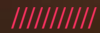




Bayer

Project Portfolio Management



June 14, 2022





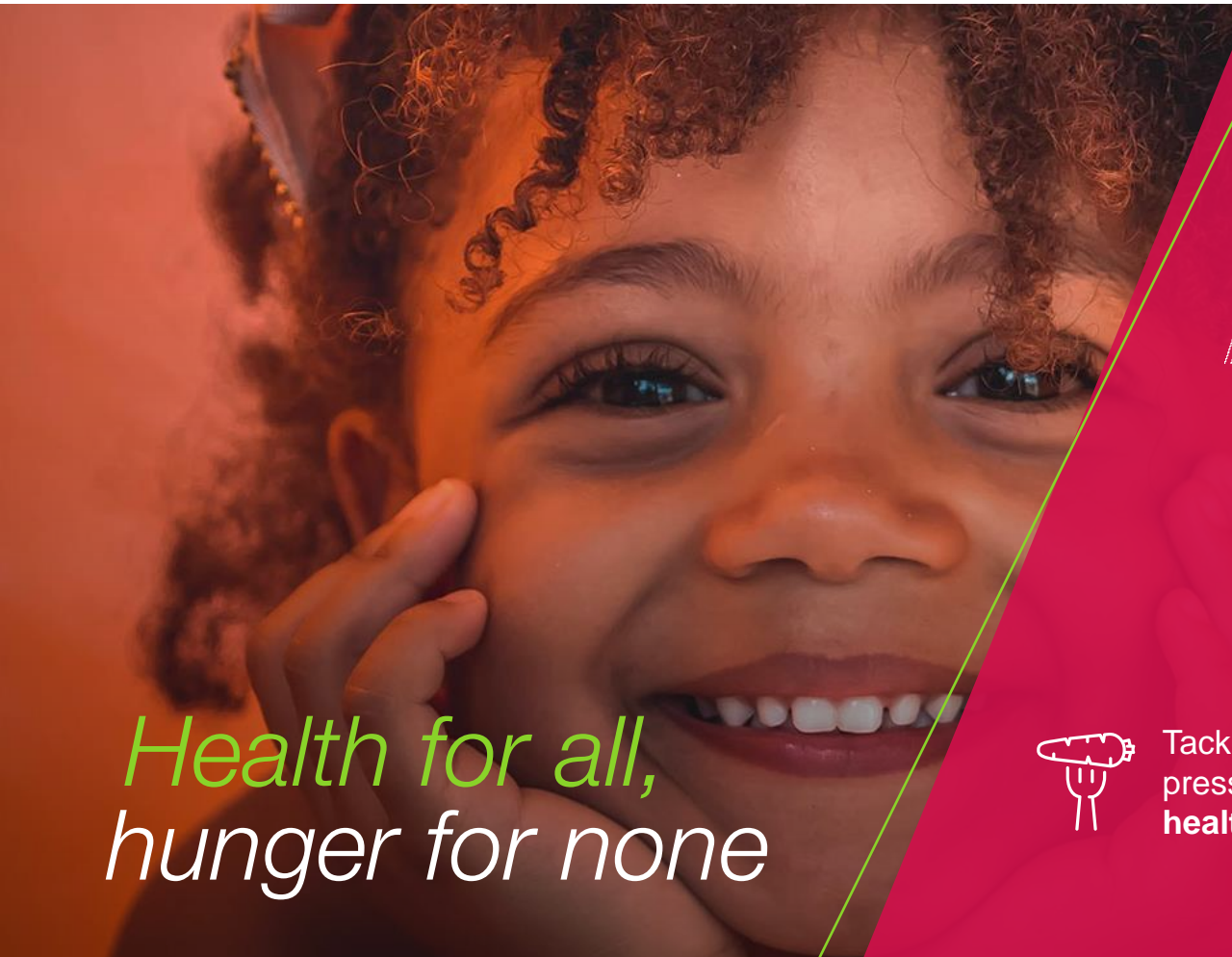
Bayer is a life science company and a global leader in health care and nutrition. Our innovative products support efforts to overcome the major challenges presented by a growing and aging global population.

