand.

C 1.4/7

**Compensation Awarded and Due (Part IV)**

Board of Management members who stepped down in 2024

	Heiko Schipper (Consumer Health) Stepped down: April 30, 2024	
	2024 (€ thousand)	2023 (€ thousand)
Base compensation	310	900
Fringe benefits	10	91
Pension installment	–	–
<b>Short-term variable cash compensation</b>		
STI 2023	–	301
STI 2024	201	–
<b>Long-term stock-based cash compensation</b>		
Aspire 3.0 2020 (Jan. 1, 2020 – Dec. 31, 2023)	–	157
Aspire 3.0 2021 (Jan. 1, 2021 – Dec. 31, 2024)	–	–
<b>Total compensation awarded and due</b>	<b>521</b>	<b>1,449</b>
Service cost/benefit expense (IFRS)	65	144
<b>Total compensation</b>	<b>586</b>	<b>1,593</b>

### 1.4.3 Compensation awarded and due to former Board of Management members

Werner Baumann and Sarena Lin stepped down from the Board of Management of Bayer AG by mutual agreement effective May 31, 2023, and August 31, 2023, respectively. In line with the Board of Management compensation system, standard market practice and the recommendations of the German Corporate Governance Code (especially G. 13), Werner Baumann and Sarena Lin were granted compensation for the remaining terms of their service contracts, as well as an indemnity payment due to their post-contractual noncompete agreements. The LTI entitlements already granted to them in the past are not paid out until the end of the respective four-year performance period. The payouts are based on the originally agreed conditions, and are not brought forward. As the work duties required for earning the LTI tranches were already performed in full in 2023, the LTI tranches already needed to be presented as awarded compensation in 2023 according to Section 162 of the German Stock Corporation Act (AktG).

C 1.4/8

#### Compensation Awarded and Due to Former Board of Management Members (Part I)

	Sarena Lin Stepped down: Aug. 31, 2023		Werner Baumann <sup>1</sup> Stepped down: May 31, 2023		Liam Condon Stepped down: Dec. 31, 2021	
	2024 (€ thou- sand)	2024 (%)	2024 (€ thou- sand)	2024 (%)	2024 (€ thou- sand)	2024 (%)
Long-term stock-based cash compensation <sup>2</sup>	-	-	-	-	(383)	100.0
Pension payments	-	-	-	-	-	-
Other compensation <sup>3</sup>	825	100.0	2,086	100.0	-	-
<b>Total compensation awarded and due</b>	<b>825</b>	<b>100.0</b>	<b>2,086</b>	<b>100.0</b>	<b>(383)</b>	<b>100.0</b>

C 1.4/9

#### Compensation Awarded and Due to Former Board of Management Members (Part II)

	Dr. Hartmut Klusik <sup>4</sup> Stepped down: Dec. 31, 2019		Kemal Malik Stepped down: Dec. 31, 2019		Johannes Dietsch <sup>4</sup> Stepped down: May 31, 2018	
	2024 (€ thou- sand)	2024 (%)	2024 (€ thou- sand)	2024 (%)	2024 (€ thou- sand)	2024 (%)
Long-term stock-based cash compensation <sup>2</sup>	-	-	(1,033)	100.0	-	-
Pension payments	79	100.0	-	-	203	100.0
Other compensation	-	-	-	-	-	-
<b>Total compensation awarded and due</b>	<b>79</b>	<b>100.0</b>	<b>(1,033)</b>	<b>100.0</b>	<b>203</b>	<b>100.0</b>

C 1.4/10

#### Compensation Awarded and Due to Former Board of Management Members (Part III)

	Dr. Marijn Dekkers Stepped down: April 30, 2016		Prof. Dr. Wolfgang Plischke <sup>4</sup> Stepped down: April 29, 2014	
	2024 (€ thou- sand)	2024 (%)	2024 (€ thou- sand)	2024 (%)
Long-term stock-based cash compensation	-	-	-	-
Pension payments	769	100.0	518	100.0
Other compensation	-	-	-	-
<b>Total compensation awarded and due</b>	<b>769</b>	<b>100.0</b>	<b>518</b>	<b>100.0</b>

<sup>1</sup> Under his termination agreement in 2023, Werner Baumann was granted the option of receiving his pension entitlements from Bayer AG or its subsidiaries as a one-time payment (excluding the entitlements existing with the Bayer-Pensionskasse pension fund). If he exercises this option, which is available until December 31, 2027, the pension entitlements will be settled with a one-time payment in the amount of the provisions established according to IFRS.

