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News Release

Annual Stockholders' Meeting April 26, 2024

Address by

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Chairman of the Board of Management

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Dear shareholders,

A warm welcome to our Annual General Meeting! Thank you for joining us.

I would like to share with you where Bayer currently stands. And what we are doing to make our company faster and better.

On the one hand, our priorities are clear: We are building on our strengths. Our employees are working in important areas – like health and nutrition – that improve people's lives. We are researching new drugs for cancer and Parkinson's Disease. We are developing new herbicides – accelerated by artificial intelligence. And we continue to work on our top consumer brands such as Aspirin™, which is celebrating its 125th anniversary this year.

We made great progress with all of these projects in 2023.

On the other hand, we have to admit to ourselves: There are four major areas of improvement that we need to work on at full speed over the next two to three years. First, the loss of patent exclusivity and the structure of our pipeline in Pharma; second, the legal cases in the US; and third, our high level of debt. And finally, the bureaucracy – like many other large companies – which is slowing us down.

So we have three great businesses and four major challenges. I, together with the entire Bayer team, will stay focused on addressing these. This means continuing to strengthen the positive aspects, while tackling the challenges in a targeted manner. That's what it's all about now – And that's what it's all about today, dear shareholders. I look forward to discussing this with you today!

On to why we are here: This is my first Annual General Meeting as CEO of Bayer. It comes after a challenging year. You have felt the pain of those challenges. We understand that. And it's something we're fully committed to fixing. In my time as CEO, I've made a point of transparently naming our vulnerabilities. I'm convinced that a shared understanding of the problems is the starting point to restoring trust, sharpening the focus of our organization, and getting Bayer on track for better performance.

We've had a lot of open, unvarnished, and important conversations since I've joined the company. We analyzed the structure of our company, ultimately deciding that, for now, maintaining our current structure and fixing our operational issues is the best route to improve performance. We've launched and started implementing a new operating model, Dynamic Shared Ownership, or DSO, which included earnest conversations with our employee representatives. We've been in close contact with our customers, our investors, and our people about the future we see for this company we hold dear. It won't be a one-year fix. There will be difficult moments ahead, but I'm convinced there is a path to turn things around at Bayer, and that's the only path we intend to take.

I just mentioned Bayer's great strengths and great challenges. 2023 highlighted them both in pretty clear terms.

Look at our core Crop Science business, which grew ahead of the market in 2023. Look at the growth trajectory of Kerendia™ and Nubeqa™, our newest launches in Pharmaceuticals, which grew 161 percent and 94 percent, respectively. Look at the performance of our Dermatology and skin care business in Consumer Health, which has posted double digit growth for two years straight.

At this point, as I've just highlighted Consumer Health's strong results – something we have come to expect from the division – I would also like to say thank you to Heiko for his great contributions over the past six years. Heiko, you're leaving behind a great legacy and a business with a strong track record of performance. Julio, welcome to the team and I can't wait to see where you take it from here. Thank you. I would also like to welcome Heike, who has been on board a little longer but is joining us for her first Annual Stockholders' Meeting. Heike, it's been great having you on the team.

Back to our company's strengths: In all of the core activities I just mentioned, Team Bayer competed with and in some areas outperformed our competition. That's a sign of vigor and resilience. The soul of this company is alive and well. That's never been in question to me. In other areas, however, our four challenges were very apparent. Let's walk through them.

First, we saw the consequence of our pipeline composition, which is weighted toward the earlier stages – and the loss of patent exclusivities. Xarelto™ declined 6 percent in 2023, taking nearly 1.5 percentage points from our full year growth in Pharmaceuticals. The losses of exclusivities will continue to weigh on our growth in next few years.

Second, litigation continued to burden our operations. We won some cases and lost others. As expected, many of the exceptionally high verdicts we saw have already been reduced, but too much remains unresolved.

Third, cash. Our 2023 performance was underwhelming, largely due to payments to the plaintiff litigation industry and some operational muscle on working capital we still need to strengthen.

And finally, bureaucracy. We want to free our people to pursue our mission in ways that have the highest impact. That's a radical shift from the way most companies – including Bayer – are run. And it's going to be good for our customers, good for our people, and good for our business.

In summer of last year, we downgraded our 2023 financial targets. Despite extensive analysis and projections from very intelligent and dedicated people across numerous layers of the org chart, we hadn't accurately predicted the course of glyphosate prices and we missed our targets. That's disappointing. It doesn't live up to the standard we've set for ourselves.

But I'm encouraged by the skill, resolve, and dedication I saw from our team in response. After lowering our targets in July, we delivered. We hit the upper tier of our adjusted guidance in every area.

