

[REDACTED]
BAYER Aktiengesellschaft
Gebäude Q 26
(Rechtsabteilung)
Kaiser-Wilhelm-Allee 51368
Leverkusen

March 16, 2011

Annual Stockholders' Meeting on April 29, 2011

I hereby notify you that I will oppose the proposals of the Board of Management and the Supervisory Board as regards Items 2 and 3 of the Agenda, and will induce the other stockholders to vote in favor of the following counter motions. I request notification of these counter motions and the reasons for them pursuant to Sections 125, 126 of the German Stock Corporation Act (AktG).

Counter motion to Item 2: The actions of the members of the Board of Management are not ratified

Reason: BAYER AG carefully adjusts its accounting so that it appears poor to the tax authorities. This again reduces corporate income tax payments despite high profits. The working people pay the bill for this in the form of steadily increasing levies and taxes. The fact that Bayer now hardly contributes at all to community financing is unacceptable. Especially as all the big companies adjust their accounts in the same way.

BAYER's actual profit last year was over €7 billion. An increase of nearly 10 percent. Sales even rose by 12 percent. In the Annual Report BAYER announces a profit ratio of 20.2 percent, would you believe! Accordingly, the shareholders will receive a higher dividend again: €1.16 billion (€973 million for the previous year).

On the other hand, BAYER's tax payments are getting less and less. Between 1997 and 2000, the company was still paying the equivalent of about €1 billion a year in income taxes, but in 2009 tax payments dropped to €511 million and now in 2010 to €411 million. In this way the Group is steadily abdicating its responsibility toward the community. At the expense of the working population, who have to pay the bill through rising taxes and levies.

It is an unacceptable scandal that an enterprise like BAYER is providing less

and less financial support to the community. It is immediately obvious that taxes of €411 million do not even cover the social infrastructure, administration and monitoring costs that the Group causes.

BAYER's financial statements are just for shunting items around and do not provide really meaningful information. The company recruits highly qualified experts who often come straight from the fiscal authorities to its tax department, attracted by appropriately high salaries. Together with the rest of the corporate lobby it has ensured the passage of tax legislation that literally poses a threat to the community at large. This enables BAYER to make itself appear poor before the tax authorities and reduce its tax burden even when profits are soaring.

BAYER has made write-downs of €1.7 billion to diminish its profits. Apart from the write-down made because the company is giving up the Schering brand name, taxes are also being saved by deducting legal costs for defending the company against claims for damages from victims of medicines.

Things have taken their usual course: The corporate tax reform of 2001 already played a significant role in reducing the taxes paid by the Group. From that time on BAYER paid no trade tax or corporate income tax at all for years. The "golden" law that made this possible was drafted by Heribert Zitzelsberger, a BAYER man from the tax department, whom the company dispatched to the Finance Ministry.

The Board of Management is responsible for the "1000 tax dodges" of BAYER AG. Therefore I propose that the actions of its members not be ratified.

Further information can be found on the website of *Coalition against BAYER-Dangers* www.CBGnetwork.org

Counter-motion to Item 3: The actions of the members of the Supervisory Board are not ratified

BAYER wants to significantly expand polyurethane production at its Dormagen and Brunsbüttel sites. In both cases, phosgene is to be used as an intermediate. This substance, developed by BAYER during World War I as a chemical weapon, today is considered one of the most toxic industrial chemicals in existence. BAYER for years has ignored the demand to incorporate existing, non-phosgene processes into its large-scale technology, and instead has clung to outdated, high-risk production methods with more and more new plants based on phosgene.

At the Brunsbüttel site, BAYER plans to more than double plastics production: instead of 200,000 metric tons of TDI flexible foam, 420,000 metric tons of MDI rigid foam are to be produced there in the future. In Dormagen, the capacity of TDI is to be increased by a factor of six to 300,000 metric tons.

In the course of these planned expansions, production of the lethal gas phosgene, used as an intermediate in polyurethane manufacturing, would also rise annually by tens of thousands of tons. Phosgene is fatal to human beings even in the smallest doses. Inhalation causes respiratory distress, pulmonary edema and then cardiac arrest. Phosgene chemistry is considered one of the most dangerous technologies in Germany, second only to atomic energy.

TÜV Rheinland (Association for Technical Inspection) found in a study that in the event of a maximum credible phosgene accident, the population in an area of 1.7 square kilometers would be exposed to a dose level that would be fatal for one in

two cases. In an area with a moderate population density, such as Cologne for instance, this would be equivalent to over 2,000 persons. In the "B Zone," an area of 6.75 square kilometers, residents (17,000 persons) would be exposed to a level that can be fatal at least in individual cases. The consequences for victims would be initially irritation of the throat, burning sensation in the eyes, headache, vomiting and, after several hours, pulmonary edema.