<sup>2</sup> The figure shown here is the difference between the fair value of the long-term stock-based cash compensation that was originally reported in the respective Compensation Report when the member stepped down from the Board of Management, and the actual payout amount in the year in which payment is made.

<sup>3</sup> "Other compensation" includes indemnity payments €825 thousand for Sarena Lin and €1,183 thousand for Werner Baumann, as well as an amount of €891 thousand for Werner Baumann relating to the prorated allocation of the 2024 Aspire tranche he was granted.

<sup>4</sup> Includes pension payments from Bayer-Pensionskasse VVaG

## 2. Compensation of the Supervisory Board

The Supervisory Board is compensated based on the relevant provisions of the Articles of Incorporation, which were last amended by the resolution adopted at the Annual Stockholders' Meeting on April 27, 2021. This system's four-year term is ending in 2025 and is being proposed for re-approval by shareholders at the 2025 Annual Stockholders' Meeting, with no changes proposed from the prior system.

### 2.1 Principles applied for Supervisory Board compensation

A company's Supervisory Board is tasked with advising and supervising the Board of Management, which directs the company and its business on its own responsibility. Pursuant to Section 113, Paragraph 1, Sentence 3 of the German Stock Corporation Act (AktG), the compensation of Supervisory Board members should bear a reasonable relation to their tasks and the company's situation. In setting Supervisory Board compensation, consideration should be given to the demands of the office of the Supervisory Board member, the time involved and the responsibility borne by the Supervisory Board members for the company. Appropriate Supervisory Board compensation ensures that a company will remain able to attract outstandingly qualified domestic and international candidates as Supervisory Board members. Supervisory Board compensation thus contributes sustainably to advancing a company's business strategy and to its long-term development.

### 2.2 Design of Supervisory Board compensation

The members of the Supervisory Board receive fixed annual compensation and additional compensation for chairing and membership of Supervisory Board committees, plus reimbursement of their expenses. In accordance with the recommendations of the German Corporate Governance Code, additional compensation is paid to the Chairman and Vice Chairwoman of the Supervisory Board, and for chairing and membership of committees. In addition, Supervisory Board members receive an attendance fee each time they take part in a meeting of the Supervisory Board or of a committee.

C 2.2/1

#### Design of Supervisory Board Compensation

Compensation element	
Fixed compensation	<ul style="list-style-type: none"> <li>// Chairperson: €480,000</li> <li>// Vice Chairperson: €320,000</li> <li>// Ordinary member: €160,000</li> </ul>
Compensation for committee duties	<ul style="list-style-type: none"> <li>// Chairperson and Vice Chairperson of the Supervisory Board do not receive any additional compensation for membership or chairing of committees</li> <li>// Compensation for committee duties is paid for a maximum of three committees (highest-paying functions taken into account).</li> </ul>
Audit Committee	<ul style="list-style-type: none"> <li>// Chairperson: €120,000</li> <li>// Member: €60,000</li> </ul>
Presidial Committee	<ul style="list-style-type: none"> <li>// Chairperson: €40,000</li> <li>// Member: €20,000</li> </ul>
Nomination Committee	<ul style="list-style-type: none"> <li>// Chairperson: €40,000</li> <li>// Member: €20,000</li> </ul>
Other committees	<ul style="list-style-type: none"> <li>// Chairperson: €60,000</li> <li>// Member: €30,000</li> </ul>
Attendance fees	<ul style="list-style-type: none"> <li>// €1,500 (for each meeting attended in person, by phone or virtually)<sup>1</sup></li> </ul>

<sup>1</sup> If multiple meetings are held on one day, only one attendance fee is paid.

