



Declaration by the Board of Management and Supervisory Board concerning the German Corporate Governance Code (May 26, 2010 version) pursuant to Section 161 of the German Stock Corporation Act**

Under Section 161 of the German Stock Corporation Act, the Board of Management and the Supervisory Board of Bayer AG are required to issue an annual declaration that the company has been, and is, in compliance with the recommendations of the "Government Commission on the German Corporate Governance Code" (Code) as published by the Federal Ministry of Justice in the official section of the electronic Federal Gazette (Bundesanzeiger), or to advise of any recommendations that have not been, or are not being, applied and the reasons for this. An annual declaration was last issued in December 2010.

The following declaration refers to the May 26, 2010 version of the Code.

Pursuant to Section 161 of the German Stock Corporation Act, the Board of Management and Supervisory Board of Bayer AG hereby declare as follows:

1. The company has been in compliance with the recommendations of the Code since issuance of the last annual compliance declaration in December 2010 with the temporary exception stated therein: The recommendation given in Section 5.4.5 was temporarily not complied with in full.

The deviation from the recommendation given in Section 5.4.5 of the Code resulted from the fact that the Supervisory Board member Dr.-Ing. Ekkehard D. Schulz, at that time Chairman of the Executive Board of ThyssenKrupp AG, was a member of the supervisory boards of more than three listed companies or companies with similar requirements (Bayer AG, MAN SE, RWE AG and AXA Konzern AG). Dr. Schulz retired from the Executive Board of ThyssenKrupp AG at the end of the General Stockholders' Meeting of ThyssenKrupp AG on January 21, 2011. All the members of the Board of Management and the Supervisory Board were in compliance with the recommendation given in Section 5.4.5 of the Code from that date. Since Dr. Schulz had been a member of the three other supervisory boards mentioned above for many years and remained a member of the Executive Board of the above listed company for only a brief period, the temporary deviation from the recommendation given in Section 5.4.5 of the Code was considered acceptable.

2. All the recommendations of the Code are now being complied with in full.

Leverkusen, December 2011

For the Board of Management:

For the Supervisory Board:

Dr. Dekkers

Baumann

Dr. Schneider