The *Coalition Against BAYER Dangers (CBG)* for years has been demanding the use of non-phosgene processes in the production of polyurethanes and polycarbonates. BAYER has not as yet stated the extent to which such alternative methods have been investigated, or whether they have not been developed simply for reasons of profit or a lack of patents.

In early March, BAYER announced its intention to build a polyurethane research laboratory in Dormagen. All efforts of the BAYER Group should concentrate on developing a non-phosgene production process for polyurethane and polycarbonate suitable for full-scale operation. Until that time, no new plants should be built, because with a service life of 30 to 35 years, this hazardous production method would otherwise be firmly established for decades.

The fact that the risks to local residents and employees are not of a theoretical nature is supported by the severe incident two years ago at the BAYER site in Institute, United States, where phosgene also is used in large quantities as an intermediate. People in a radius of 10 miles could feel the explosion. A U.S. Congress committee of inquiry came to the conclusion that only fortunate circumstances had prevented a disaster like the one in Bhopal.

In 2000, phosgene was released in Dormagen following a leak in a heat exchanger. This led to alert stage 1. More than 30 employees required medical treatment.

Severe incidents also have occurred in polyurethane production itself, for example in Dormagen in 1997 and in the Baytown, United States, site in 2004 and 2006. After the explosions there, U.S. inspectors identified numerous serious violations of safety regulations and said BAYER MaterialScience's approach was "grossly negligent." In view of the high risk and frequent incidents, it is urgently necessary to phase out phosgene production for preventative reasons.

The Supervisory Board has taken no steps towards phasing out phosgene chemistry, sanctions the expansion of highly dangerous phosgene production and thus is not fulfilling its responsibility. Therefore I propose that the actions of its members not be ratified.

Further information can be found on the website of *Coalition against BAYER-Dangers* www.CBGnetwork.org

Sincerely,




Managing Committee Member, *Coalition Against BAYER-Dangers*

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 <http://www.hv2011.bayer.de/de/gegenantraege.aspx>

- Coordinadora contra los peligros de la BAYER - Coalition against BAYER-Dangers - Coordination contre les méfaits de BAYER -

Coalition against BAYER Dangers (CBG)

For environmental protection and secure jobs at BAYER - worldwide!


Bayer Aktiengesellschaft
Gebäude Q 26 (Rechtsabteilung)
Kaiser-Wilhelm-Allee 20
51373 Leverkusen
Germany

March 22, 2011

Annual Stockholders' Meeting on April 29, 2011

We hereby notify you that we will oppose the proposals of the Board of Management and the Supervisory Board as regards Items 2 and 3 of the Agenda, and will induce the other stockholders to vote in favor of the following counter motions. We request notification of these counter motions and the reasons for them pursuant to Sections 125, 126 of the German Stock Corporation Act (AktG).

Counter motion to Item 2: The actions of the members of the Board of Management are not ratified

Reason: The BAYER Group is responsible for massive environmental and social problems. The Board of Management is accountable for this. The following is a selection of current problem areas. Background information can be found on the website of the Coalition against BAYER Dangers (CBG): www.CBGnetwork.de

- The BAYER Group was one of the driving forces behind the introduction of nuclear power in Germany. BAYER was already represented on the Executive Committee of the *Deutsches Atomforum* at the end of the 1950s, when the nuclear program was devised. Werner Wenning remained true to this tradition when last August he signed the appeal to the German government to extend the lifetimes of the country's nuclear power plants. These were drastically extended just a few months later as a result of the pressure from industry. Wenning, who has since stepped down as Chairman of the Bayer Board of Management, therefore shares responsibility for the continued use of this irresponsible technology.

- BAYER is systematically pushing the unions out of its U.S. plants. Numerous factories with unionized workforces have been closed. Only one seventh of the U.S. workforce is covered by any collective agreement. And the unions now retain representation at only a handful of the approximately 50 U.S. plants. Last year again saw layoffs at Berkeley, although the surrounding cities had recently granted millions of dollars in subsidies. This pattern is now being repeated on the east coast of the United States, where several plants are being closed. Despite its anti-union actions, BAYER is receiving high tax incentives to keep the remaining sites going.

- Despite increased profits, Marijn Dekkers, the new chairman of the BAYER Board of Management, has announced that some 4,500 jobs will be destroyed. The burden on employees is already well above the pain threshold. Even safety-relevant areas are not exempted from the continuous job cuts.

- In the fall, BAYER established provisions of €386 million. This money is intended for compensation payments to U.S. farmers whose crops were contaminated by genetically modified rice. Although this late admission of guilt is to be welcomed, it was not voluntary but was forced upon the company by a series of court cases that BAYER lost without exception. On March 18, 2011, BAYER was ordered to pay punitive damages of \$136 million solely as a result of the proceedings initiated by the *RiceLand* cooperative.

