

This notice is a convenience translation. For the legally binding document, please refer to the original German version which is published on the internet at <https://www.bayer.de/de/gegenantraege-2020.aspx>

Counter-motion of Coordination gegen Bayer-Gefahren e.V.

Postfach 150418, D-40081 Düsseldorf,

dated February 27, 2020

Counter-motion for the Annual Stockholders' Meeting of the BAYER Group on April 28, 2020

We hereby announce that we object to the proposals of the Board of Management and the Supervisory Board with regard to Item 2 of the Agenda and intend to call on the stockholders to vote for the following counter-motion.

Counter-motion to Agenda Item 2: The actions of the members of the Board of Management shall not be ratified

In 2018, BAYER completed the acquisition of the U.S. agrochemical company MONSANTO, thus also adding the broad spectrum herbicide Roundup to BAYER's product range. This pesticide and its active ingredient glyphosate have been subjected to massive criticism for some time now. For example, the World Health Organization (WHO) of the United Nations classifies glyphosate as "probably carcinogenic."

Even MONSANTO itself classifies this substance as hazardous to health. Internal documents from MONSANTO toxicologist Donna Farmer contain the sentence: "You cannot say that Roundup is not a carcinogen." Continues Farmer: "We have not done the necessary testing on the formulation to make that statement." With regard to the formulation, in other words the further processing of the base substance glyphosate to form the finished product ROUNDUP with the help of enhancers and other substances, her colleague William Heydens states: "Glyphosate is okay but the formulated product does the damage." For example, it has adverse effects on genetic material. When a study commissioned by the company in this regard did not provide sufficient exonerating evidence and even threatened to confirm the findings, Heydens simply suggested looking for other scientists.

The MONSANTO scientists also were already aware of the link between glyphosate and non-Hodgkin lymphoma. “The case-control study finds a 2.02 odds ratio (OR) for exposure (two times the chance of contracting the illness) to glyphosate,” it says in an internal email on this matter. Donna Farmer reacted to these findings with the words: “We have been aware of this paper for a while and knew it would only be a matter of time before the activists pick it up.”

The internal MONSANTO documents consequently feature prominently in the arguments by the plaintiffs’ attorneys in the U.S. glyphosate litigations. Several thousand cases are currently pending against BAYER. Werner Baumann, Chairman of the Board of Management of the BAYER Group, nonetheless remains loyally committed to glyphosate: “However, the number of lawsuits tells us nothing about their merits.” He makes it clear that he considers all the lawsuits to be without merit: “We remain convinced of the safety of glyphosate-based products, as do all the regulatory bodies worldwide.”

The company is now pursuing settlements in this matter. Such settlements are usually concluded “without admission of guilt” and therefore leave crucial questions concerning liability and responsibility for the affected parties’ suffering unaddressed. Furthermore, BAYER can continue to sell the carcinogenic product “Roundup” following the conclusion of the settlements. Future poisoning of people and the environment is therefore inevitable.

The Board of Management of the company has an obligation to discontinue the production of the carcinogenic product “Roundup” and to acknowledge the devastating effects it has. So far, however, the Board of Management has merely attempted to deny the deadly consequences that the use of glyphosate has for people and the environment. Due to the irresponsible actions of the Board of Management, the actions of its members must not be ratified.

Pursuant to Sections 125 and 126 of the German Stock Corporation Act (AktG), we request that this countermotion and its statement of grounds be published.

On behalf of the Executive Committee of the Coordination against BAYER-Dangers

- [REDACTED] - [REDACTED] -

**Counter-motion of Coordination gegen Bayer-Gefahren e.V.
Postfach 150418, D-40081 Düsseldorf,
dated April 5, 2020**

Counter-motion for the BAYER Annual Stockholders' Meeting on April 28, 2020

We hereby announce that we object to the proposals of the Supervisory Board with regard to Item 5 of the Agenda and intend to call on the stockholders to vote for the following counter-motion.

Counter-motion to Agenda Item 5:

Approval of the compensation system for the members of the Board of Management

Under the new Shareholder Rights Directive, the compensation of the Board of Management must be approved by Annual Stockholders' Meeting. The proposal that the Supervisory Board has prepared and presented for approval regarding the compensation system contains serious shortcomings and thus cannot be approved by the Annual Stockholders' Meeting.

In the Supervisory Board's model calculations, the salaries of the members of the Board of Management are far too high. According to the fairness principle, their salaries should not be more than double the average wage paid at BAYER.