Science for a better life



Bayer at a glance

Group key data



*Health for all,
hunger for none*

3 divisions

- // Crop Science
- // Pharmaceuticals
- // Consumer Health

Represented by
**374 consolidated
companies** in

83
countries

99.6k
employees worldwide
in 2021*

€5.4bn

investment in R&D
in 2021

€44.1bn

sales
in FY2021



Tackling two of the most
pressing challenges of our time:
health & nutrition



Diverse, international focus
with cross-border and cross-
division **people development**

* As of December 31, 2021; employees in full-time equivalents

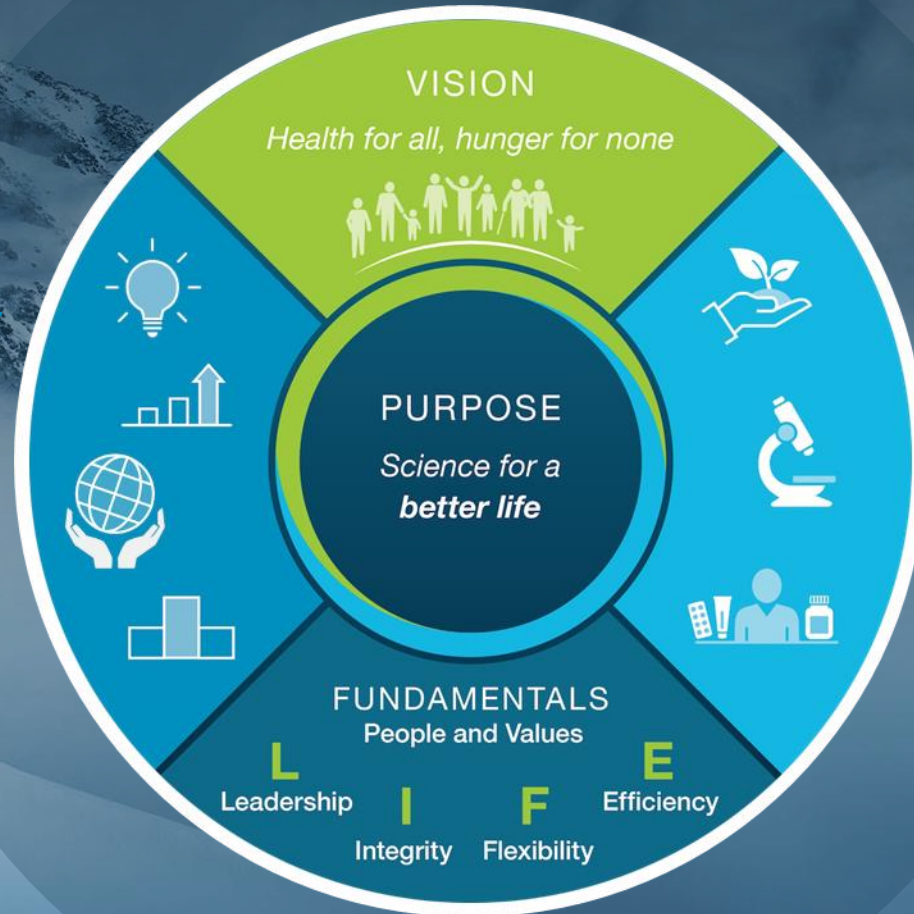


Our purpose, vision and strategy



GROUP STRATEGY

- // Deliver world-class innovation
- // Drive operational performance
- // Generate sustainable impact
- // Shape a leader



BUSINESS STRATEGIES

- // Crop Science
- // Pharmaceuticals
- // Consumer Health



We look to achieve long-term profitable growth and make a positive contribution to society and the environment

Group strategy – our strategic levers



Deliver world-class *innovation*

We **innovate** at scale to address unmet societal challenges in health and nutrition. We drive the **digitalization** of our entire value chain.



Drive operational *performance*

We push the **operational performance** of our business by continuously optimizing our **resource allocation** and **cost base**.



Generate *sustainable impact*

Sustainability is an **integral part** of our **business strategy, operations** and **compensation system**. We contribute significantly to the **SDGs** and pursue **bold, science-based climate action** along our value chain.



Shape a *leader*

We develop a **global leader in health and nutrition**. We create value with strategy-based resource allocation focused on **profitable growth**. We position ourselves in attractive areas in which we can achieve leading positions.*

* The life science fields of health and nutrition are characterized by an above-GDP growth trend, being innovation-driven, highly regulated and having a high profitability. We position ourselves in areas in which we have the objective to achieve leading positions and margins while growing ahead of competition.



Leveraging PPM improvement potential helps to...

Improvement Areas

A high PPM maturity will...

