

////////// *Health for all, Hunger for none*



ESG UPDATE 2024

Sustainability as Business and Impact Driver



Cautionary Statements Regarding Forward-Looking Information

This presentation may contain forward-looking statements based on current assumptions and forecasts made by Bayer management.

Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer's public reports which are available on the Bayer website at

<http://www.bayer.com/>



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



Agenda



Key-note speech

1

Bill Anderson

Chief Executive Officer & Chief Sustainability Officer



Regenerative Agriculture

2

Frank Terhorst

Head of Strategy & Sustainability, Crop Science



Access to Self Care

3

Daniella Foster

Head of Public Affairs, Market Access & Sustainability, Consumer Health



Global Health Unit

4

Dr. Claus Runge

Head of Public Affairs, Sustainability & Internal Engagement, Pharmaceuticals



Introduction in new role

5

Dr. Chitkala Kalidas

Head of Environment, Social & Governance (ESG)



Climate Transition Plan

6

Matthias Berninger

Head of Public Affairs, Sustainability & Safety



Q&A

7

All Speakers & Attendees



Keynote speech

Bill Anderson



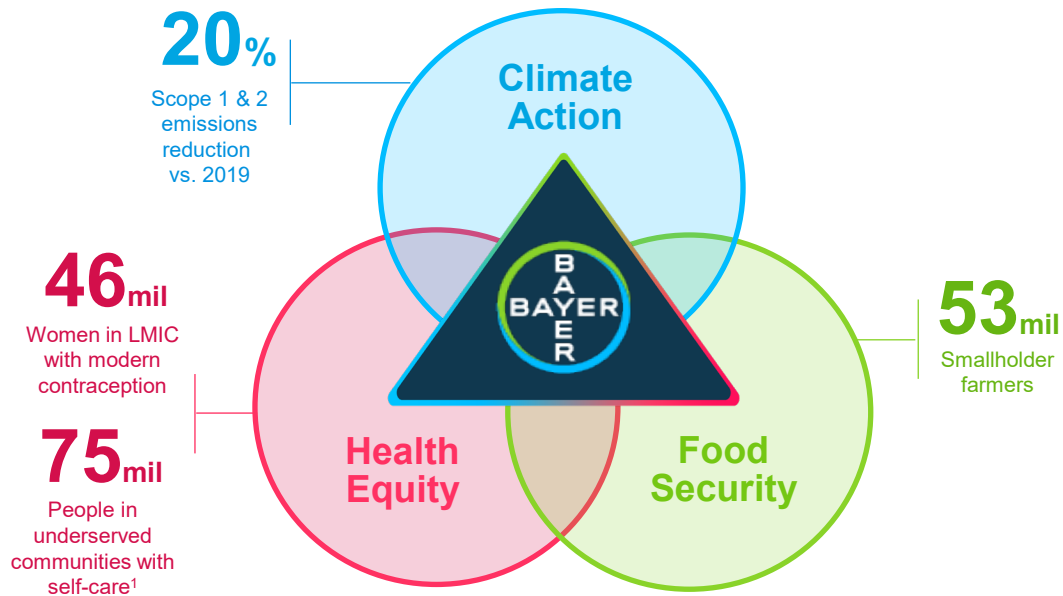
**Chief Executive Officer &
Chief Sustainability Officer**





Real impact towards an important mission

OUR AREAS of IMPACT (Full-Year 2023)



OUR MISSION and VISIONS



Health for All, Hunger for None.



*Produce 50% More.
Restore Nature.
Scale Regenerative Ag.*



*Treat the Untreatable.
Cure Disease.
Offer Hope.*



*Help Billions of People to
Live Healthier Lives with Most
Trusted Self-Care Solutions.*

For details on commitments, methodology and progress, please refer to [Bayer Sustainability Report](#)
¹Including our strategic investments in India



Regenerative Agriculture

Frank Terhorst



**Head of Strategy &
Sustainability,
Crop Science**





Our vision of regenerative agriculture

Our Vision aspires to address global challenges at scale

Produce **50% More.**



Required increase by 2050 to feed the world (FAO data)

Restore Nature.



To meet our 2030 sustainability commitments

Scale Regenerative Ag.



To expand our footprint to reach our 400M acre ambition by 2035

Sustainability Commitments¹

Status update 2023¹

30%

Reduction in GHG emissions per kg of crops produced

Baseline published. First reporting of progress will be published for 2024.