Furthermore, the Supervisory Board has chosen the wrong criteria for calculating compensation. They are based almost exclusively on economic parameters such as "share price," "capital market performance" or "return on investment." And the Supervisory Board even wants to intensify this approach, explaining in the Notice of the Annual Stockholders' Meeting 2020:

"We will (...) enhance the focus on profitability and liquidity as financial performance indicators." The fatal consequences of such an incentive system are evident through to the present time.

The acquisition of the MONSANTO Group together with its pesticide glyphosate, which the World Health Organization has classified as "probably carcinogenic," the marketing of other dangerous and toxic agricultural products, the commercialization of pharmaceuticals that are hazardous to health, the pollution of the environment – these are the side effects of the merciless pursuit of profit.

Although the Supervisory Board also ties compensation to ecological and social sustainability targets, it does so in a completely insufficient way. For example, the attainment of the sustainability targets makes up only 20 percent of the calculation of long-term cash compensation, which in turn only accounts for roughly 42 percent of overall compensation. Furthermore, the Supervisory Board does not define the sustainability targets in any detail despite there being specific parameters that could serve as indicators here, such as carbon dioxide emissions. "Social sustainability" also is not defined in any detail even though there are guidelines in this area as well, such as compliance with social and ecological standards throughout the supply chain, equal pay for both genders, and the avoidance of double standards when marketing pesticides and other products.

The compensation concept presented by the Supervisory Board is not suitable to encourage the Board of Management to act responsibly. It must therefore be rejected.

Pursuant to Sections 125 and 126 of the German Stock Corporation Act (AktG), we request that this counter-motion and its statement of grounds be published.

On behalf of the Executive Committee of the Coordination against BAYER-Dangers

- [REDACTED] -

- [REDACTED] -

Countermotion of ██████████, dated April 10, 2020

Countermotion for the Annual Stockholders' Meeting of the BAYER Group on April 28, 2020

I hereby give notice of my intention to oppose the motions of the Board of Management and the Supervisory Board with regard to Item 2 of the Agenda and instead urge the stockholders to vote in favor of the following countermotion.

Countermotion to Agenda Item 2: The actions of the members of the Board of Management shall not be ratified

MONSANTO, which is now a BAYER subsidiary, spied on thousands of people between 2014 and 2018, either directly or through service providers. The company has addressed this scandal only extremely inadequately. The Board of Management bears responsibility for this. The actions of its members therefore must not be ratified.

In the spring of 2019, French media revealed an undercover operation by the BAYER company MONSANTO. The latter had hired the PR agency FLEISHMAN HILLARD to produce extensive dossiers on politicians, journalists, activists, employees of public authorities and other stakeholders. Fleishman gathered freely available material. The company delegated the task of researching other sources to PUBLICIS. According to an internal memo, this subcontractor was then charged with “gathering information that was NOT (emphasized in the original document) publicly accessible.” The information gathered by Fleishman and its associates reached well into people’s private lives. According to the documents, the investigators’ attention focused, for example, on “leisure time and other activities (golf, tennis, hunting, etc.).”

With this knowledge, MONSANTO wanted, for example, to influence the E.U.’s decision scheduled for the fall of 2017 on the extension of marketing authorization for the herbicide glyphosate in the company’s favor. In this connection, FLEISHMAN HILLARD classified those under observation into categories such as “ally,” “mobile/influenceable” or “not at all influenceable.” The then-French Environment Minister Ségolène Royal was among those who fell into the third category. The instruction “isolate” was then written in her file.

A MONSANTO task force worked with FLEISHMAN HILLARD to develop a separate strategy for Germany. This strategy involved a series of measures “to enable the government to return to a position favorable to extending the marketing authorization for glyphosate.” One of the aims here was to change the mind of then-German Environment Minister Barbara Hendricks (SPD), whom the company considered to be the “strongest opponent,” and to “persuade her to take a neutral position.” The PR experts wanted to achieve this through party members – as “high-ranking as possible” – and “through other bureaucrats.”

Ultimately FLEISHMAN HILLARD was able to report a done deal: the E.U. kept glyphosate on the market. And the firm garnered corresponding praise in the PR industry. “It was Fleishman's multinational campaign that provided MONSANTO and well-meaning governments with the arguments they needed to rein in those who advocated a ban,” wrote the web portal Politico, for example.