The Board of Management nevertheless remains committed to its plan to import genetically modified rice into the E.U. However, the contamination in the United States shows once again that the cultivation of genetically modified rice inevitably leads to outbreeding; the risks of large-scale cultivation would be simply incalculable. Importing it into the E.U. as planned would involve inestimable risks to humans and the environment and must therefore be stopped.

- One of the most terrible scandals in BAYER's history is the deliberate infection of thousands of hemophilia sufferers with HIV. Hemophiliacs were infected by BAYER blood products until 1986 although methods to render the virus harmless had been available since 1982. Untreated batches continued to be exported to Asia after being banned in Europe.

In January, the *Coalition against BAYER Dangers* revealed that Bayer and three other companies were paying tens of millions in compensation to hemophiliacs from 22 countries. This is the result of a settlement reached in the United States at the end of last year. Several thousand hemophiliacs infected with HIV and hepatitis C had previously sued the companies in federal court in Chicago. Amazingly, no reference is made to these payments in the BAYER Annual Report 2010, although company spokespersons had no choice but to confirm the settlement in response to news agencies' inquiries. The *Coalition against BAYER Dangers* demands that criminal proceedings be instituted against those responsible.

- In the fall, the BAYER Group paid 3.3 million dollars as a result of false claims made in advertisements for vitamin products. These claimed that the addition of selenium and zinc could lower the risk of prostate cancer. In an action brought by various U.S. states, however, it was argued that "BAYER knew, or should have known, that large doses of zinc and selenium can raise the risk of the formation of aggressive and fatal prostate tumors." The lawsuit describes the advertising as "misleading and unethical". Bayer repeatedly uses unfair advertising methods, whether for contraceptives, painkiller tablets, or now for vitamin pills. In this way the group knowingly endangers the health of patients and consumers.

Countermotion to Item 3: The actions of the members of the Supervisory Board are not ratified

Reason: The Supervisory Board does not adequately perform its supervisory role, and its actions therefore should not be ratified. The following are examples of irresponsible group policies supported by the Supervisory Board:

- In December, the BAYER Group sold the age-old pesticides Namacur and Mocap to the U.S. company Amvac. The WHO classifies the two active ingredients as “extremely dangerous” (hazard class I). These agrochemicals are responsible for many cases of poisoning. Namacur and Mocap were banned in Germany long ago. Since the 1980s, the *Coalition against BAYER Dangers* has been calling for production of both active ingredients to be halted and for sales of all class I pesticides to cease. BAYER should have discontinued production long ago instead of now selling off these superpoisons at a profit. Incidentally, the use of Namacur is one of the probable causes of the “toxic oil syndrome” that claimed at least 300 lives and resulted in serious health problems for thousands of victims in Spain in 1981.

- In January, the U.S. oversight authority, the *Chemical Safety Board* (CSB), published the report of its investigation into the serious incident at the facility in Institute in 2008. The CSB ruled that a serious lack of safety measures led to the explosion. Two employees were killed in the incident, which shook an area of 10km around the plant. The factory was regarded as a “sister plant” of Bhopal, as the toxic gas MIC released at Bhopal is produced and stored there in large quantities. According to the CSB, the safety systems had been deliberately deactivated when a production facility was started up. The CSB said that only fortunate circumstances had prevented damage to an MIC tank nearby. “A release of significant quantities of MIC could have had fatal consequences. This concern had been legitimately expressed by local residents for decades,” says Dr. Rafael Moure-Eraso, chairman of the CSB. Dr. Moure-Eraso describes the deaths of the workers as “all the more tragic because they could have been prevented” if BAYER had conscientiously provided training for staff and performed the proper checks on the plant prior to startup. The investigation report also notes that the MIC measuring equipment at the facility was not working.

The *Coalition against BAYER Dangers* (CBG) had already called for an end to MIC production at BAYER’s Annual Stockholders’ Meeting four months **before** the explosion. The BAYER Board of Management had rejected this request. Bayer did not finally stop using MIC at the Institute facility until March 18, 2011, following legal action by local residents.