30%

Reduction in crop protection impact on the environment

12% reduction in collection period 2018-2022 against the 2014-2018 baseline.

25%

Improvement of water use per kg of rice produced

Starting in India; base year calculated, validation process still ongoing.

100m

Empower 100m smallholder farmers

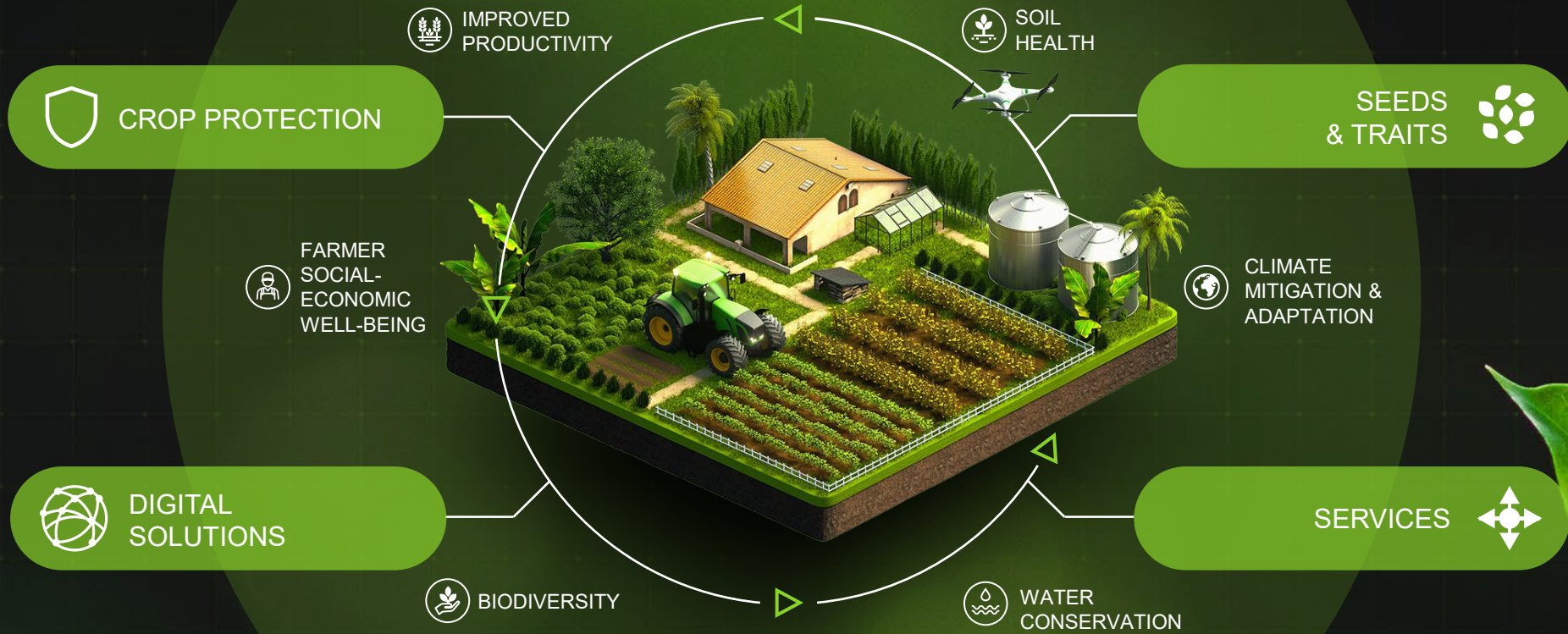
53m smallholder farmers reached against 42m in base year 2019.

FAO = Food and Agriculture Organization; GHG = Greenhouse Gas; ¹ For details on commitments, methodology and progress, please refer to [Bayer Sustainability Report](#)



Outcome-driven, multi-season, system approach

Bayer products support system solution approach to deliver Regenerative agriculture outcomes





Our business potential

Agriculture input market growing over two percent to meet demand

Potential to double our accessible market through investments in innovation in adjacent spaces



62% out of the of most committed companies in climate have disclosed commitments related to Regenerative Ag²

1 Company estimates 2 Based on market research encompassing 85 global leaders along the value chain renowned for their sustainability strategies and climate commitments



CS portfolio and innovation support Regenerative Ag outcomes and unlock new Market potential

Business examples showcase contribution to Regenerative Ag and growth potential

Core business enables Regen Ag outcomes and sustainability commitments



Direct-seeded rice (DSR)

Reduce water use (up to 40%) and GHG emissions (up to 45%) compared to traditional seeded rice. Goal to reach 1M hectares in India by 2030.