The members of the Supervisory Board have given a voluntary pledge that, in the first five years of their Supervisory Board membership, they will each purchase Bayer shares to the value of 25% of their pretax fixed compensation, including any additional compensation for committee duties, and hold these shares for as long as they remain members. This does not apply to members who, under a service or employment contract, are prevented from purchasing shares, or who transfer at least 85% of their fixed annual compensation and additional compensation to the Hans Böckler Foundation in accordance with the rules of the German Trade Union Confederation, or whose service or employment contract requires them to transfer such compensation to their employer. If less than 85% of the fixed compensation is transferred, the voluntary pledge applies to the portion not transferred. By voluntarily pledging to invest in and hold Bayer shares, the Supervisory Board members reinforce their interest in the company's long-term success. The tables below show the components of the compensation awarded and due to each Supervisory Board member as well as the relative shares of the respective components in overall compensation. Awarded compensation encompasses compensation for services that have been fully rendered once the fiscal year ends.

## 2.3 Compensation awarded and due

C 2.3/1

### Compensation Awarded and Due (Part I)

	Fixed compensation			Compensation for committee duties		
	2024		2023	2024		2023
	€ thousand	%	€ thousand	€ thousand	%	€ thousand
<b>Serving Supervisory Board members as of Dec. 31, 2024</b>						
Dr. Paul Achleitner	160	69.3	160	50	21.6	50
Horst Baier	160	48.4	160	150	45.3	150
André van Broich	160	59.0	160	90	33.2	90
Ertharin Cousin	160	64.5	160	73	29.4	90
Yasmin Fahimi	160	79.2	160	30	14.9	30
Dr. Barbara Gansewendt	160	63.5	160	71	28.2	60
Colleen A. Goggins	160	70.5	160	50	22.0	50
Francesco Grioli	160	82.5	160	20	10.3	20
Heike Hausfeld (Vice Chairwoman)	320	92.2	320	–	0.0	–
Frank Löllgen	160	59.7	160	90	33.6	90
Marianne Maehl <sup>1</sup>	53	91.4	–	–	0.0	–
Kimberly Mathisen	160	79.6	160	27	13.4	–
Andrea Sacher	160	66.7	160	60	25.0	60
Claudia Schade	160	88.4	160	10	5.5	–
Lori Schechter <sup>2</sup>	109	58.0	–	67	35.6	–
Dr. Nancy Simonian <sup>2</sup>	109	82.0	–	16	12.0	–
Jeffrey Ubben <sup>2</sup>	109	63.8	–	50	29.2	–
Alberto Weisser	160	67.8	160	58	24.6	80
Michael Westmeier	160	76.9	160	33	15.9	–
Prof. Dr. Norbert Winkeljohann (Chairman)	480	94.1	480	–	0.0	–
<b>Supervisory Board members who stepped down in 2023 and 2024</b>						
Dr. Simone Bagel-Trah <sup>3</sup>	51	68.0	160	16	21.3	50
Dr. Norbert W. Bischofberger <sup>3</sup>	51	76.1	160	10	14.9	30
Heinz Georg Webers <sup>4</sup>	107	78.7	160	20	14.7	30
Prof. Dr. Otmar D. Wiestler <sup>3</sup>	51	67.1	160	19	25.0	60

C 2.3/2

**Compensation Awarded and Due (Part II)**

	Attendance fees		Total compensation	
	2024	2023	2024	2023
<b>Serving Supervisory Board members as of Dec. 31, 2024</b>	€ thousand	%	€ thousand	€ thousand
Dr. Paul Achleitner	21	9.1	15	225
Horst Baier	21	6.3	23	333
André van Broich	21	7.8	21	271
Ertharin Cousin	15	6.1	20	270
Yasmin Fahimi	12	5.9	12	202
Dr. Barbara Gansewendt	21	8.3	21	241
Colleen A. Goggins	17	7.5	15	225
Francesco Grioli	14	7.2	12	192
Heike Hausfeld (Vice Chairwoman)	27	7.8	26	346
Frank Löllgen	18	6.7	18	268
Marianne Maehl <sup>1</sup>	5	8.6	–	–
Kimberly Mathisen	14	7.0	9	169
Andrea Sacher	20	8.3	18	238
Claudia Schade	11	6.1	12	172
Lori Schechter <sup>2</sup>	12	6.4	–	–
Dr. Nancy Simonian <sup>2</sup>	8	6.0	–	–
Jeffrey Ubben <sup>2</sup>	12	7.0	–	–
Alberto Weisser	18	7.6	24	264
Michael Westmeier	15	7.2	12	172
Prof. Dr. Norbert Winkeljohann (Chairman)	30	5.9	29	509
<b>Supervisory Board members who stepped down in 2023 and 2024</b>				
Dr. Simone Bagel-Trah <sup>3</sup>	8	10.7	17	227
Dr. Norbert W. Bischofberger <sup>3</sup>	6	9.0	17	207
Heinz Georg Webers <sup>4</sup>	9	6.6	15	205
Prof. Dr. Ottmar D. Wiestler <sup>3</sup>	6	7.9	17	237