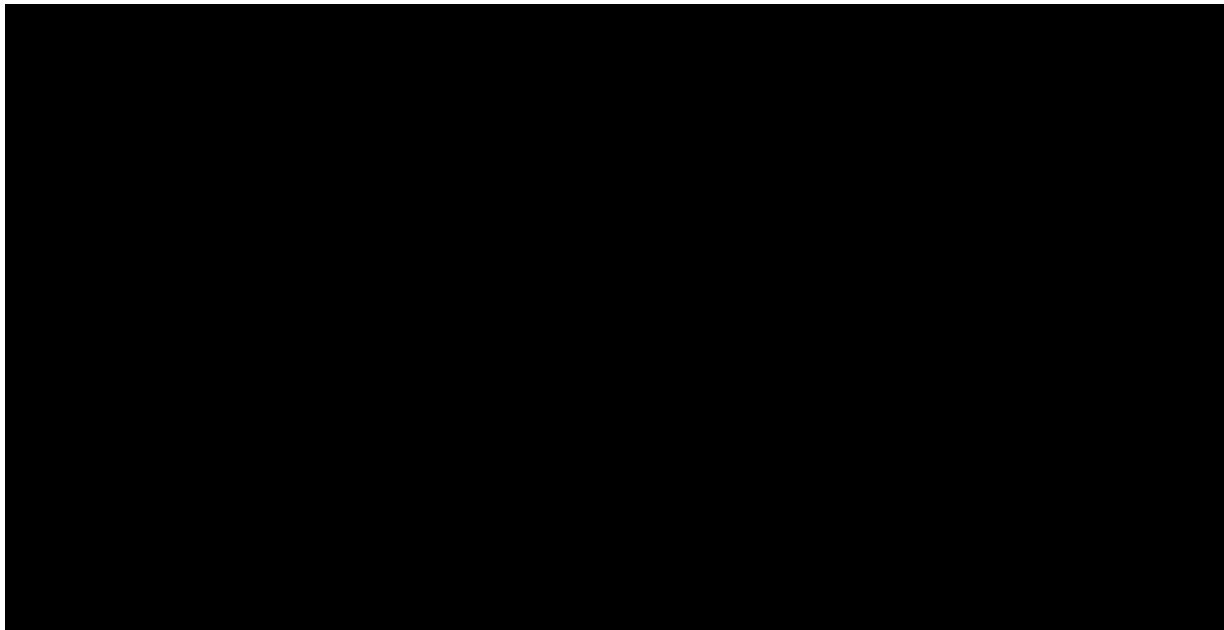
Overall, the CSB report sheds revealing light on the safety situation at many BAYER sites. Owing to the high risks, BAYER must completely abandon the industrial use of highly toxic chemicals such as MIC and phosgene. Operating the carbon monoxide pipeline that runs right across North Rhine-Westphalia would also be irresponsible.

- In the elections to the U.S. Congress at the start of November, donations from large companies went mainly to candidates who reject any requirements for reducing emissions. Of the European companies, none was as generous as BAYER – not even oil companies such as BP. Greg Babe, boss of Bayer USA, personally featured among the donors. The support from politicians who deny climate change shows once again that the *BAYER Climate Program* and the *BAYER Climate Award* merely

serve as fig leaves.

- A gigantic coal-fired power plant is due to be built at BAYER's site in Krefeld. This climate killer is to be operated by BAYER subsidiary Currenta. Annual emissions of the climate killer carbon dioxide alone would be 4.4 million metric tons. Over 22,000 objections to the project were submitted last year. BAYER nevertheless remains committed to it.
- BAYER also refuses to compensate the victims of the hormonal pregnancy test Duogynon / Primodos. Thousands of children suffered serious deformities in the 1960s and 1970s due to this product. Der SPIEGEL has now published documents showing that warnings had been given within the company at an early stage. A British employee wrote the following to the company headquarters in 1967: "The obvious correlation between the increase in congenital deformities and the sale of the pregnancy test appears quite alarming." "We need to be extremely careful," he wrote, regarding the use of the product by pregnant women. Shamefully, BAYER rejects the claims by victims, alleging they are time-barred.
- The BAYER Group is one of the largest manufacturers of bisphenol A. It has been known for decades that this chemical can damage the hormone system. The *Coalition against BAYER Dangers* has long called for a ban on high-risk applications, e.g. in food packaging, water bottles and children's toys. The E.U. finally banned the use of Bisphenol A in babies' feeding bottles from the beginning of March. BAYER nevertheless continues to deny the risks posed by the chemical, and many dangerous applications remain on the market.

On behalf of the Executive Committee of the *Coalition against BAYER Dangers*



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 <http://www.hv2011.bayer.de/de/gegenantraege.aspx>

[REDACTED]

Bayer Aktiengesellschaft
Building Q 26 (Legal Department)
Kaiser-Wilhelm-Allee
51368 Leverkusen

April 5, 2011

Annual Stockholders' Meeting on April 29, 2011

I hereby notify you that I will oppose the proposals of the Board of Management and the Supervisory Board as regards Item 2 of the Agenda, and will induce the other stockholders to vote in favor of the following counter-motion:

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

BAYER generated sales of EUR 1.65 billion with contraceptives in 2010, heedlessly marketing products with in some cases elevated risk profiles. This has led to avoidable harm to human health and even to deaths. The Board of Management holds responsibility for this.

Use of the oral contraceptives Yaz, Yasminelle and Yasmin containing the hormone drospirenone is associated with markedly higher risks for women and girls than older products. There have been many cases of severe harm to health such as thrombosis, embolism and stroke, in many cases resulting in death. These risks are not mentioned at all in BAYER's advertising campaigns.