Yet the agrochemical giant didn't just rely on FLEISHMAN HILLARD in its activities. In the United States, it worked together with HAKLUYT and FTI. HAKLUYT scoped out the environment in Washington for the agrochemical giant even after its acquisition by BAYER. The "consulting firm" kept then-top executive Todd Rands constantly up-to-date with emails containing statements such as "the current political environment stands behind you."

Yet that wasn't all, as MONSANTO itself also took action. The company established a separate department to systematically oppose its critics. The company treated Reuters journalist Carey Gillam especially badly. "We continue to push back on her editors very strongly every chance we get," was the wording of one internal mail.

BAYER hasn't addressed these cases at all. The company hired law firm SIDLEY AUSTIN to investigate the "FLEISHMAN HILLARD" matter. However, the lawyers did not have direct access to Fleishman's documents. All they had to work with was the incomplete material the agency made available to BAYER. And the law firm company didn't even bother to look at the activities of PUBLICIS. That made it easy to give BAYER a clean bill of health. And the company immediately sounded the all-clear: "No 'sensitive' data on the lists." It didn't do any follow-up investigations, even when requested to do so by the Coordination against BAYER-Dangers. As a result, the investigation petered out. The Board of Management bears responsibility for this. The actions of its members therefore must not be ratified.

Pursuant to Sections 125 and 126 of the German Stock Corporation Act (AktG), I request that this countermotion and its statement of grounds be published.

Sincerely,



Countermotion of ██████████, dated April 10, 2020

Countermotion for the Annual Stockholders' Meeting of the BAYER Group on April 28, 2020

I hereby give notice of my intention to oppose the motions of the Board of Management and the Supervisory Board with regard to Item 3 of the Agenda and instead urge the stockholders to vote in favor of the following countermotion.

Countermotion to Agenda Item 3: The actions of the members of the Supervisory Board shall not be ratified

The BAYER Group is Germany's biggest pharmaceutical company. The corona pandemic nonetheless caught it completely off guard because its strategy in the pharmaceutical business is focused solely on developing highly profitable drug products, which do not include anti-infectives. The Supervisory Board supported this strategy. The actions of its members should therefore not be ratified.

Not one of the world's 20 biggest pharmaceutical companies conducted research into the precursor viruses of SARS-CoV-2. The private sector contributed only minimal sums to this area. The consequences for the world are now bitter. "If we'd developed a vaccine against SARS, we might have a better understanding of COVID-19 today and might soon be able to treat it," says Francesca Colombo from the Organisation for Economic Co-operation and Development (OECD), for example.

Yet developing products to address epidemics that might break out only every ten or 15 years, or not at all, doesn't offer Big Pharma much of a prospect of substantial earnings. "Prevention is a lousy business model when it comes to rising margins and share prices," write Jürgen Kaube and Joachim Müller-Jung in the *Frankfurter Allgemeine Zeitung*.

BAYER doesn't even meet the basic conditions for developing antiviral drugs. The company hasn't conducted basic research for a long time now and gave up research into tropical medicine in 1987/88 and the indications "infectious diseases" and "respiratory diseases" in 2004. This year the company made a dramatic strategic decision. From now on, it planned to focus on potentially extremely lucrative "high-priority" projects such as cancer treatments and no longer offer a comprehensive range of pharmaceuticals. "We have to earn money with our products. This means we will not develop all the medicines we need," said then-CEO Marijn Dekkers.

In light of the corona crisis, the abandonment of tropical medicine in particular has proven to be a fatal decision. Research findings in this area could have been important with regard to treating the current pandemic, as malaria, schistosomiasis and Chagas disease – like COVID-19 – are infectious diseases transmitted by animal pathogens. Just how important is now evident in the discussion surrounding the use of chloroquine in SARS patients.

Already in 2004, researchers in the Netherlands tested this substance – which was registered for patent by BAYER in 1937 as an active substance to treat malaria – against the precursor virus of SARS-CoV-2 and demonstrated effects in cell cultures. Yet BAYER did not react and failed to initiate large-scale studies. Instead, the global player continued to commercialize the

product in the traditional indications before discontinuing its sale completely in November 2019.

Such studies could have provided clarity by now about the actual potential of chloroquine. However, BAYER merely quickly brought the product out of mothballs following reports of further alleged positive tests and garnered substantial publicity by donating millions of tablets.

Thus we are now facing a difficult situation because some doctors have high hopes for the drug while other experts not only doubt the scientific character of tests conducted so far, but are also warning against the strong side effects of chloroquine – and the first fatalities have indeed occurred after self-medication by individuals.