Our full year sales came in at 47.6 billion euros. In terms of EBITDA before special items, our earnings netted out at 11.7 billion euros. And our Core EPS amounted to 6.39 euros per share. Finally, after a severe downgrade of our free operating cash flow, we rallied our organization to leave no stone unturned. We were able to generate 1.3 billion euros in cash, which helped us pay down our debt to 34.5 billion euros.

Here's how that performance broke down by business.

In Crop Science, our core business grew seven percent. For consistency, I will use currency and portfolio adjusted figures when referring to growth rates. That seven percent put us ahead of the competition and underscores the strength of our market leading Crop Science business. Outside of the core, glyphosate prices dragged down our top and bottom-line performance. In Pharmaceuticals, we saw increasing pressure from patent expiry. This was counterbalanced by good results behind new products and a strong performance from Eylea™ and our Radiology business. Overall, that kept growth level year-over-year. Our Pharma margins declined to around 29 percent. In Consumer Health, we posted 6 percent growth and continued to deliver strong margins – into the mid-23s – based on a strong fourth quarter.

That was 2023. Some signs of how this company can perform but also of where we must be better.

Let's look at the year at hand. 2024 is the first full year of a three-year rejuvenation. We communicated softer growth prospects – in the range of minus 1 percent to plus 3 percent and expect declines in earnings before special items between 9 percent and 3 percent. Despite lower profitability, we will make progress in improving our cash flow and strengthen our focus on working capital management. We expect free cash flow to come in between 2 and 3 billion euros. Our Crop Science and Consumer Health divisions expect a slow start to the year due to market dynamics, but we feel confident in our full-year targets and the direction of our businesses.

Those are the financials. Equally important is how we're taking on the four challenges I mentioned earlier. Some of our efforts will immediately show up in the financial results, and some will take more time, but these efforts are foundational to our long-term success, and we've already gotten started tackling them.

First, the only way to tackle a pipeline issue is with more innovation. We're speeding up the way innovation happens at Bayer, by centering our processes on the people our work intends to serve.

Look at our Consumer Health business. The team behind our beloved One-A-Day™ brand knew it had an opportunity. Couples looking to get pregnant need the right vitamins and nutrients, and One-A-Day™ exists to get people the supplementation they need. Last year at this time, that was just an opportunity. Today, it's reality.

An early adopter of DSO, the team leaned into more mission-centric ways of working and saw rapid results. They launched an entirely new pre-pregnancy multivitamin in March, one year ahead of schedule, with a refreshed brand identity to match.

In Pharmaceuticals, our team is launching Eylea™ 8 mg, an innovation for patients and ophthalmologists that allows for longer treatment intervals, fewer injections, and fewer clinic visits than Eylea™ 2 mg, freeing up valuable clinical capacities for better patient care.

In January, one of the first patient was treated just 40 kilometers from where I'm speaking to you today. Now, our Eylea™ team is up and running in Dynamic Shared Ownership. And they're poised to expand access for this important launch of our highest impact medicines.

We're not just capitalizing on projects that have reached the market. We're advancing our pipeline as well. Our early-stage pipeline is stocked with promising projects, a majority of them have entered our pipeline in just the past 18 months. And we'll keep moving at a fast, diligent clip. You will see us advance more innovative projects in 2024. Finally, elinzanetant, one of our blockbuster candidates in women's health, has shown very consistent positive data across all three Phase III clinical trials. We will soon be submitting the data from these studies to health authorities in order to gain marketing authorization.

In Crop Science, our team is turning the commercial model on its head, creating a much more seamless experience for farmers. That's important, because we're going to be bringing a lot of innovation to farmers around the world over the next decade. We have plans to market 10 blockbusters over the next 10 years.

And we're making the focused investments necessary to support this work.

In 2023 we broke ground on a state-of-the-art research facility in Monheim. The 220-million-euro space represents the biggest investment in our agriculture business in Germany since we opened the Monheim campus 40 years ago. We have a compound library consisting of 2.5 million substances. Eighty percent of them are proprietary Bayer molecules. By pairing the high-tech functionality of this facility, the incredible processing speed and capabilities of artificial intelligence, and the ingenuity of our scientists, this

space will be the birthplace of the next generation of crop protection solutions. Designed in Monheim, tested under the environmental conditions of fields from Iowa to Indonesia, and supporting food security for families around the world.

Projects like these are the reason Bayer exists. New products for couples wanting to conceive. New treatments for patients with deteriorating vision. New compounds to help farmers produce more while restoring more. The people of Bayer are pursuing our mission in new and important ways. When I speak with them, it always starts with the difference we can make for farmers, patients, and consumers. And that's what makes me confident in our success.