Preceon Smart Corn system

Unlock additional yield potential by optimizing crop inputs & protection against high winds.



CP Portfolio

Utilize advanced technologies and data-driven insights to optimize input use, generate science-based environmental impact reduction and support informed decision-making.



Leadership position through our pipeline

32bn Peak Sales Potential. 10 new blockbuster products in next decade each with >0.5bn € peak sales potential.

Crop Protection

Seed and Traits



>2%

expected annual growth rate in crop protection and seed & traits market

Investments in innovation in adjacent spaces enable CS to grow further within >200bn1 EUR accessible Market



Biofuels (CoverCress)

Climate-smart seed technology that acts as low-input winter oilseed cover crop; helps store carbon in soil and improve soil health.



Carbon (ForGround, ProCarbono)

Creation of new revenue stream for farmers; storing soil carbon and promoting healthier soils.



Precision Application

Collaboration with remote sensing start-up company Sentera for further environmental impact reductions (Aerial WeedScout).



Digital Platforms

AgPowered Services with Microsoft Azure Data to power regenerative agriculture systems (data-driven services).



Produce 50% More. Restore Nature. Scale Regenerative Ag.

1 Company estimates



Access to Self-care

Daniella Foster



**Head of Public Affairs,
Market Access &
Sustainability, Consumer
Health**





Reimagining our vision to serve Billions of people

Meeting consumers' everyday health needs with science-based solutions, while accelerating business growth at scale



Challenges

Overstretched *health systems*

50% of the world without access to basic health services

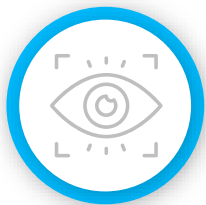
Climate Change biggest health threat



Opportunity

Self-care first and last line of care

Double OTC sales volume by 2030 in Emerging Markets



New Vision

Help **billions of people** to live healthier lives with the **most trusted self-care solutions**





Meeting the needs of underserved consumers

We focus on the priority everyday health needs in underserved communities, as expressed by consumers and informed by medical insights, to transform self-care solutions, consumer empowerment and ecosystems



PORTFOLIO ADAPTATION

Designed to meet underserved consumer and medical needs

ACCESSIBLE END-TO-END SOLUTIONS

Tailored education, accessible health tech, last-mile value chain

SELF-CARE POLICY

Advocate for accessible self-care ecosystems for all

12% Net Sales
From accessible portfolio FY'23¹

75M people² reached
in underserved communities FY'23³



1. Sales of accessible portfolio that underpins number of people in underserved communities reached in FY'23
2. Including our strategic investments in India
3. For details on commitments, methodology and progress, please refer to [Bayer Sustainability Report](#)



Bridging the Nutrient Gap for generations – India example



Bayer signature initiative to enable access to **essential vitamins and minerals** for 50M people in underserved communities annually by 2030 as One Bayer



In practice in India: Delivering 100% Nutrition, from food to supplementation

50% world's anemic people are in India

2.5% GDP lost to micronutrient deficiencies



Last-mile education

Modern agriculture to feed India

Accessible, affordable **essential supplementation**

Prenatal multivitamins advocacy



Saving Hearts and Lives with Aspirin

People in underserved communities and on the front line of climate change (heat, pollution) have much higher cardiac risks, while they cannot afford heavy treatments

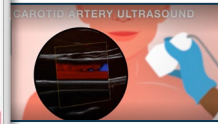
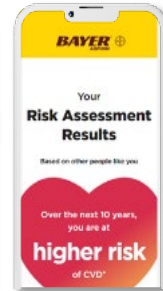


Lowering the barriers to entry to diagnose heart risks and access life-saving and affordable heart solutions