...increase the number of projects that have **clearly defined financial & non-financial benefits** **+30%**

...**reallocate resources** across projects in portfolios more **effectively** **+30%**

...**better integrate PPM process** with strategic planning **+30%**

...enable systematic **ranking and prioritizing** of projects which leads to stringent project selection **+30%**

...bring stronger **strategic alignment** of programs and projects **+20%**

...increase number of projects **within budget** **+30%**

...increase number of projects **on time** **+30%**

...increase number of projects that **meet goals** and business intent **+20%**

... build organizational agility and increase responsiveness

Advantages of high PPM Maturity

Project Portfolio Management (PPM)



Fast **strategy delivery**



Executive **line of sight**



Adaptive **prioritizing & funding**

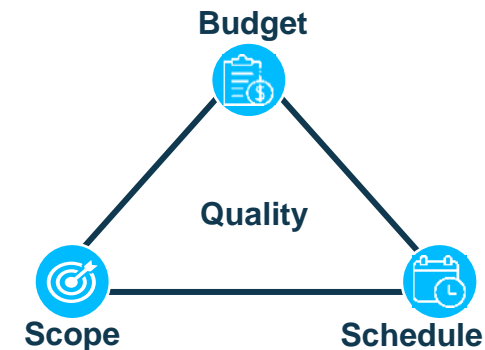


Flexible **resource planning**



Aligning **people and teams**

Project Management (PM)



Sources:


1. Winning through Project Portfolio Management – The practitioner's perspective in PMI Thought Leadership Series Report


2. R. Wagner - Erfolgreiches Projektportfoliomanagement




Project Portfolio Management enables us to execute our strategies / programs / projects successfully!


OUR benefits

// Strategic Planning 

// Project Prioritization 

// Program Management 

// Project Management 

// Reporting 

// Resource Management 



Pharma Product Supply

Vision

| | | |
|---|---|--|
|  Framework for realizing the right projects |  Transparent and solid decision making |  One single source of truth |
|---|---|--|

| | | |
|--|--|--|
|  Full picture of our projects and their dependencies |  Standardized way of working |  Easier management of projects |
|--|--|--|

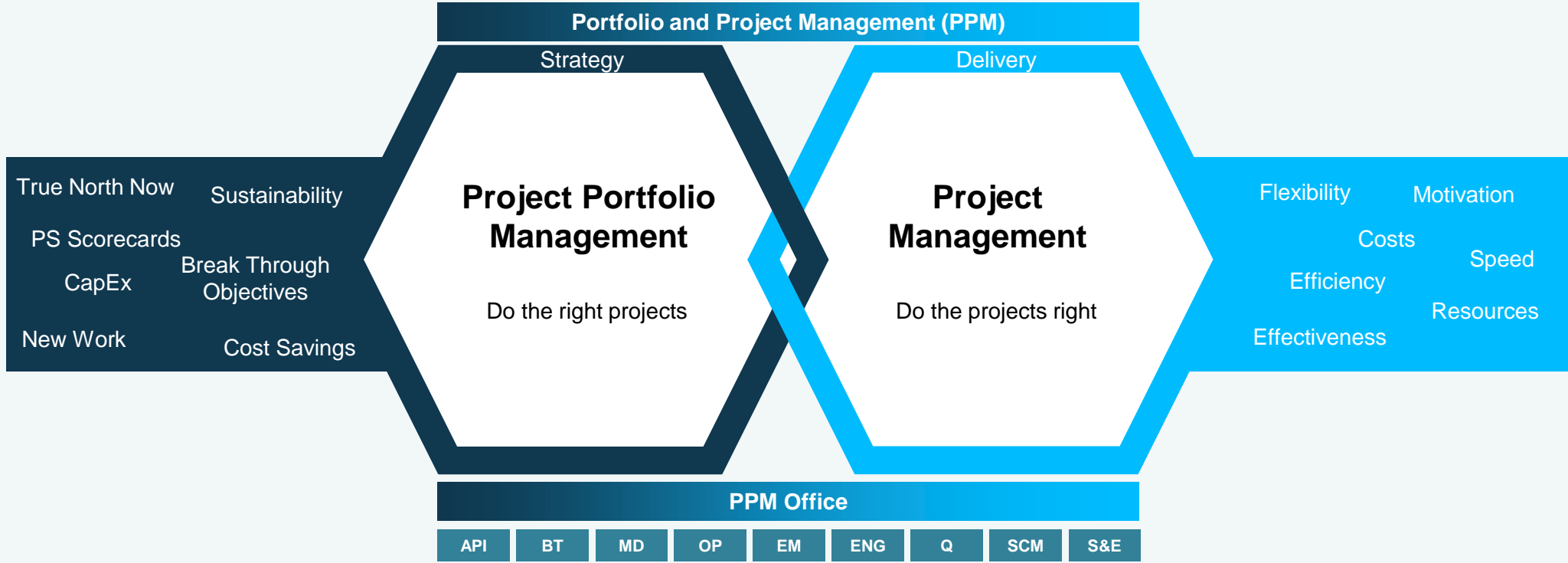
A short introduction to
Project Portfolio Management