Mark Suzman from the Bill & Melinda Gates Foundation has talked about a “massive market failure” by the entire industry in view of the corona virus. This verdict is correct. BAYER and the other pharmaceutical giants are increasingly unable to adequately supply public health systems with drug products – not just as regards “SARS-CoV-2” – because they are focused on maximizing profits.

The Supervisory Board supported this business policy of the Board of Management. The actions of its members therefore must not be ratified.

Pursuant to Sections 125 and 126 of the German Stock Corporation Act (AktG), I request that this counter-motion and its statement of grounds be published.

Sincerely,

A solid black rectangular redaction box covering the signature area.

Countermotion of Coordination gegen Bayer-Gefahren e.V., Postfach 150418, D-40081 Düsseldorf, dated April 11, 2020

Countermotion for the BAYER Annual Stockholders' Meeting on April 28, 2020

We hereby announce that we object to the proposals of the Supervisory Board and the Board of Management with regard to Item 3 of the Agenda and intend to call on the stockholders to vote for the following countermotion.

Countermotion to Agenda Item 3: Ratification of the actions of the members of the Supervisory Board

While all other DAX companies postponed their annual stockholders' meetings in March 2020 due to the corona pandemic, the BAYER Group decided to hold its Annual Stockholders' Meeting online so as to flee from the expected protests and into the virtual realm. The Supervisory Board approved this decision. The actions of its members therefore must not be ratified.

As justification for this decision, BAYER stated that the immediate payment of the dividend was of paramount importance and could not be postponed. Under this pretext, the company has extensively nullified the rights of small stockholders. The German "Act to Mitigate the Consequences of the COVID-19 Pandemic under Civil, Insolvency and Criminal Procedure Law" of March 27, 2020 (hereinafter: "Pandemic Emergency Law") – the establishment of which the company played no small part in – serves to legitimize this decision. Specifically, the German government's 'formulation aid' as regards the wording of the law states with regard to the procedure of the annual stockholders' meeting that management "need (...) by no means answer all questions, but can summarize and select meaningful questions on behalf of the other stockholders. In this connection, it can give preference to stockholder associations and institutional investors with significant holdings of voting shares" (quoted from page 30 of the German government's 'formulation aid'). These articles thus amount to an anti-small-stockholder law.

The text also contains the following passage: "If physical presence is excluded, the right to ask questions may not also be completely nullified. Although the stockholders do not have a right of information, they must at least be granted the "possibility" to ask questions. That does not equate to a right to receive an answer. Pursuant to Article 2, Section 1 in deviation from Section 131 of the German Stock Corporation Act (AktG), the board of management decides on the selection of and response to questions only at its 'dutiful, free discretion.'" This effectively eliminates the opportunity to ask follow-up questions should the initial question not be answered.

Participants in the virtual Annual Stockholders' Meeting now no longer have any way to directly address the Board of Management, Supervisory Board and stockholders as speakers. Questions can still formally be posed and must be submitted by April 25. The Board of Management can then select questions as desired and answer them at its discretion – or not. This means those critical of the company face being banned from the virtual conference hall.

Pursuant to Article 2, Section 1, Paragraph 3 of the Pandemic Emergency Law and in deviation from previous statutory regulations and company rules contained in articles of

incorporation, notice of the annual stockholders' meeting need only be given three weeks prior to the date of the meeting. This further reduces the time available to stockholders to exercise their rights in connection with the annual stockholders' meeting (registration, voting, transfer of voting rights, filing of motions, questions...). As the Easter holidays fall at the same time and the pandemic is also resulting in longer postal delivery times and thus delays in delivery, stockholders effectively have only a few working days to react.

This is compounded by additional shorter deadlines for which BAYER is responsible. For example, stockholders can only register to participate in the Annual Stockholders' Meeting until April 21 although the company will not begin sending out the necessary registrations for the online portal of the AGM until April 15. Furthermore, the deadline for submitting questions is April 25. All of these circumstances present a massive obstacle to participation in the online Annual Stockholders' Meeting – and that is exactly the intention. Just as BAYER invoked an alleged terrorist threat in 2017 in an attempt to marginalize protests at its Annual Stockholders' Meeting, the company is now instrumentalizing the corona pandemic so it won't have to face criticism for its actions.

The Supervisory Board supports this practice. The actions of its members should therefore not be ratified.

Pursuant to Sections 125 and 126 of the German Stock Corporation Act (AktG), we request that this countermotion and its statement of grounds be published.