Women Heart
The National Coalition for Women with Heart Disease

H U M A



STEP 1



Tailored Education



STEP 2



Accessible Diagnosis Technology



STEP 3



Accessible, affordable solution

Collaboration with Ministry of Health, NGOs, Community Health Workers

Consumer empowerment through Tech solutions

Last-mile distribution, adapted formats



What's coming next: Charting the path to Health Equity for All

Leveraging our agile capabilities and mobilizing external partners

Serving the underserved with DSO



Radical focus on underserved consumer needs



Focused **portfolio** choices



Speed, Agility and **Scale**

Mobilizing ecosystem for Billions

Accelerating **tech for health**



Mobilizing the industry to enable **policy environment**



Enabling just transition in the face of **climate change**



Serving Billions Consumers





Global Health Unit

Dr. Claus Runge



**Head of Public Affairs,
Sustainability & Internal
Engagement,
Pharmaceuticals**





Our Vision translates into Sustainable Impact Generation

Treat the Untreatable. Cure Diseases. Offer Hope.

Advance
Gender Equity



Tackle Health
Inequalities



Eliminate NTDs



**100m
women**

with access to modern contraception in LMICs by 2030, annually

**AtMI
Top 10**

Tiered pricing and Patient Affordability Programs (PAPs) in LMICs, access to contraceptives, access planning in R&D, broad regulatory footprint for launch products

**Kigali
Declaration**

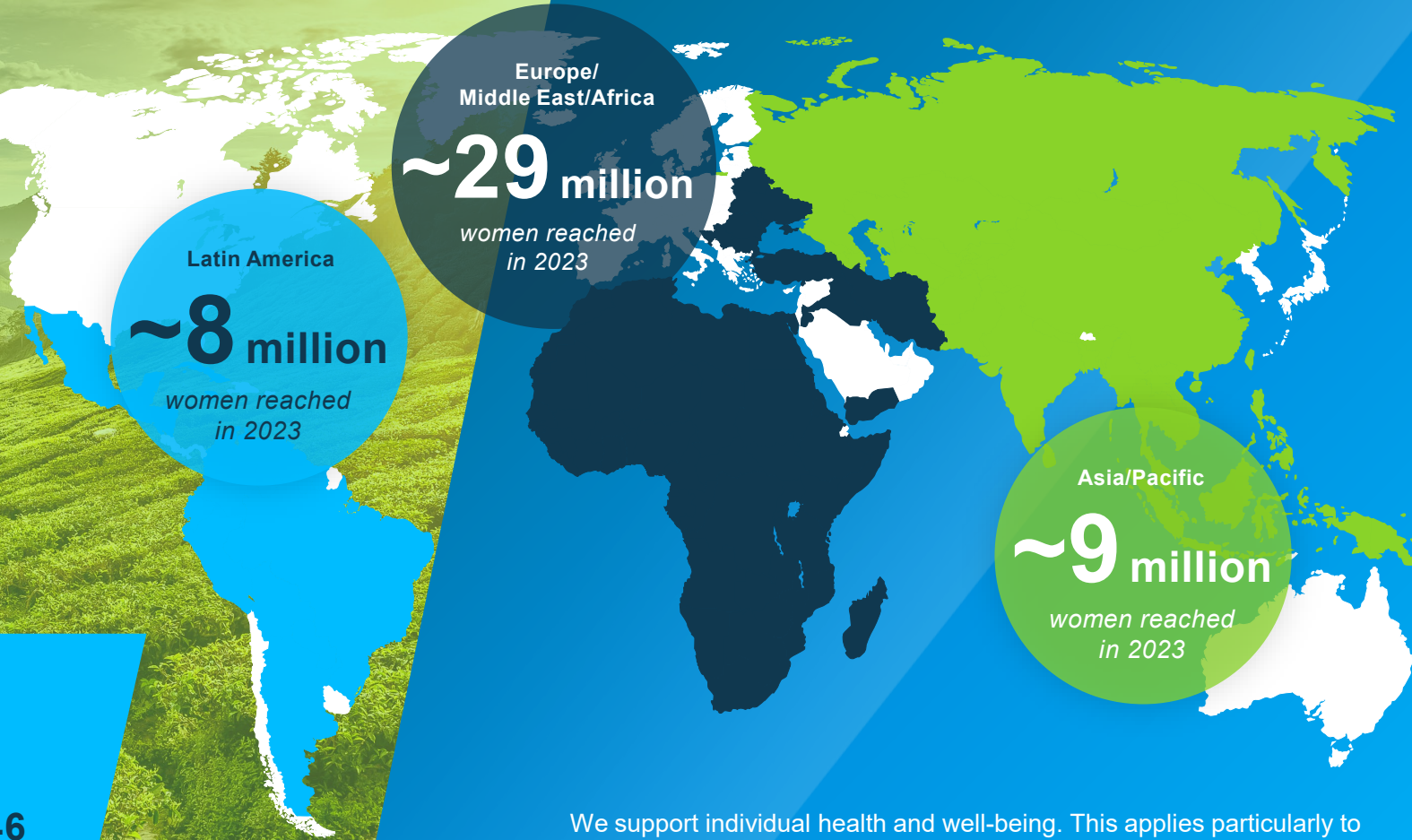
20 NTDs as per WHO Roadmap, WHO collaboration, R&D efforts, localization & tech transfer

