



Winning in Consumer Health



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Cautionary Statements Regarding Forward-Looking Information

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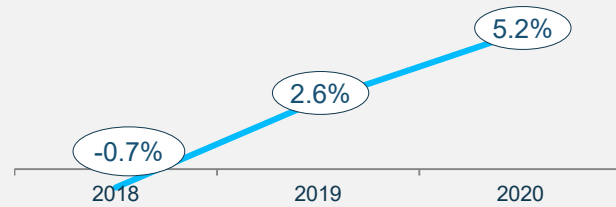


Consumer Health: A Leading Global OTC Player

FINANCIALS

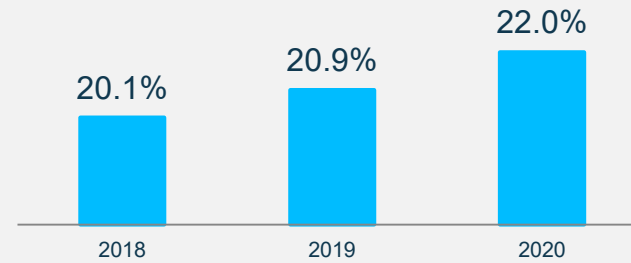
Sales development

In €m / % yoy cpa



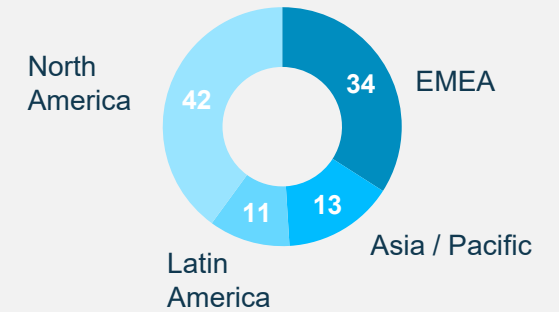
EBITDA margin development

In %, before special items



Sales by region

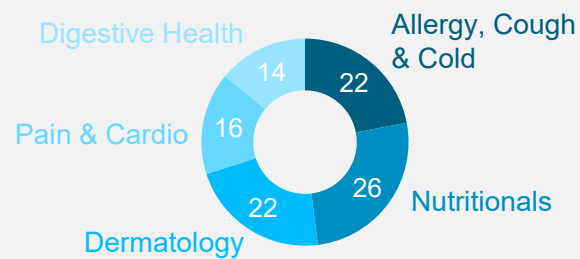
In %, in 2020



PRODUCTS

Categories

In %, based on sales 2020



Market positions¹



Key products



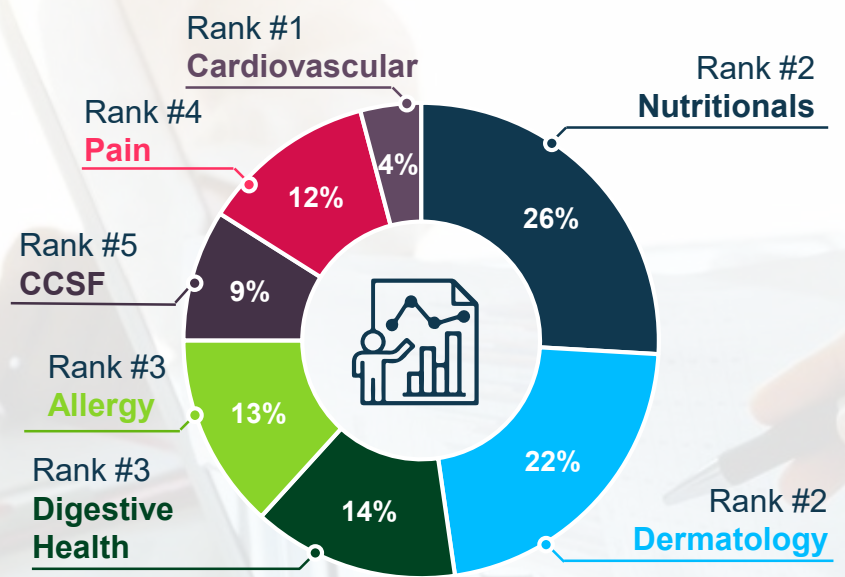
¹ Nicholas Hall & Company DB6 October 2020