Project and Portfolio Management (PPM) is the connecting layer between business strategy and project execution

Portfolio and Project Management



Our goal is to establish good Project and Portfolio Management practices to realize efficiencies in PHPS



After creating the PPM Foundation, we now need to define the ways we work to gain efficiencies

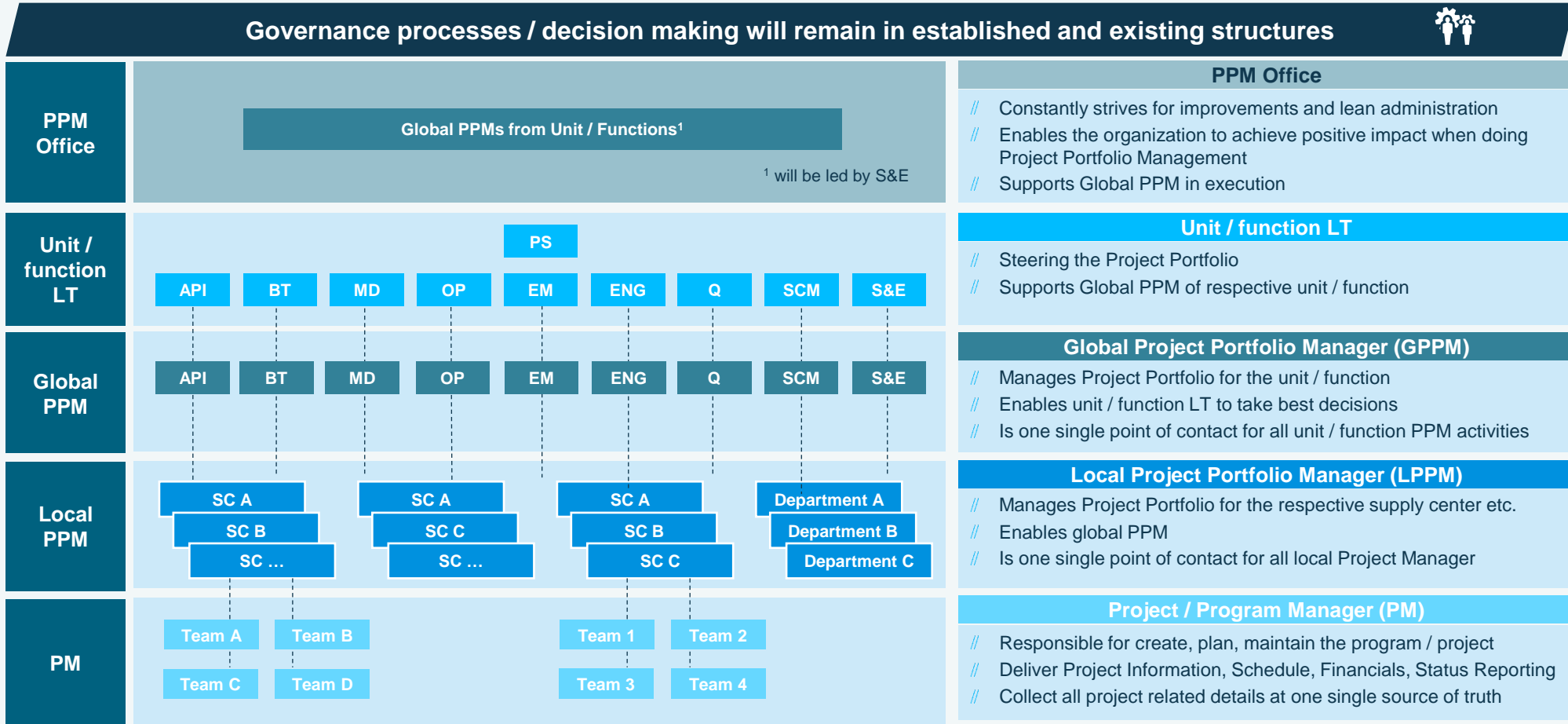
Implemented Current focus Future focus

| | 1. Tool Roll Out and PPM Start | | 2. PPM Stabilization, Growth and first efficiencies | | 3. Mature PPM Processes and Organization | |
|-------------------|---|--|--|------|--|--|
| | 2020 | 2021 | 2022 | 2023 | 2025 | |
| Activities | <ul style="list-style-type: none"> // PPM Tool selection, and technical Go-Live // Development of technical PPM capabilities // Development of PPM trainings // High level process and guardrail definition | <ul style="list-style-type: none"> // PPM Maturity Assessment conducted // Need for further PPM development identified to become more efficient // Process improvements and standardization // Implement PPM Office // Support programs | <ul style="list-style-type: none"> // All required programs / projects with high data quality in Planview // Full Roll Out of standards (processes and organization) // Maintain high level of PPM Maturity to safeguard achievements // Measure Progress on KPI basis | | | |
| Benefits | <ul style="list-style-type: none"> // Standardized tool // First processes // Best practice sharing | <ul style="list-style-type: none"> // Global PPM standards // Major strategic initiatives supported // Efficiency gains in PPM tasks | <ul style="list-style-type: none"> // Doing the right projects in the right way | | | |
| Status | <p>Foundation</p> <ul style="list-style-type: none"> Strategic Planning Project Prioritization Program Management Project Management Reporting Resource Management PPM Organization | <p>The Way we Work</p> <ul style="list-style-type: none"> Strategic Planning Project Prioritization Program Management Project Management Reporting Resource Management PPM Organization | <p>Efficient Professionals</p> <ul style="list-style-type: none"> Strategic Planning Project Prioritization Program Management Project Management Reporting Resource Management PPM Organization | | | |



Project Portfolio Management set-up will support in decision making and project execution