**Sustainability
Goals &
Commitments¹**

NTDs: Neglected tropical diseases LMICs: Low- and middle-income countries WHO: World Health Organization ¹For details on commitments, methodology and progress, please refer to [Bayer Sustainability Report](#)



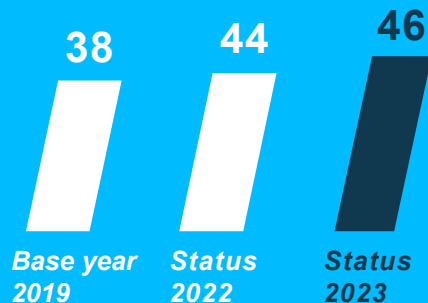
Progress on Access to Contraception



Target 2030: Fulfill the need of 100 million women in LMICs for modern contraception¹

Key figure in million

Number of women reached in LMICs¹ who have their need for modern contraception fulfilled due to interventions supported by Bayer



Partnerships: The Challenge Initiative (TCI), UNFPA Egypt

Source: [Bayer Sustainability Report](#)

We support individual health and well-being. This applies particularly to our world-leading products in women's healthcare, including contraception. Family planning greatly improves the opportunity for girls and young women to complete their education and find employment. This, in turn, contributes to more equality and affluence, which plays a crucial role in improving health, as well as reducing poverty and hunger. Therefore, access to modern contraceptives is essential for future economic and social development.

¹ We aim to fulfill the need of 100 million women in low- and middle-income countries (LMICs) for modern contraception by 2030.



Progress on Access to NCDs & NTDs Rx – more can be done



31

Registrations of Kerendia in LMICs, 26 for Nubeqa



5.7 m

Patients reached through PAPs in '21-'23, fueling growth in LMICs



Emodepside

R&D (Phase III)

HAT close to elimination (-98% cases)



#9

access to
medicine
FOUNDATION



Introducing the Global Health Unit (GHU)



GHU Scope: Deliver against all divisional ESG Commitments, including the 100m challenge



Increasing patient reach, top-line and cashflow at reasonable profitability



Expand existing supranational business model to NCDs, NTDs & Oncology Portfolio

*A Social Business Model for > 50
Underserved Markets Worldwide*
Fostering Inclusive Growth



Strong, but not exclusive focus on LMICs with no Bayer PH presence (n=56 underserved markets)



PPPs, (supra)national tenders, patient access / pricing schemes, unlocking additional donor funds



Capacity building

PPPs: Public-private partnerships



GHU in Action

Expanding patient reach



Ambitions going forward



5 African Countries



Double digit m€ Value



Capacity Building



500 k Women



Introduction as new Head of ESG

Dr. Chitkala Kalidas



**Head of Environment,
Social & Governance
(ESG)**





Our new Global Head of ESG: Dr. Chitkala Kalidas

Introduction

Professional background



- // Education: scientist by training; PhD in Microbiology from Cornell University
- // Experience: ~25 years at the intersection of life sciences and business incl. management consulting, R&D portfolio management, global drug development & regulatory affairs, multi-stakeholder collaborations & public-private partnerships. Previous organizations include the Boston Consulting Group, Merck and Bayer
- // Recent role: Global Head, Oncology Regulatory Affairs & Oncology Sustainability

Expertise in integrating sustainability into business



- // Led Bayer Oncology Sustainability initiatives recognized by the US White House Cancer Moonshot Team, Ministries of Health in Egypt and Ghana
- // Led the establishment of Bayer's partnership with the Ministry of Women and Child Development in India's Alliance for Global Good at Davos 2024