On behalf of the Executive Committee of the Coordination against BAYER-Dangers

- [REDACTED] -

- [REDACTED] -

With regard to the composition of the Supervisory Board, the Board of Management makes the following statement pursuant to Section 127, Sentence 4 German Stock Corporation Act (AktG) in conjunction with Section 96, Sentence 2 AktG:

At least 30 percent of the members must be women and at least 30 percent must be men. In principle, this minimum quota must be fulfilled by the Supervisory Board as a whole. However, the stockholder representatives have rejected overall fulfillment of this quota on the basis of a majority resolution presented to the Chairman of the Supervisory Board. The minimum quota for this election therefore has to be fulfilled separately by the stockholders' and employees' representatives and comprises three women and three men for each group of representatives. The stockholders' representatives on the Supervisory Board currently comprise four women and six men; thus, the minimum quota is currently being fulfilled.

Countermotion of Coordination gegen Bayer-Gefahren e.V., Postfach 150418, D-40081 Düsseldorf, dated April 11, 2020

Countermotion for the BAYER Annual Stockholders' Meeting on April 28, 2020

We hereby announce that we object to the proposals of the Supervisory Board and the Board of Management with regard to Item 4 of the Agenda and intend to call on the stockholders to vote for the following countermotion.

Countermotion to Item 4: Supervisory Board elections

We hereby propose that the following candidates be elected as members of the Supervisory Board with effect from the end of the Annual Stockholders' Meeting 2020:

- a) Jan Pehrke, journalist
Honorary member of the Executive Committee of the Coordination against BAYER-Dangers
- b) Christiane Schnura, graduate in social pedagogy
Founding member of the Coordination against BAYER-Dangers
- c) Axel Köhler-Schnura, graduate in business administration
Honorary member of the Executive Committee of the Coordination against BAYER-Dangers

These memberships are proposed for the period through the end of the Annual Stockholders' Meeting that will resolve on the ratification of their actions for the fiscal year 2023.

We request notification of this countermotion pursuant to Sections 125 and 126 of the German Stock Corporation Act (AktG).

On behalf of the Executive Committee of the Coordination against BAYER-Dangers

- [REDACTED] -

- [REDACTED] -

Countermotion of Coordination gegen Bayer-Gefahren e.V., Postfach 150418, D-40081 Düsseldorf, dated April 12, 2020

Countermotion for the BAYER Annual Stockholders' Meeting on April 28, 2020

We hereby announce that we object to the proposals of the Supervisory Board and the Board of Management with regard to Item 1 of the Agenda and intend to call on the stockholders to vote for the following countermotion.

Countermotion to Item 1: Use of the distributable profit

We request that the dividend be reduced to 10 cents per share. The freed-up monies should be used as follows:

- > for the preservation and creation of safe and environmentally friendly jobs and for the payment of socially just wages;
- > for a fund to adequately compensate damages that have occurred to people, animals and the environment as a result of the company's business activities;
- > for the comprehensive economic, ecological and social reorganization of the enterprise;
- > for an immediate program to reorganize the Pharmaceuticals segment with the reintroduction of the "tropical medicine," "infectious diseases" and "respiratory diseases" activities so that BAYER will be better able to cope with future challenges such as the corona pandemic;
- > for the payment of reparations to the victims and descendants of the victims of the company IG FARBEN, which was co-founded by BAYER and committed heinous crimes during the period of fascism.

We would like to state that we would certainly be willing to request that no dividend be paid at all in order to fund the aforementioned efforts if this were legally possible. Unfortunately, that is not the case.

Pursuant to Sections 125 and 126 of the German Stock Corporation Act (AktG), we request that this countermotion and its statement of grounds be published.

On behalf of the Executive Committee of the Coordination against BAYER-Dangers

- [REDACTED] -

- [REDACTED] -

Counter-motion of [REDACTED], dated April 12, 2020

Counter-motion for the BAYER Annual Stockholders' Meeting on April 28, 2020

I hereby announce that I object to the proposals of the Supervisory Board and the Board of Management with regard to Item 2 of the Agenda and would like to call on the stockholders to vote for the following counter-motion.

Counter-motion to Agenda Item 2: Ratification of the actions of the members of the Board of Management

The Baltic Sea and the North Sea contain millions of tons of munitions and warfare agents from the First and Second World Wars, presenting an increasing danger to people, animals and the environment. A not insignificant portion of these substances was produced by BAYER. Despite this, the company is not participating in the retrieval operations. The Board of Management bears responsibility for this. The actions of its members therefore must not be ratified.