The individual figures in the table are rounded. Without rounding, fixed compensation totaled €3,681 thousand, compensation for committee duties totaled €1,012 thousand, attendance fees totaled €357 thousand, and total compensation amounted to €5,050 thousand overall.

<sup>1</sup> Member of the Supervisory Board since September 1, 2024

<sup>2</sup> Member of the Supervisory Board since April 26, 2024

<sup>3</sup> Member of the Supervisory Board until April 26, 2024

<sup>4</sup> Member of the Supervisory Board until August 31, 2024

No compensation was paid or benefits granted to members of the Supervisory Board for personally performed services such as consultancy or agency services. The company has purchased insurance for the members of the Supervisory Board to cover their personal liability arising from their service on the Supervisory Board.

### 3. Development of Financial Performance and Annual Change in Compensation – Comparative Overview

The table below provides an overview of the development of the compensation awarded and due to current and former members of the Board of Management and Supervisory Board, the development of the average compensation of the employees, and the development of selected financial performance indicators of the Bayer Group and Bayer AG over the past five years.

The former members of the Board of Management shown below include all members who stepped down in the last 10 years, while the Supervisory Board members include all members to whom compensation was awarded or due for 2024.

The compensation shown below for the employees, nonmanagerial employees and overall workforce in Germany includes the employees of Bayer AG, Leverkusen, Bayer Intellectual Property GmbH, Monheim am Rhein, and Pallas Versicherung Aktiengesellschaft, Leverkusen. The employees of Bayer Business Services (BBS) GmbH, Leverkusen, are accounted for within Bayer AG, Leverkusen.

C 3/1

#### Development of Compensation and Financial Performance – Comparative Overview

€ thousand	2020	2021	2022	2023	2024
<b>Serving Board of Management members in 2024</b>					
Bill Anderson (Chairman/CEO)	–	–	–	6,492	4,819
Wolfgang Nickl	1,315	2,996	2,908	1,290	2,106
Stefan Oelrich	2,129	3,644	2,584	1,254	2,163
Heike Prinz	–	–	–	550	2,134
Rodrigo Santos	–	–	2,836	1,396	2,055
Heiko Schipper (until April 30, 2024)	2,141	3,173	2,813	1,449	521
Julio Triana (from April 1, 2024)	–	–	–	–	1,466
<b>Former Board of Management members</b>					
Werner Baumann <sup>2</sup>	3,978	5,702	5,440	7,637	2,086
Liam Condon <sup>1, 2</sup>	2,104	8,249	–	155	(383)
Dr. Marijn Dekkers <sup>1</sup>	(742)	650	664	716	769
Johannes Dietsch <sup>1</sup>	(147)	(345)	12	120	203
Dr. Hartmut Klusik <sup>1</sup>	72	(292)	(136)	(625)	79
Michael König <sup>1</sup>	(232)	–	–	–	–
Sarena Lin <sup>2</sup>	–	3,709	3,259	5,501	825
Kemal Malik <sup>1</sup>	–	(363)	(223)	(711)	(1,033)
Erica Mann <sup>1</sup>	(49)	(282)	(131)	–	–
Prof. Dr. Wolfgang Plischke	436	439	448	484	518
Dieter Weinand <sup>1</sup>	(52)	(450)	(234)	–	–
<b>Serving Supervisory Board members in 2024</b>					
Dr. Paul Achleitner	199	237	242	225	231
Dr. Simone Bagel-Trah (until April 26, 2024)	133	174	224	227	75
Horst Baier	201	322	307	333	331
Dr. Norbert W. Bischofberger (until April 26, 2024)	166	192	210	207	67
André van Broich	200	247	274	271	271
Ertharin Cousin	133	182	274	270	248
Yasmin Fahimi	–	–	35	202	202
Dr. Barbara Gansewendt	–	–	165	241	252
Colleen A. Goggins	165	208	236	225	227
Francesco Grioli	–	–	132	192	194
Heike Hausfeld (Vice Chairwoman)	167	191	310	346	347