Overview PPM Roles, Interactions and Relationships



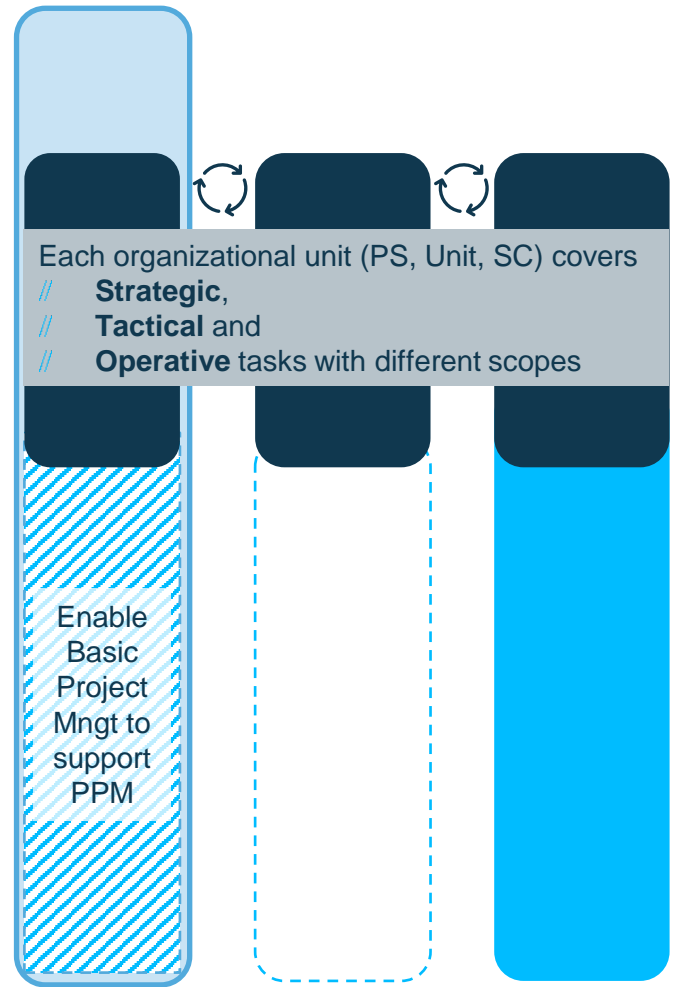
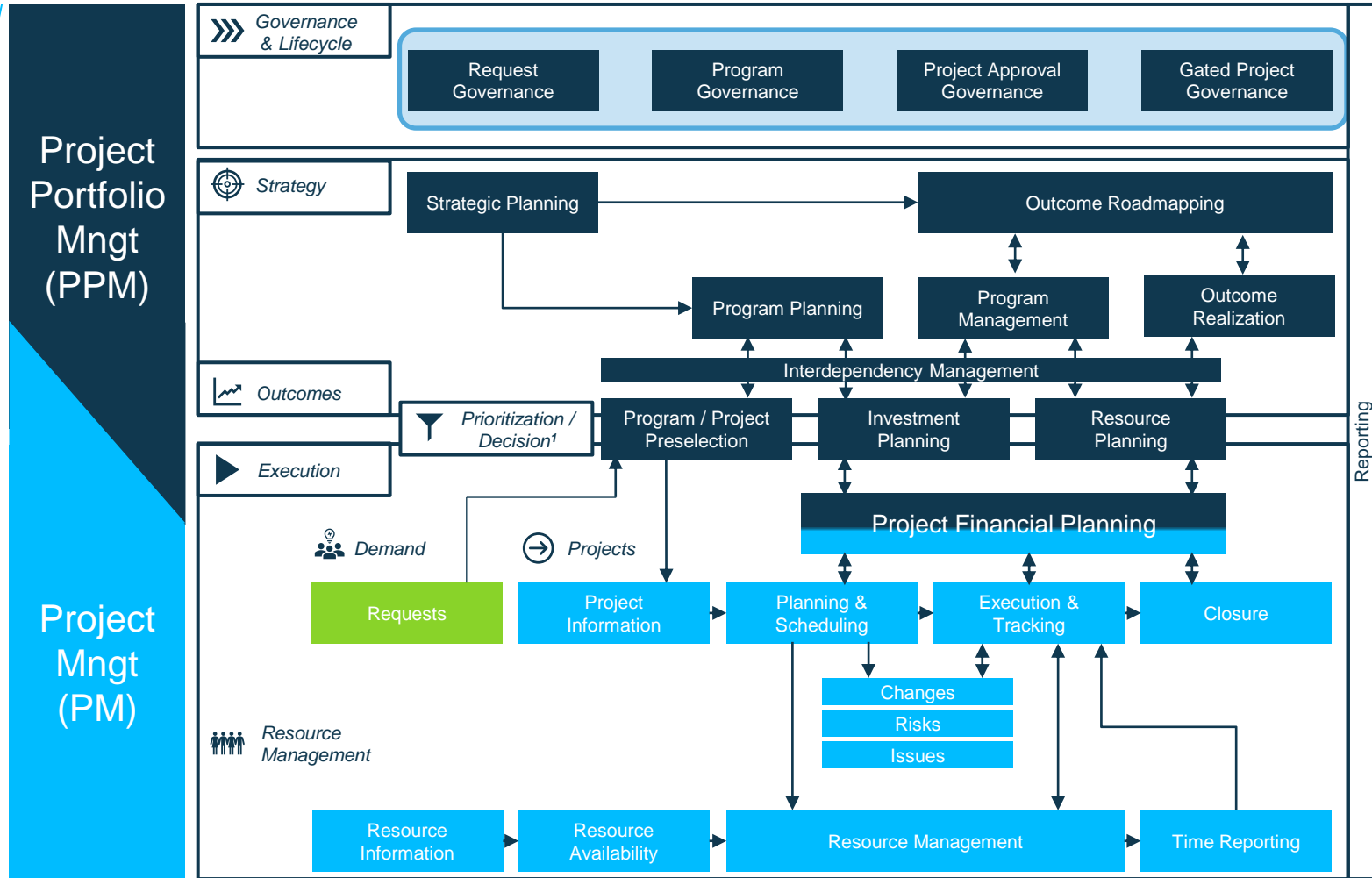


Project Portfolio Management and Project Management will have different focus on the different organizational levels