1.6 million metric tons of munitions, mines and chemical weapons can be found in the waters of the North Sea and the Baltic Sea, including mustard gas, tabun and sarin once developed by BAYER. As the metal encasements of the chemical agents are now rusted, the toxins are escaping. The mustard gas forms clumps that are not infrequently picked up in fishing nets – often with fatal consequences. The phosphorous, on the other hand, is swept up from the sea bottom and constantly washes up on the beaches, where beachgoers often mistake it for amber due to its color and shape. They pick up the chemical and sustain severe burns because once dry, phosphorous is highly flammable.

Biologist Dr. Stefan Nehring estimated the number of deaths at 418 as of the end of 2015. Sailors and fisherman killed by sea mines or direct contact with the chemical toxins account for most of the deaths. Nehring also counts 720 individuals whose health has been harmed by chemical contamination. Many vacation resorts have since put up warning signs. Employees of companies specializing in the retrieval of warfare agents also regularly search for phosphorous along the coasts.

But that's not all. "Contaminated fish also present significant risks," the German Federal Ministry of Food and Agriculture wrote back in 1992. This is because the chemical substances can enter the human organism through the food chain and cause diseases.

"If all the contaminated substances were to be loaded onto a freight train, it would stretch from Hamburg to Munich – three times. Yet so far, the clean-up crews succeed in disposing of maybe half a freight car annually," says marine researcher Warner Brückmann. The BAYER Group makes no effort to speed up the recovery work through active support or financial assistance. It simply ignores the long-term effects of its armaments production.

As the Board of Management bears responsibility for this, the actions of its members must not be ratified.

We request notification of this counter-motion and the reasons for it pursuant to Sections 125 and 126 of the German Stock Corporation Act (AktG).

Sincerely,

[REDACTED]

Member of the Executive Committee of the Coordination against BAYER-Dangers (CBG)

**Countermotion of the Association of Ethical Shareholders Germany, P. O.
Box 30 03 07, 50773 Cologne, Germany**

**Countermotions by the Association of Ethical Shareholders Germany for the Annual
Stockholders' Meeting of Bayer AG on April 28, 2020**

With regard to agenda item 1: Resolution on the use of the distributable profit

The Association of Ethical Shareholders Germany moves that the dividend be reduced to 10 cents per share. The remaining amount shall be used to establish a fund to fight the corona pandemic and mitigate its economic impact.

Reason:

By forgoing €2.70 per share of dividend, the stockholders of Bayer AG could help fight the corona pandemic and mitigate its economic impact.

This would account not so much for the beneficence, but rather the social obligations of property ownership pursuant to Article 14, Paragraph 2 of the Basic Law for the Federal Republic of Germany: "Property entails obligations. Its use should also serve the common good."

Although the dividend proposed by the Board of Management and the Supervisory Board is based on the company's business success in 2019, the current corona crisis necessitates the rapid and even extraordinary provision of financial resources. These funds should not just be raised through donations or loans, or at the expense of the public.

Most of the current distributable profit should be placed into a fund to help finance free tests for the SARS-CoV-2 virus worldwide, the development of a vaccine and the treatment of coronavirus patients (COVID-19), particularly in the Southern Hemisphere. In this regard, Bayer has special human and technical resources that could now be utilized without pressure to make a profit or self-promotion. These resources must be utilized with independent expertise and significant democratic participation by civil society in the Southern Hemisphere.

Furthermore, the resources must be used to support economic sectors that are in distress as a result of the corona pandemic and are closely linked to Bayer. This includes safeguarding jobs particularly in smallholder farming and effecting a climate-friendly and social-ecological transformation of Bayer's supply chains.

With regard to agenda item 2: Ratification of the actions of the members of the Board of Management

The Association of Ethical Shareholders Germany moves that the actions of the members of the Board of Management not be ratified.

Reason:

The Board of Management of Bayer AG pursues a business model that is harmful to health and the environment and does not contribute to the attainment of the Sustainable Development Goals (SDGs) of the U.N.

Bayer endangers agricultural workers, farmers and indigenous groups in the Southern Hemisphere

In Southern Hemisphere countries that do not stringently regulate pesticides, Bayer markets active substances that are not approved in the E.U. Indeed, Bayer markets at least 11 active substances in Brazil and at least six active substances in South Africa that are not approved in the E.U. The active substances carbofuran, fenamidone, propineb, thiodicarb and thiram were either rejected at the E.U. level following extensive investigation or their approval was explicitly revoked following renewed investigation. In addition, the substances marketed by Bayer in these two countries but not approved in the E.U. are included on the Pesticide Action Network's list of highly hazardous pesticides due to their harmfulness to human health and the environment.