C 3/1 (continued)

**Development of Compensation and Financial Performance – Comparative Overview**

€ thousand	2020	2021	2022	2023	2024
<b>Serving Supervisory Board members in 2024</b>					
Frank Löllgen	200	246	271	268	268
Marianne Maehl (from Sept. 1, 2024)	–	–	–	–	58
Kimberly Mathisen	–	–	59	169	201
Andrea Sacher	41	160	234	238	240
Claudia Schade	–	–	119	172	181
Lori Schechter (from April 26, 2024)	–	–	–	–	188
Dr. Nancy Simonian (from April 26, 2024)	–	–	–	–	133
Jeffrey Ubben (from April 26, 2024)	–	–	–	–	171
Heinz Georg Webers (until Aug. 31, 2024)	–	–	141	205	136
Alberto Weisser	–	164	256	264	236
Michael Westmeier	–	–	119	172	208
Prof. Dr. Otmar D. Wiestler (until April 26, 2024)	166	213	240	237	76
Prof. Dr. Norbert Winkeljohann (Chairman)	367	473	510	509	510
<b>Employees</b>					
Average compensation for employees <sup>3</sup>	106	104	122	123	110
<b>Financial performance</b>					
EBITDA before special items (€ million) (Bayer Group) <sup>4</sup>	11,461	11,179	13,513	11,706	10,123
Core earnings per share (€) <sup>5</sup>	6.39	6.51	7.94	6.39	5.05
Net income/loss (Bayer AG)	(2,547)	4,110	4,764	5,150	7,328

<sup>1</sup> There is always a difference between the compensation awarded in previous years (due to a Board of Management member having fully performed their work duties up until their departure) and the actual payout effected years later under an LTI program. If the actual payout is lower than the awarded compensation shown for the previous years, it results in a negative amount being presented. If the payout is higher than the awarded compensation originally shown, it results in a positive amount being presented. Since the payout is only ever effected in the year after the four-year performance period ends, the above difference is not shown as awarded until the year of the payout in the case of departed Board of Management members. For serving Board of Management members, however, this takes place in the fourth year of the performance period. As such, pursuant to Section 162 of the German Stock Corporation Act (AktG), no awarded compensation is usually shown for former Board of Management members in the year after they step down.

<sup>2</sup> During the last year of service on the Board of Management, various agreements may potentially be reached under the respective termination agreements with respect to severance payments to cover compensation components already granted as well as indemnity payments. The severance payments comprise, for example, base compensation, STI and LTI and pension entitlements granted to them under their original Board of Management contract until its termination.

<sup>3</sup> For technical reasons, the average compensation paid to employees is presented on an FTE basis, while Board of Management compensation is not. The average compensation of managerial and nonmanagerial employees comprises base compensation (for nonmanagerial employees under collective bargaining agreements: annual salary plus any shift bonuses and allowances depending on the position; for other employee groups: annual functional income), the annual bonus paid out in the fiscal year (short-term incentive (STI) payout based on actual target attainment in prior year), and the four-year stock-based compensation paid out in the fiscal year (where the respective employee groups are eligible to participate). For nonmanagerial employees, the 13<sup>th</sup> monthly salary and the contractually agreed vacation bonus were taken into account. Fringe benefits taken into account comprised employer contributions to social insurance and, for eligible employee groups, the budget provided for a company car. Expenditures for other fringe benefits (such as home security equipment or indemnity payments for lapsed variable compensation components granted by former employers) were not taken into account due to their irregular nature.