It is outrageous that new contraceptives are more dangerous than old ones, just to increase sales with promises such as "weight loss" and "effective against acne". Even more outrageous was how at the last Annual Stockholder's Meeting, the BAYER Board of Management denied all responsibility to two women who had only just escaped death and will be affected by harmful consequences for the rest of their lives.

In late January, another young woman – a 21-year-old woman from Austria – died after taking Yasminelle. Tragically, she had had the contraceptive pill prescribed to lose weight. She was not aware of the elevated risk. Although doctors were immediately on hand, she died as a result of embolism.

New data from the U.S. regulatory authorities show that the number of severe side effects and deaths is much higher than previously assumed. Over the past 10 years, the Food and Drug Administration (FDA) has registered approximately 10,000 reports on contraceptive pills and last summer made them accessible for the first time. According to these reports, 190 women have died after taking Yasmin or Yaz in the United States alone. Some 7,000 lawsuits are currently pending against BAYER in the United States alone.

In spite of this, BAYER launched a real marketing firework last fall to mark the 50th anniversary of the contraceptive pill. Among other things, a mobile exhibition was designed, gala events were

conducted in several countries and a FaceBook campaign was launched. Here too, the “beauty effect”, the “feelgood factor” and the alleged “figure bonus” were praised. Ulrich Hagemann, responsible for drug safety at the German Federal Institute for Drugs and Medical Devices, condemns this practice: “We are critical of this. The companies advertise with side effects, and in some cases this is marginally incorrect.”

The Euras study that is always quoted by BAYER as confirming the alleged safety of Yasmin was commissioned by SCHERING – today part of BAYER – itself and conducted by a SCHERING employee. Independent scientists arrive at very different results. For example, two current studies show that contraceptive pills containing drospirenone have an approximately 80 percent higher risk of thrombosis than older products. The additional risk of products such as Yasmin cannot by any means be justified, because older products are equally effective at contraception.

The situation is only slightly better for the hormonal intrauterine device Mirena. More than one in ten of all users suffers from severe side effects such as depression, ovarian cysts, acne and migraine. In addition, there is a suspicion of an elevated risk of breast cancer. The Mirena website only mentions a fraction of these risks, however – and lists them under the harmless-sounding term “accompanying effects”. Thousands of women have received incorrect treatment as a result of this inadequate information and the causes of their symptoms often remain undiscovered for years.

BAYER states that the lifespan of Mirena is five years. According to a study published in the journal *Gynecological Endocrinology*, however, up to 60 percent of women discontinue treatment prematurely. The study shows that – contrary to the advertising claim “acts locally, therefore well tolerated” – comparable hormone concentrations were found in the blood serum of these women to those found in women taking oral contraceptives.

In the United States, Bayer initiated an advertising campaign for Mirena modeled on the Tupperware parties. Promotional teams took part in private events. This campaign was banned by the FDA. The ban stated that BAYER’s marketing “exaggerated the efficacy, made unjustified statements and trivialized the risks of Mirena.” The advertising claim according to which use of these hormonal intrauterine devices leads to a more satisfying sex life can likewise not be proved, according to the FDA – on the contrary: more than 5 percent complain of a loss of libido. There is also, according to the FDA, no scientific evidence to back up the claim that the majority of users of Mirena “feel great”. In addition, the marketing downplays the frequent side effects.

BAYER continues to refuse to publish figures on the frequency of severe side effects of contraceptives – allegedly in order to “not cause concern to the customers.” In fact, the intention is to sweep the negative information under the carpet to avoid jeopardizing sales. Once again, it is clear that the company is prepared to heedlessly sacrifice human health and human lives in order to maximize its profits. If this was not the case, it would immediately withdraw the above-mentioned products from the market.

The Coalition against BAYER Dangers (CBG) demands mandatory disclosure of all reported side effects and all post-marketing surveillance studies and effective punishments for unfair pharmaceutical advertising. Oral contraceptives that are associated with an elevated risk of thrombosis and embolism must be banned.

Detailed information can be found on the homepage of the *Coalition against BAYER Dangers* website at www.CBGnetwork.de.

Countermotion to Item 3: The actions of the members of the Supervisory Board are not ratified

The pesticides imidacloprid and clothianidin manufactured by BAYER are one of the factors responsible for bee deaths all over the world. The *Coalition against BAYER Dangers* has been drawing attention to the great danger to bees and wild insects posed by agricultural poisons ever since the 1990s. Although these pesticides are banned in several countries, BAYER refuses to halt their marketing. Worldwide food security is in danger because of the reduced pollination.