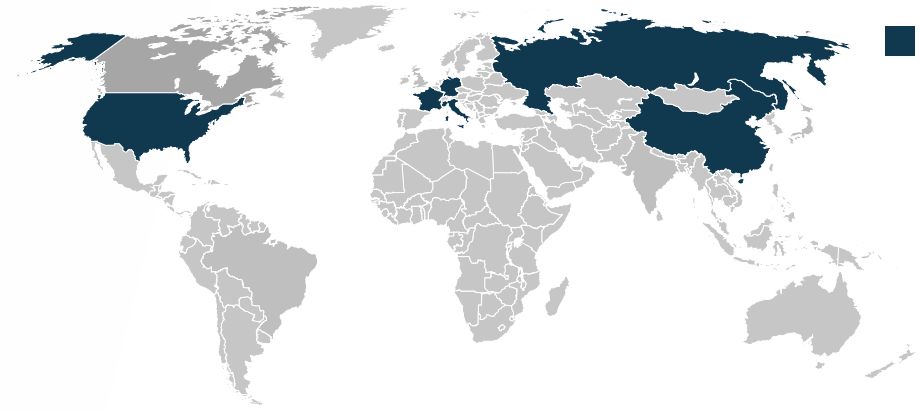
A Leading Global Consumer Health Player



3 OTC Player



Strong positions in 7 out of Top 10 OTC markets



CCSF = Cough, Cold, Sore Throat, Flu; Portfolio and ranking values are YTD 2020; Market position and OTC market values are 2019 Oct to 2020 Sep
Source: Nicholas Hall & Company DB6.



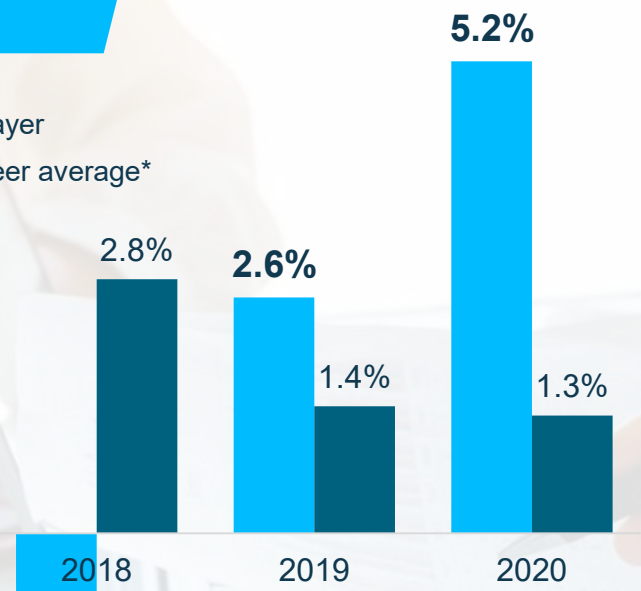
We Have Successfully Moved From Underperformer to Outperformer



Net Sales Growth

% cpa

■ Bayer
■ Peer average*



-0.7%

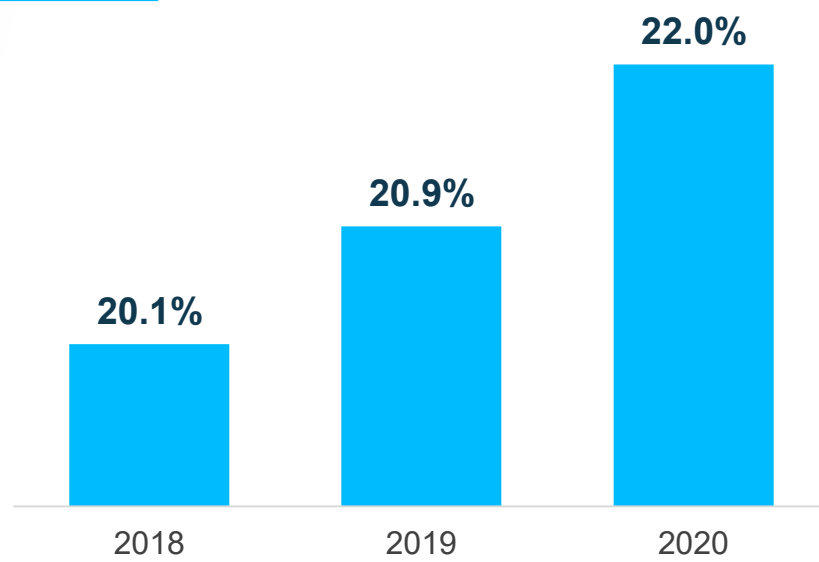


* peer growth w/o Bayer

EBITDA margin (before special items)