<sup>4</sup> 2020–2023 as originally reported, forming basis for compensation

<sup>5</sup> Core earnings per share from continuing operations, 2020–2023 as originally reported, forming basis for compensation



Leverkusen, February 25, 2025

Bayer Aktiengesellschaft

For the Board of Management:

Bill Anderson

Heike Prinz

Wolfgang Nickl

For the Supervisory Board:

Prof. Dr. Norbert Winkeljohann

# Report of the Independent Auditor

To Bayer Aktiengesellschaft, Leverkusen/Germany

We have audited the accompanying compensation report of Bayer Aktiengesellschaft, Leverkusen/Germany, (“the Company”) for the financial year from January 1 to December 31, 2024, including the related disclosures, which has been prepared to comply with Section 162 German Stock Corporation Act (AktG). We have not audited the content of the foreword by the chairman of the supervisory board, which goes beyond the scope of Section 162 AktG, nor the section “Overview of Compensation in 2024.”

## **Responsibilities of the Executive Directors and of the Supervisory Board**

The executive directors and the supervisory board of Bayer Aktiengesellschaft, Leverkusen/Germany, are responsible for the preparation of the compensation report, including the related disclosures, that complies with the requirements of Section 162 AktG. The executive directors and the supervisory board are also responsible for such internal control as they consider necessary to enable the preparation of a compensation report, including the related disclosures, that is free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

## **Auditor’s Responsibilities**

Our responsibility is to express an opinion on this compensation report, including the related disclosures, based on our audit. We conducted our audit in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). These standards require that we fulfill the professional responsibilities and that we plan and perform the audit so that we obtain reasonable assurance as to whether the compensation report, including the related disclosures, is free from material misstatement.

An audit involves performing audit procedures in order to obtain audit evidence for the amounts stated in the compensation report, including the related disclosures. The choice of the audit procedures is subject to the auditor’s professional judgment. This includes assessing the risk of material misstatement, whether due to fraud or error, in the compensation report, including the related disclosures. In assessing this risk, the auditor considers the system of internal control, which is relevant to preparing the compensation report, including the related disclosures. Our objective is to plan and perform audit procedures that are appropriate in the circumstances, but not to express an audit opinion on the effectiveness of the Company’s system of internal control. An audit also comprises an evaluation of the accounting policies used, the reasonableness of the accounting estimates made by the executive directors and the supervisory board, as well as an evaluation of the overall presentation of the compensation report, including the related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Audit Opinion**

In our opinion, on the basis of the knowledge obtained in the audit, the compensation report for the financial year from January 1 to December 31, 2024, including the related disclosures, complies, in all material respects, with the accounting principles of Section 162 AktG. Our audit opinion on the compensation report does not cover the content of the above-mentioned foreword by the chairman of the supervisory board, which goes beyond the scope of Section 162 AktG, nor the section “Overview of Compensation in 2024.”

### **Other Matter – Formal Audit of the Compensation Report**

The audit of the content of the compensation report described in this report comprises the formal audit of the compensation report required under Section 162 (3) AktG, including the issuance of a report on this audit. Since our audit opinion on the audit of the content of the compensation report is unmodified, this audit opinion includes that the disclosures required under Section 162 (1) and (2) AktG are contained, in all material respects, in the compensation report.

### **Other Information**

The supervisory board is responsible for the other information. The other information comprises the foreword by the chairman of the supervisory board on the compensation report and the section “Overview of Compensation in 2024.”

Our audit opinion on the compensation report does not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the compensation report or our knowledge obtained in the audit of the compensation report, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Intended Use of the Report**

We issue this report as stipulated in the engagement letter agreed with the Company. The audit has been performed for the purposes of the Company and the report is solely intended to inform the Company about the result of the audit.

### **Liability**

The report is not intended to be used by third parties as a basis for any (asset) decision. We are liable solely to Bayer Aktiengesellschaft, Leverkusen/Germany, and our liability is also governed by the engagement letter dated December 11 and 12, 2024 agreed with the Company as well as the “General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)” promulgated by the Institut der Wirtschaftsprüfer (IDW) in the version dated January 1, 2024 (IDW-AAB). We do not accept or assume liability to third parties.

Munich/Germany, February 25, 2025

### **Deloitte GmbH**

Wirtschaftsprüfungsgesellschaft

Signed:  
Andreas Wermelt  
Wirtschaftsprüfer  
(German Public Auditor)

Signed:  
Silvia Geberth  
Wirtschaftsprüferin  
(German Public Auditor)



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