In early March, the UN environmental authority UNEP published a report on bee deaths around the world. The BAYER pesticides Poncho (clothianidin) and Gaucho (imidacloprid) from the neonicotinoid class of substances are designated as a risk to numerous animals in this report. According to the words of the study, “Systemic insecticides that are used for seed treatment migrate from the roots through the entire plant and into the flowers. This can lead to chronic poisoning of pollinating insects. A number of studies confirm the high level of toxicity of active ingredients such as imidacloprid, clothianidin and thiamethoxam for animals such as cats, fish, rabbits, birds and earthworms. Laboratory studies show that these chemicals leads to a loss of the sense of orientation, impaired memory and brain performance and increased mortality.”

The effects of clothianidin were demonstrated particularly dramatically in spring 2008: in South Germany, the insecticide caused the largest number of bee deaths in past decades. The poisoning resulted from corn seed treatment and drifting of the active ingredient in the form of dust onto neighboring fields. However, Poncho and Gaucho continue to be used in agriculture and gardening. In Germany, this led to around one quarter to one third of all bee populations being lost last year. Wild bees, butterflies and other useful insects disappeared in many regions at the same time.

Last fall, an internal evaluation by the U.S. environmental authority EPA reached the public. It described the studies submitted by BAYER intended to confirm the harmlessness of clothianidin as “inadequate”. According to the EPA memorandum, the risk is particularly great for honey bees. As the preliminary marketing authorization valid to date in the United States is based on precisely these studies, U.S. environmental and beekeeping associations have demanded that the marketing authorization be withdrawn. 1.2 million signatures have been collected to underscore this demand.

Recent findings from research by toxicologist Dr. Henk Tennekes confirm the criticism. In his book *A disaster in the making*, Tennekes proves that the long-term risks of neonicotinoids are much greater than previously assumed. States Tennekes, “The risk of pesticides such as imidacloprid and thiacloprid are probably being massively underestimated. The currently valid threshold limits were largely derived from short-term tests which furthermore were conducted by the industry itself. If long-term tests were conducted, devastating damage could occur even at significantly lower concentrations. This explains why even small quantities of imidacloprid can cause bee deaths in the longer term.”

Dr. Tennekes demands an immediate ban on the products: “The company BAYER is responsible for an impending environmental disaster. I believe that a ban on neonicotinoid insecticides is urgently needed to avoid further bee and bird mortality.”

A study entitled *The puzzle of honey bee losses* published last summer by Italian scientists likewise comes to the conclusion that the impact of pesticides on global bee deaths is underestimated and that the scientists financed by the chemical industry frequently deliberately ignore the risks.

Due to their high level of persistence, neonicotinoids can remain in the soil for several years. Even untreated crops planted in fields where the substances were used in the preceding years can take up the toxins from the soil via their roots and contain concentrations that are dangerous to bees.

Bee mortality has far-reaching consequences for global ecology but also for the world's staple foods. Bees play a crucial role in the pollination of numerous plants. Although BAYER has been informed about the causes for many years and protests have increased from year to year, the company refuses to take action for purely profit-related reasons, and attempts time and time again to distract attention from its responsibility.

The *Coalition against BAYER Dangers* demands that sales of Gaucho and Poncho be halted due to the risk to bees. The high sales figures of approximately EUR 800 million can be regarded as the reason why BAYER continues to fight with every means possible against further bans on use of these products despite serious harm to the environment. The Supervisory Board is partly responsible for this.

Further information: www.CBGnetwork.org

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

[signed]

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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 <http://www.hv2011.bayer.de/de/gegenantraege.aspx>

Bayer Aktiengesellschaft
Building Q 26 (Legal Department)
Kaiser-Wilhelm-Allee
51368 Leverkusen

April 11, 2011

Counter motions at Annual Stockholders' Meeting on April 29, 2011

I hereby notify you that I will oppose the proposals of the Board of Management and the Supervisory Board as regards Item 2 and 3 of the Agenda, and will induce the other stockholders to vote in favor of the following counter motions. I request notification of these counter motions and the reasons for them pursuant to Sections 125, 126 of the German Stock Corporation Act (AktG).

Counter motion to Item 2: The actions of the members of the Board of Management are not ratified

Reason: Following a recent undercover investigation in the Professional Laboratory and Research Services, Inc. (PLRS) contract laboratory based in the United States, where animals were subjected to severe mistreatment and suffering far beyond the scope of the commissioned tests, Bayer admitted having commissioned PLRS to conduct a 3-month trial on dogs during the investigation period. In an e-mail dated September 15, 2010, Bayer Chairmen Liam Condon¹ and Helmut Schäfers² wrote to a concerned person: "In the period of time mentioned in the video, a three-month study in dogs was conducted from November 2009 to February 2010."

The Bayer policy on animal welfare and animal studies explicitly states that animals used by the company for experiments will be kept in compliance with "all national, international and local laws and regulations"³, "under appropriate conditions"⁴ and are treated "with respect"⁵. The policy further confirms: "All personnel are well trained and competent to care for the animals and handle them during a study."⁶ In the paragraph on external laboratories, Bayer's policy on animal welfare

¹ Managing Director of Bayer Vita [sic] GmbH

² Head of Corporate Communications

³ <http://www.tierversuche.bayer.de/de/bayer-grundsaeetze.aspx>

⁴ Ibid.