Ambitions going forward



- // Advance Bayer's ESG targets and demonstrate leadership in innovative sustainable business strategies that serve our customers
- // Continuously enable greater transparency in our ESG reporting
- // Further strengthen Bayer's engagement with investors and ESG rating agencies



Climate Transition Plan

Matthias Berninger



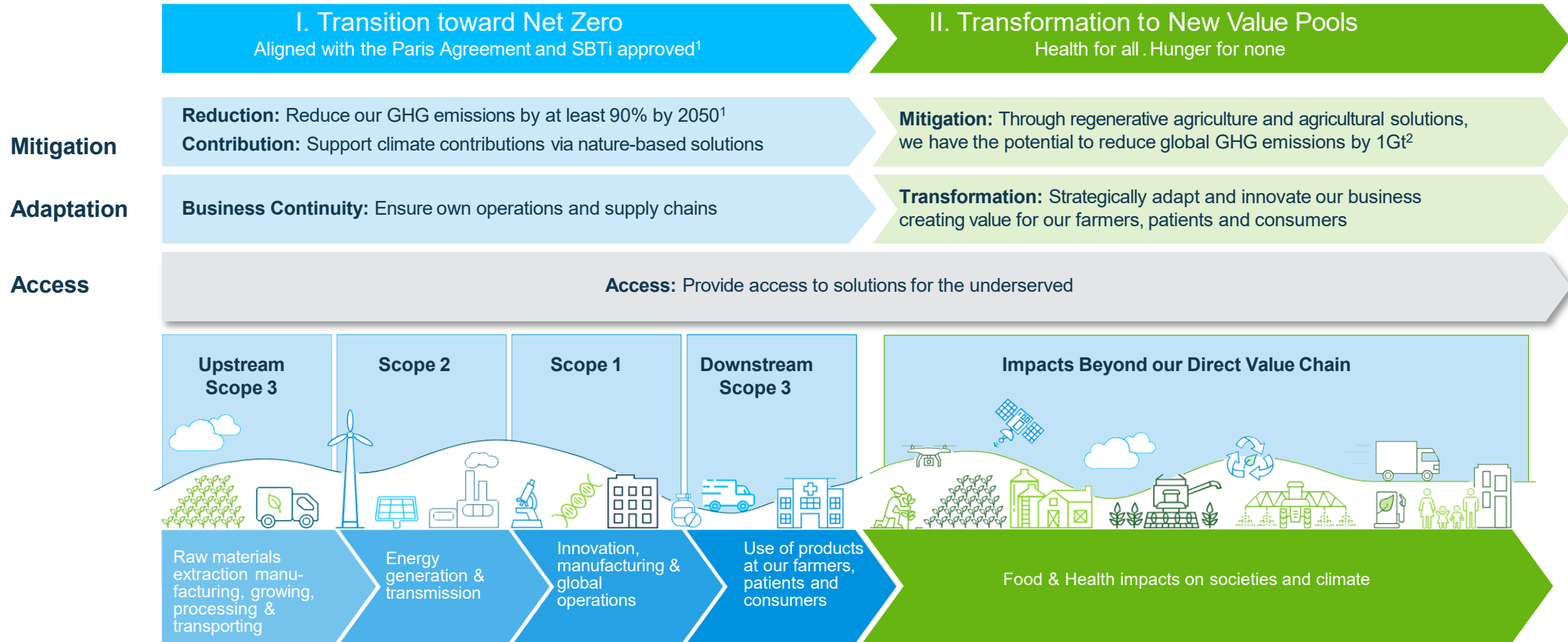
**Head of Public Affairs,
Sustainability & Safety**





Bayer Climate Strategy

Navigating the Path to Net Zero and Transformation to new Value Pools



¹ SBTi approved our near-term target until 2029. Net Zero Target alignment requested by: SBTi.