Recent research based on market analyses by Phillips McDougall have also shown that Bayer generates nearly 37% of its sales through the sale of highly hazardous pesticides – many of them in so-called developing or emerging countries. The victims of this business model include not just (smallholder) farmers and agricultural workers, but also indigenous groups who live, for example, near large soybean plantations in Brazil on which the pesticides in question are applied using aircraft. They suffer from both acute poisoning and chronic health problems. The safe application that Bayer repeatedly presents as a way forward is a myth in contexts marked by poverty. For example, plantation workers often are not supplied with the required protective clothing, while smallholder farmers cannot afford it and in some cases live on or in the direct vicinity of their fields.

No real transparency as regards safety data on active substances

At the conference “What does the future hold for harmonized human health risk assessment of plant protection products?” held in Berlin in November 2017, Bayer announced it would make the safety data for its active ingredients public and successively release the full study reports as part of a transparency initiative. To this end, the company set up a special website: <https://cropscience-transparency.bayer.com/Safety-results>. Nearly two-and-a-half years after announcing this transparency initiative, 28 active substances are listed there. Yet Bayer only makes the full study reports available on request for just 13 active ingredients, which is less than half of the total.

Worse still, Bayer only provides information on one of the substances that is no longer permitted to be marketed in the E.U.: propineb. As all of these substances continue to be marketed in Southern Hemisphere countries, there remains a need for information. Bayer would be transparent if the active substances listed on the aforementioned website were accompanied by a complete list of all active substances marketed by Bayer worldwide. This would enable existing gaps in information to be identified. In the case of active substances with particular hazard potential, transparency must take precedence. Bayer must urgently provide safety data and reports for carbofuran, fenamidone, thiodicarb and thiram.

With regard to agenda item 3: Ratification of the actions of the members of the Supervisory Board

The Association of Ethical Shareholders Germany moves that the actions of the members of the Supervisory Board not be ratified.

Reason:

The Supervisory Board of Bayer AG is not sufficiently fulfilling its responsibility to instruct and oversee the Board of Management, implement more effective climate protection measures and transparently comply with duty of care responsibilities with regard to human rights.

Failure to company with U.N. requirements for duty of care responsibilities with regard to human rights

Bayer still does not fully comply with the corporate conduct requirements of the U.N. Guiding Principles on Business and Human Rights (UNGPs). Bayer does not sufficiently verify how and whether human rights risks are identified, evaluated and minimized. These are the findings of a current study by the Business & Human Rights Resource Centre and the ZHAW School of Management and Law. The results of the study are summarized here: <https://www.business-humanrights.org/en/german-snapshot>

Nontransparent control of the supply chains

To satisfy its human rights duty of care responsibilities with regard to the company's own supply chains, Bayer commissioned a total of 712 supplier audits in 2019. Yet once again, no substantial information about the results can be found – neither in the Annual Report nor in the Sustainability Report. Bayer reports “critical results” for 11 suppliers. It is not disclosed whether this involved serious human rights violations, inhumane working conditions or massive environmental destruction, nor are the names of the affected suppliers revealed.

Direct greenhouse greenhouse gas emissions up by 35%

Due to the acquisition of Monsanto, Bayer is no longer listed in the Dow Jones Sustainability Index (DJSI World). Bayer openly admits a negative consequence of the acquisition: “The increase in greenhouse gas emissions is due to the first full-year inclusion of the sites of the acquired agriculture business.” (P. 59, Annual Report 2019)

Direct greenhouse gas emissions from Bayer production (Scope 1) rose by 35% year on year, from 1.5 million to 2.03 million metric tons of CO₂ in 2019. Total greenhouse gas emissions climbed by 29%, from 2.88 to 3.71 million metric tons. Although Bayer recognizes a need for action here, the new climate goals are anything but ambitious.

Bayer's climate goals: not ambitious, no targets in the critical area

It is not clear whether Bayer's climate goals correspond to the objective of the Paris Climate Agreement to limit global warming to 1.5 degrees Celsius. Bayer does now allow the Science Based Targets initiative (SBTi) to scientifically examine its targets. As Bayer does not itself announce that its climate targets are compatible with the 1.5 degree goal, however, it is questionable whether the company is focused on this target or on less ambitious targets. That is despite the fact that measures to achieve the 1.5 degree goal are truly effective in reducing the risks and effects of climate change.