% of Net Sales





Actively Manage a Winning Portfolio in an Attractive Market

Six key growth drivers shaping the industry mid-term

2-4%
annual market
growth¹



- Consumer focus on preventive care** (Image: A woman smiling with a child)
- Trusted, science-based brands** (Image: A scientist in a lab with test tubes)
- Broad-based growth in all geographies** (Image: A hand pointing at a world map on a screen)
- Digital opportunities across the value chain** (Image: A person using a tablet)
- Growth across trade formats, esp. e-Commerce** (Image: A woman looking at a laptop)
- Continued pressure on public health systems** (Image: Two people in a meeting looking at a tablet)

¹ Source: Market model in-market sales OTC medicines, data from IQVIA, Nicholas Hall



Our Game Plan

AMBITION

Grow ahead of the market and increase margins

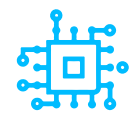


WHERE TO PLAY

Winning Portfolio



HOW TO WIN



Driving growth focused Innovation



Modernizing Marketing & Sales



Optimizing Costs & Cash

OUR ACCELERATORS

Digital Transformation



Sustainability





Driving Disproportionate Growth in Attractive Segments and Markets



Innovate and invest in attractive demand spaces



care/of

Personalized nutrition

Backed by science

Digital business model



Accelerate growth in fast-growing and profitable markets



USA



CHINA



India



South-East Asia





Accelerating Growth From Innovation

A science-based Skin Care Brand that restores People's Skin Confidence from the Inside Out

Bepanthen®



1943

CREATION & LAUNCH



DAILY CARE
DRY & SENSITIVE SKIN

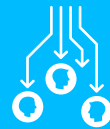


Modernizing Our Brand Building and Sales Capabilities

Brands with Purpose



From Mass to Precision Marketing



% Precision marketing¹

25%

2018

50%

2020

80%

2024 - Ambition

Accelerating E-commerce



% Net Sales²

3%

2018

7%

2020

15%+

2024 - Ambition

¹ Percentage of digital media which is data-driven precision marketing

² Percentage of net sales which is through e-commerce channels



Continuing to Optimize Costs and Cash



Gross Margin

- Net Price Realization
- Production cost efficiencies



SG&A

- Agile Organization
- Efficiency Programs



Cashflow

- Efficiencies in Order-to-Cash
- Capital Expenditures



Digital Transformation of our Business, People and Systems

DIGITIZE OUR BUSINESS...



...INVEST IN OUR PEOPLE,
TECHNOLOGY AND DATA



80%

Of media spend on data-driven precision marketing

100%

Employees digital ready & strategic capabilities insourced

90%

Reduction in cost & time for product studies

>€50m

Savings from investments in supply chain digitization



Taking Bold Steps on Sustainability

2030 Goal Expand access to everyday health for 100 million underserved consumers

 **Societal**  **Environmental**

Health Literacy → Accessible Products → Carbon Neutral Production → Sustainable Products





Sustainable Profitable Growth

Sales / Sales Growth

	act	At constant currencies ¹	At month-end Dec' 20 rates ²	
	2020	2021e	2021e	2022-'24e
Consumer Health	€5.1bn	2 to 3%	~€5bn	3 to 5%

EBITDA Margin (before special items)

	2020	2021e	2021e	2024e
Consumer Health	22.0%	22 - 23%	22 - 23%	Mid-20's

Divisional Drivers


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

cpa: currency and portfolio adjusted

¹ Reflects our 2021 plan at the average actual currencies for 2020 ² Currency assumptions based on month-end December spot rates (1 EUR=) 1.23 USD, 6.37 BRL, 7.98 CNY, 126 JPY, 24.4 MXN, 91.5 RUB




A Leadership Team With Proven Track Record



Heiko Schipper
President, Consumer Health



Patrick Lockwood-Taylor
Commercial Operations NA



Stefan Meyer
Commercial Operations EMEA



Lance Yuen
Commercial Operations APAC



Arturo Sanchez
Commercial Operations LATAM



Patricia Corsi
Strategic Marketing & Digital



Oliver Rittgen
Finance



Abbie Lennox
Regulatory, Medical, Safety & Compliance



David Evendon-Challis
Research & Development




John Koelink
Product Supply



Edwin Schenck
Human Resources



Jeremy Jessen
Legal



Thomas Barzan
Strategy



Key Takeaways

1

Moved from underperformer to outperformer in 18 months

2

Accelerating growth through innovation, digitization and portfolio choices

3

Driving margin and cashflow improvement

4

A winning Consumer Health Company, with a Leadership Team that executes well



Thank You!