⁵ Ibid

⁶ Ibid

and animal studies states: “In the case of animal testing which we do not conduct ourselves, we employ only those contract laboratories which operate in a manner which is consistent with our principles.”⁷

However, documentary and video materials⁸ from the investigation of PRLS show the following clear infringements of Bayer’s policy:

- sick and injured animals being regularly denied veterinary medical care;
- an inadequately anesthetized dog struggling while an untrained employee extracts a tooth with pliers;
- cats being thrown into cages;
- cats and dogs being sprayed down with high-pressure cleaners containing bleach, soap and water;
- employees abusing the animals with obscenities while grabbing, throwing and kicking them;
- one employee repeatedly attempting to rip out a cat’s claw by pushing the cat against a wire cage so that the cat grabs the wire with its claws and then tearing the cat away from the wire;
- the rooms in which the animals were kept were dirty and deafeningly loud.

An initial report on the investigation⁹ submitted by the U.S. Department of Agriculture (USDA) – the government body responsible for ensuring compliance with minimum animal welfare standards in U.S. laboratories – confirms serious health problems in the animals and the below-average conditions in which animals are kept at PRLS; a comprehensive investigation is currently still ongoing, the laboratory has since been closed.

Bayer has the opportunity and responsibility to ensure that no animal suffers from inadequate veterinary care, poor conditions or outright mistreatment. In addition, Bayer has an ethical and financial obligation to ensure that the minimum number of animals is used and that the best-possible research is applied in product development.

The Board of Management holds responsibility for the unacceptable situation described above and its actions should therefore not be ratified. Further information is available on the *People for the Ethical Treatment of Animals* website at www.peta.de.

⁷ Ibid

⁸ <http://www.peta.de/plrsstoptierversuche>

⁹ <http://acisearch.aphis.usda.gov/LPASearch/faces/pdfpage.jsp?custid=827>

Countermotion to Item 3: The actions of the members of the Supervisory Board are not ratified

Reason: Bayer has not declared a global voluntary code of conduct to completely discontinue the use of obsolete animal studies in cases where validated, non-animal alternatives exist.

Dozens of modern, non-animal test methods have been validated by the responsible authorities in the United States, the European Union, Japan, Canada and other places around the world. The methods are recognized as fully replacing traditional, animal-based toxicity tests. These alternatives are generally faster, more sensitive, safer for the consumer and less expensive than traditional animal testing. In the EU countries in which Bayer is active, companies are legally obliged to use these alternative test methods instead of animal tests.

In the traditional animal tests used by Bayer, rats, guinea pigs and rabbits are shaved, fixed in place and have irritating chemicals applied to their naked skin. In another test, rabbits are fixed in special devices and injected with chemicals. They can suffer effects ranging from fever and breathing difficulties through to circulatory and organ failure, and even fatal shock. In Bayer's oral toxicity tests, dogs, mice and rats are forced to swallow enormous quantities of a test chemical. The animals can suffer acute abdominal pain, diarrhea, spasms, convulsions, paralysis and bleeding from the nose, mouth and genitals before they finally die.

Accurate, humane, non-animal methods are available to replace these tests. The global introduction of non-animal test methods that have been scientifically validated and assessed as being relevant to human health toin all Bayer facilities and subcontracted laboratories will help the company to reduce the use of mice, rats, guinea pigs, rabbits and other animals in painful, obsolete tests and at the same time ensure the safety of Bayer products.

The Supervisory Board has not taken adequate steps to have the massive use of animals in painful and antiquated tests reduced by the company and its actions must therefore not be ratified.

[signed]

A solid black rectangular box used to redact the signature of the person who wrote the countermotion.

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 <http://www.hv2011.bayer.de/de/gegenantraege.aspx>



Bayer Aktiengesellschaft
Building Q 26 (Legal Department)
Kaiser-Wilhelm-Allee
51368 Leverkusen

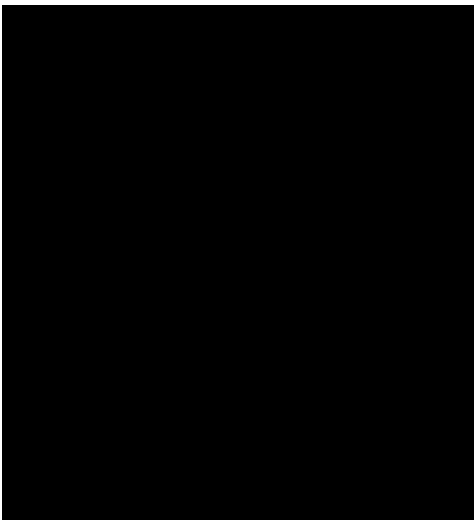
Berlin, April 12, 2011

Reference: 10/11JH01 le D1/12028

Annual Stockholders' Meeting on April 29, 2011

Ladies and gentlemen,

We hereby submit the following counter motions to items 2 and 3 of the Agenda for and on behalf of the following stockholders:



We request that these counter motions and the reasons for them pursuant to Sections 125, 126 of the German Stock Corporation Act (AktG) be passed on to the other stockholders. Authorization to act on behalf of these parties is legally confirmed.