Bayer's goal of becoming carbon-neutral by 2030 refers only to its own production sites. Yet Bayer's critical global impact is on emissions from its own supply chains and from the application of its products and technologies (Scope 3). The agriculture industry especially is

one of the world's biggest greenhouse gas emitters, and Bayer continues to earn money with industrial rather than ecologically oriented farming.

For Scope 3 there is simply a lack of clear targets for when and how much CO₂ is to be reduced. Other companies have already formulated clear targets here. The current Sustainability Report only imprecisely mentions that CO₂ emissions in the supply chain should be a new focus of supply chain management.

Countermotion of [REDACTED], dated April 13, 2020

Countermotion for the BAYER Annual Stockholders' Meeting on April 28, 2020

I hereby announce that I object to the proposals of the Supervisory Board and the Board of Management with regard to Item 3 of the Agenda and would like to call on the stockholders to vote for the following countermotion.

Countermotion to Agenda Item 3: Ratification of the actions of the members of the Supervisory Board

The BAYER Group has shown itself to be unwilling to take measures to protect the climate. The global player's carbon dioxide emissions increased significantly once again in 2019. The Supervisory Board stood by idly while this was taking place. The actions of its members should therefore not be ratified.

Climate change is a major threat to humanity. Extreme weather events such as hurricanes, heavy rainfall, flooding and droughts are becoming increasingly frequent, causing many people to lose their homes. In farming, the increase in drought periods is causing harvest yields to decline. Water tables are also sinking to an extent that some municipalities already believe their drinking water supply is in jeopardy. At the same time, rivers and lakes are heating up in the summer with increasing frequency and threatening the existence of many aquatic species.

BAYER itself is feeling the impact of these changes as they are negatively affecting the sale of its pesticides. In the most recent Annual Report, the company states: "Especially the market in North America was negatively impacted by flooding and heavy rains in the Midwestern United States." What's more, drought conditions led to declines in the fungicides business in the "Europe/Middle East/Africa" region and a decrease in sales of cotton seed and herbicides in Australia.

Nevertheless, the company is not rethinking its policy as regards electricity consumption and its own power production. It continues to rely on climate-damaging fossil energy sources. As a result, the company's carbon dioxide emissions rose once again – from 2.88 to 3.71 million metric tons – in 2019.

The herbicide glyphosate played a major part in this increase. This product not only causes massive damage to health, it is also a veritable climate-killer because enormous use of energy is required to extract the glyphosate precursor phosphorous from phosphorite. The furnace of the glyphosate production site near Soda Springs in the U.S. state of Idaho has to be heated to an operating temperature of 1500° Celsius before the sedimentary rock will release the phosphorous.

BAYER only admits the climate-damaging side-effects of glyphosate in the current Annual Report in a roundabout way: "In connection with the agriculture business acquisition, Bayer has taken over sites for seed production and also, among others, for the extraction of raw materials for the manufacture of intermediates for crop protection products, which involves energy-intensive treatment and downstream processing," says the company. The Coordination against BAYER-Dangers called for measures in Soda Springs already at the Annual Stockholders' Meeting 2019, but the company did not take action.

BAYER's overall environmental record is also poor. The company's water consumption climbed year on year in 2019, from 42 million to 59 million cubic meters, and the mountain of hazardous waste grew from 282,000 to 283,000 metric tons.

Further information on the ecological impact of BAYER's economic practices cannot be found in the Annual Report. That's because the company abridged this section from seven to two pages. For example, there is no longer any information whatsoever about air emissions of carbon monoxide, nitrogen, volatile organic compounds and sulfur dioxides. The company also no longer publishes data on the extent of water emissions of phosphorous, nitrogen, heavy metals and inorganic salts. Furthermore, it no longer documents the proportion of coal, gas and other energy sources in its energy mix and leaves out the "accidents" section.

The Supervisory Board has tolerated this neglect of environmental reporting and supported a business policy that is focused solely on maximizing profit, and even accepts the endangerment of people's livelihoods to achieve this goal. The Supervisory Board also has neglected to work toward an energy transition at BAYER. For this reason, the actions of its members must not be ratified.

We request notification of this countermotion and the reasons for it pursuant to Sections 125 and 126 of the German Stock Corporation Act (AktG).

Sincerely,



Member of the Executive Committee of the Coordination against BAYER-Dangers (CBG)