Tasks of PPM and PM

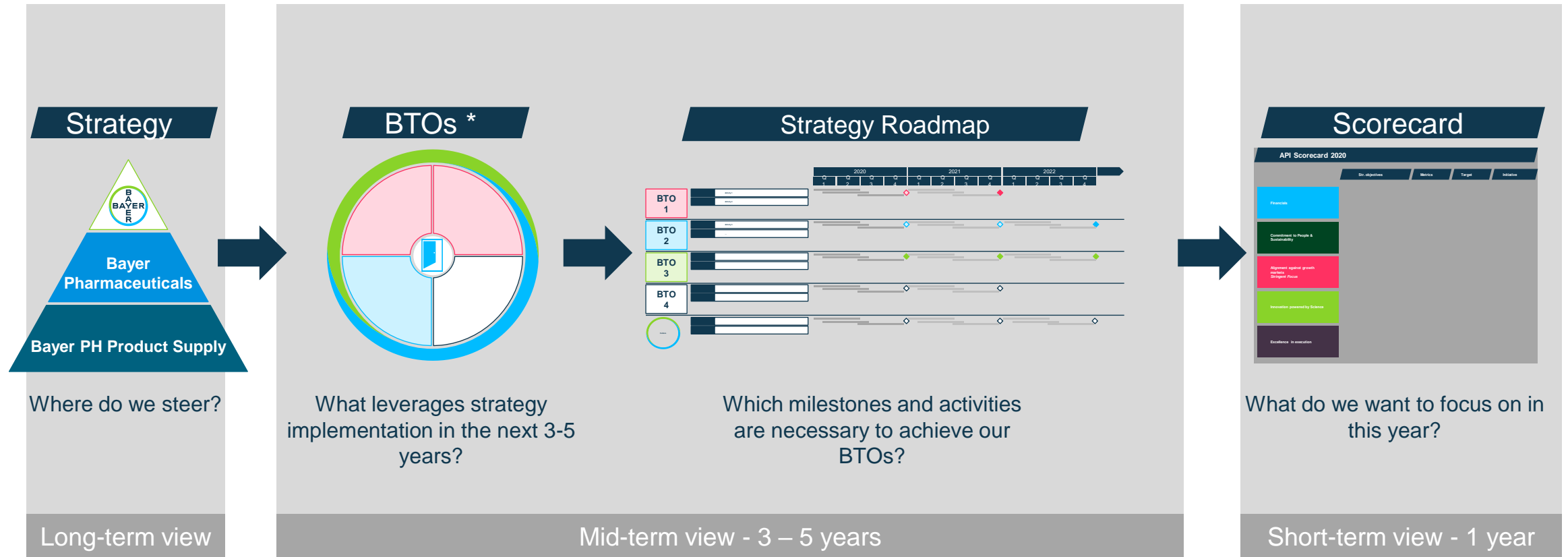


PS PPMO² Unit PPMO SC PPMO





Real life examples on strategy deployment supported by PlanView in place



Strategy Deployment is the process that aligns and links business strategy and execution. It will enhance strategic decision-making in (global) PPM by enabling a new level of transparency in PlanView.



Planview delivers a holistic solution for Project Portfolio Management (PPM) & Project Management (PM)

Overview of products purchased at Bayer for the implementation of PPM and PM

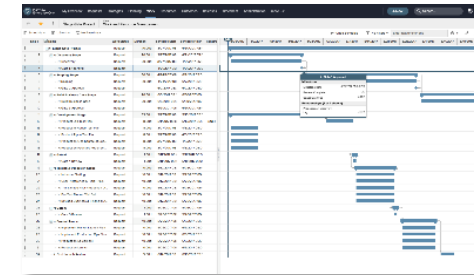
Enterprise-wide project portfolio planning and delivery

PPM



- Project portfolio visibility and governance
- Strategic planning
- Project prioritization based on strategic fit and capacities (financials, resources)
- Financials, Schedules, Resources
- Reporting

Disclaimer: S&E support is limited to Enterprise One™ due to resource shortages.



Empower the Mngt¹

Synchronized automatically

Bringing teams together to execute projects ([Link](#))

PM



Project oriented work

- Full project team (internals & externals) can collaborate
- Schedule is synchronized from E1
- Single tasks can be distributed and tracked within the team
- Professional document management

Agile portfolio visualization and agile work mngt



Process oriented work

- Roadmapping and management of objective key results (OKRs)
- Connected portfolio Kanban including agile program/project management
- Team collaboration

Empower the Teams

[Read more](#) about Projectplace & LeanKit

¹including PHPS-leaders, global & local project portfolio managers, all project managers



Thank
you

Marcel Groten

Project Portfolio Management

Email: Marcel.Groten@bayer.com





Forward-Looking Statements

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

Legal Notice

The product names designated with TM are brands of the Bayer Group or our distribution partners and are registered trademarks in many countries.