Countermotion to Item 2:

The actions of the members of the Board of Management will not be ratified until the company has met the claim for the right to information concerning the drug product Duogynon® in accordance with § 84a of the German Medicines Act (AMG) that is currently pending before the High Court of Berlin [Kammergericht Berlin].

Reason:

The drug product Duogynon® from the legal predecessor Schering AG was an early pregnancy test. Women took two of these hormone-containing tablets. If they did not start menstruating within a few days, they were pregnant. This drug product is suspected of causing harm to the embryo in pregnant women, leading to children being born with malformations. The stockholders [REDACTED] are affected by such malformations. [REDACTED] had originally submitted an out-of-court request for appropriate information from Bayer AG, which was not met. Litigation was then commenced to obtain the requested information about all side effects of the drug product that have become known to Bayer. This legal dispute is currently being conducted before the High Court of Berlin. The company's behavior in this legal dispute was incomprehensible. The press officer continually insisted that there was indeed evidence of an embryotoxic effect in the late 1960s but that it was later proven that Duogynon® does not cause harm to the embryo.

If this is the case, the question arises of why Bayer does not simply provide the requested information in order to counter the suspicion. This behavior is contradictory. There have been reports on it in numerous media and the public has not been comprehensibly explained why the information is not simply provided. What does Bayer have to hide?

The company's behavior in this information suit to date has caused not inconsiderable damage to Bayer. Furthermore, it contradicts the company's publically proclaimed values such as *Integrity, Flexibility and Efficiency*.

Indeed, advertising for the company states that others are to be treated *fairly and with respect*, that they must receive *clear, honest and rapid* feedback and that conflicts should be resolved *constructively*. In this case, however, the company has refused to issue the requested information without factual justification and has solely invoked the statute of limitation in the lawsuit. An objection on the basis of limitation is surely unethical. Not even in the cases of abuse in the Catholic Church has there been any appeal to the statute of limitation. Bayer is attempting to avoid responsibility by invoking the statute of limitation as a formal, procedural measure. This contradicts the company's own values that it constantly promotes.

Animal studies in 1980s had already proved that Duogynon® has an embryotoxic effect. According to information from former employees, Schering carried out such animal studies itself. The results of these animal studies were however apparently kept under wraps. The existence of these studies has not been denied by Bayer – or at least not so far.

The company's press officer has always insisted that a connection between fetal malformation and use of Duogynon® by the mothers could not be positively determined. Given this background, it cannot be plausibly explained to the affected parties or indeed the public at large why the company then does not disclose the files. It is known that the question of whether to disclose the files on Duogynon® has been the subject of contraversial debate within the company as well.

The fates of [REDACTED] have been made accessible to a broad public audience by means of corresponding press reports. It has become clear that the

approximately 300 individuals affected are interested solely in the truth; in other words, they only want to find out whether use of the pregnancy test led to the damage or not. [REDACTED] has even offered a settlement in which he would waive any claims to compensation if the requested information is provided to him. This proposed settlement was rejected by the company.

The lawsuit is now pending before the High Court of Berlin [Kammergericht Berlin]. It is certainly possible that the High Court, the Federal Court or the European Court of Human Rights will decide that the requested information should be provided. It is therefore likely that this will lead to the company suffering further serious damage to its image. As such, the actions of the Board of Management cannot be ratified until the requested information has been provided to those affected, especially as no plausible reason for the refusal has been presented to date and the press officer has made an extremely embarrassing impression in this regard.

Counter-motion to Item 3:

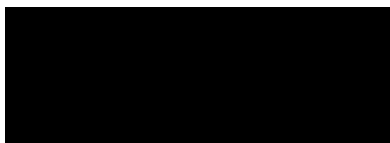
The actions of the members of the Supervisory Board will not be ratified until the requested information in accordance with § 84a of the German Medicines Act (AMG) has been provided to the affected Duogynon® victims.

The Supervisory Board should likewise have acted in the interest of the company to move the Board of Management or to have the Board of Management take the necessary steps to issue the requested information. At the latest, it should have acted when the company spokesman made a number of embarrassing appearances and thus caused the company perceptible damage in public.

In view of this inadequate exercising of its supervisory duties, the actions of the Supervisory Board can likewise not be ratified. It should be stressed that both counter-motions are submitted in the interest of the injured parties as well as because of concerns about the company.

Yours sincerely,

[signed]

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