Now on litigation: Last month I said we are looking at the litigation topic from every angle, inside and outside the courtroom. I also said that, on this issue, you will see action before you hear about it. Here's what has happened since then: More than sixty agricultural groups have banded together to support American agriculture by advocating for science-based regulation. American farmers see the dissonance between verdicts and the scientific findings of the U.S. Environmental Protection Agency. And they're concerned that their access to essential, safe crop protection products is under threat. That's why we've joined forces to ensure that, on this critical issue, U.S. farmers are heard by lawmakers and the broader public.

Finally, I committed that we are considering every possible means to bring closure to the issue. Let me underscore that point. We have expanded our strategy and we're looking at different approaches and alternatives. We're doing so with total focus, an open mind, and a commitment to doing what is right for you, for Bayer, and for our customers.

Debt is the next topic. We're taking unprecedented steps to reduce our net debt. Earlier this year, we put forward a proposal to cut the dividend to the legal minimum. Never in the company's modern history have we taken such a step. And we did not do so lightly. We consulted our investors. I understand the reactions a decision like this can trigger. And we take no pleasure in having to make that proposal. But difficult situations call for bold, difficult decisions. The reactions I've seen and heard confirm that we're doing the right thing. In 2024, we plan to reduce our net debt to between 32.5 and 33.5 billion euros.

And finally, bureaucracy: We are delayering the organization and consolidating leadership roles for more impact. Team Bayer has always had an important sense of mission and

purpose. Now, we're embedding that force into the way work gets done here. We're becoming a team that is less designed for delegation, and even more driven to create the best outcomes for our customers. We started implementing the system in July of last year and we've already seen significant changes in our organization. Our senior management circle is smaller. We've consolidated, even dissolved, entire functions, and we're putting the customer at the center of everything we do. You, our customers, our partners, and our people can expect more here. By the end of 2024, Dynamic Shared Ownership will have touched every corner of Team Bayer.

Finally, I want to zoom out and reflect on another important development in 2024. It's estimated that 49 percent of the world's population will go to the polls this year. The citizens of 64 countries plus the EU are holding – or have held – elections. That's important. It's important for citizens. It's important for states. And it's important for us. Companies large and small are both a cross-section of the societies they operate in, and an agent within them.

Increasingly, public dialogue, particularly in the political realm, has dissolved into tribalism and echo chambers. In such a climate, it's easy to draw neat, impermeable lines between good and evil, without ever stopping to challenge oneself.

I'm reminded of a quote from author Aleksandr Solzhenitsyn, found in his book *The Gulag Archipelago*.

"The line separating good and evil passes not through states, nor between classes, nor between political parties either – but right through every human heart."

That quote challenges us if we take it seriously. It challenges us to look not in, but out and across. To look at the person on the other side of an issue, or a border, or the political spectrum, and see them not first and foremost as an adversary, but another human being, whose dignity and rights and worth are inherent – and more than just the sum of cells and genes inside them. Those are the values we want to uphold in our organization. That climate of respect, curiosity, and humility is what we wish for the nations we operate in, the institutions we interact with, and the people we serve.

Bayer is a company built on science and innovation. The innovation process begins by looking out, seeing the needs of a neighbor, and working to serve them.

Our mission, Health for all, Hunger for none, compels us to look out. Late last year, fresh out of their first encounter with our new operating model, a team in our Italian organization was challenged to center their work on the needs of patients. A physician told them the story of a patient from Rome, let's call him Giorgio. He is a person with hemophilia, a condition that prevents blood from clotting properly. Giorgio had been receiving a treatment from Bayer. And he was happy with the treatment, but the experience left something to be desired. You see, the treatment involves two syringes, and it's pretty difficult to inject them both with one hand. We were aware of the problem, and we had a solution in development, one that would take 2 to 3 years to get to patients.

But that wouldn't help Giorgio today. So the team got together and developed Froggy, an easy-to-handle attachment that makes it simple to manage two syringes at once.

A simple tool, that looks a bit like the profile of a frog, is creating a better experience. Ask Giorgio or the 1,000 patients in Italy who, instead of waiting three years for a solution, got help today. In everything we do, we're becoming an organization that sees the needs of people like Giorgio not as an obstacle, but the reason we're here.

We are moving with great speed to put Dynamic Shared Ownership into practice – to focus every Bayer person exclusively on our customers and our products, every moment of every day. And we have four big challenges that we are addressing with great urgency and resolve. And we'll communicate with you about our progress, very frankly along the way. The journey ahead of us will have challenges, but we're here because we know it will be worth it – for us, for you, and for the people we're here to serve.

Forward-Looking Statements

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