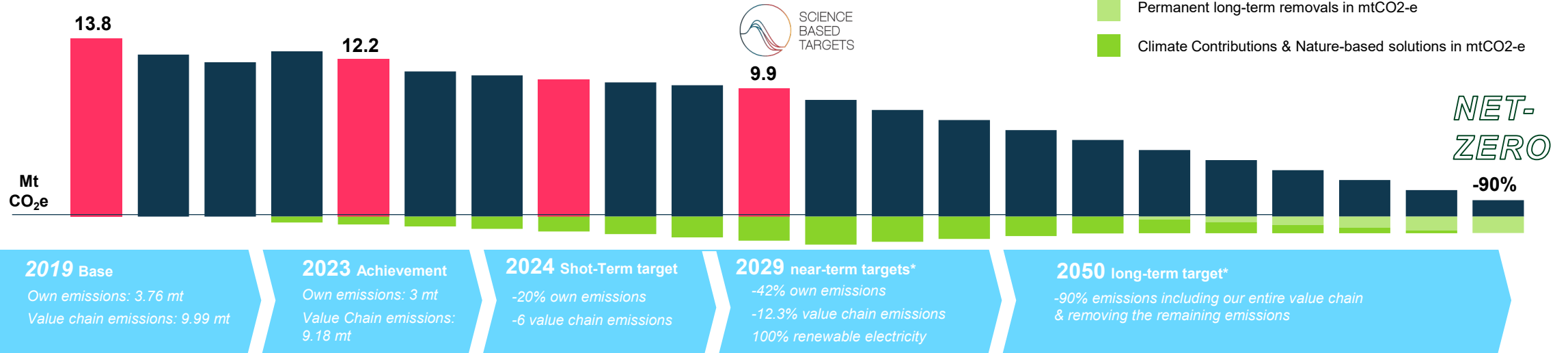
² From the 59Gt global GHG emissions (reference year 2019; source: IPCC AR6 WGIII Full Report 2022).



Transition towards Net Zero

Legend:

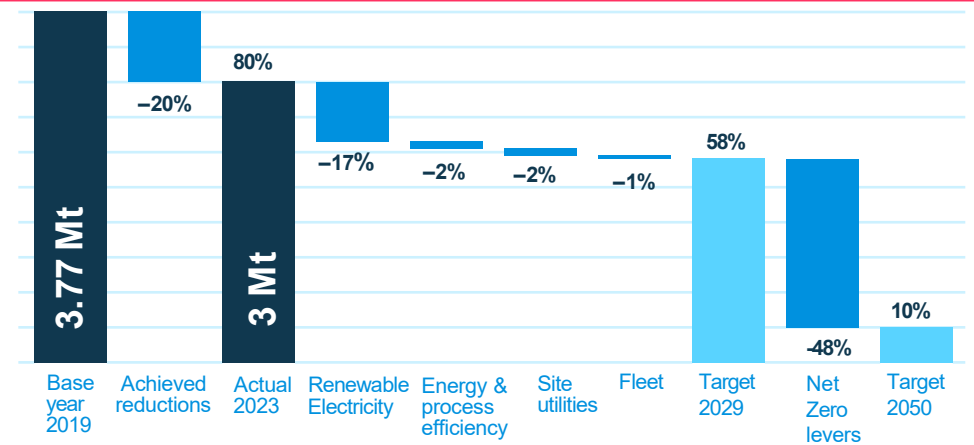
- Scope 1, 2 & 3 Emissions in mtCO₂-e
- Permanent long-term removals in mtCO₂-e
- Climate Contributions & Nature-based solutions in mtCO₂-e



Reduction Levers

- Regenerative Electricity and Site Utilities, Electric Fleet
- Warehousing, Transporting, Travel, Packaging and More
- Efficiency & Process Optimization
- Regenerative Agriculture and Innovation
- Technology Innovation incl. Carbon Capture
- Climate Contribution incl. long term removal
- Supplier Engagement and Selection

Net Zero Decarbonization Path¹



¹Reduction Levers Own Operations (Scope 1 and 2)



Transform to New Value Pools

Climate Crisis is a Health Crisis



Heart Health



Reproductive health / Women



Clear Breathing



Nutrition
Hunger for none

Transform Agriculture with Innovation & Regenerative Agriculture



Adaption

CROP PROTECTION

SEEDS & TRAITS

DIGITAL SOLUTIONS

SERVICES

Mitigation

1GT CO2e

Global Mitigation Potential

Access & Just Transition



Supporting 100 million smallholder farmers¹



Supporting 100 million people in economically or medically underserved communities¹



Satisfying the need of 100 million women in LMICs for modern contraception¹

¹ For details on commitments, methodology and progress, please refer to [Bayer Sustainability Report](#)



Questions & Answers