



News Release

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Sustainable Development Report 2008 published:

Bayer: Successful and sustainable business

- Investment in the future: R&D budget of EUR 2.9 billion
- Contributing solutions to global challenges: Global access to medicines, feeding the world population, water protection, climate change
- Intensive social commitment: EUR 50 million for education, social needs, environmental protection, culture and sports

Leverkusen, May 26, 2009 – Maintaining sustainable and successful business during the global economic crisis: The newly published Sustainable Development Report 2008 contains information on the strategies pursued and programs implemented by the Bayer Group to achieve this goal. In addition to detailed information on sustainability management and a performance report on the areas of economics, employees, human rights, corporate social responsibility, ecology and product stewardship, this edition also focuses on the issues of medicine, climate and water. “We are aiming for sustainability in everything we do,” says Werner Wenning, Chairman of the Board of Management of Bayer AG, in the foreword. Key chapters in the report are certified by corporate auditors Ernst & Young. The report is based on the guidelines of the Global Reporting Initiative (GRI), the internationally recognized standard for sustainable development reporting, and was classified by the GRI as “A+ / GRI checked” – the highest possible reporting level.

Bayer’s sustainable development strategy is based on sound business models, investment in the future, responsible dealings with all stakeholders, and social commitment. Bayer is in particular backing its innovative capabilities and has once again increased its research and development expenditures, to EUR 2.9 billion in 2009 – the biggest R&D budget of any chemical and pharmaceutical company in Germany. “Sustainability is driven by innovations,” states Dr. Wolfgang Plischke, who is the member of the Bayer AG Board of Management responsible for Innovation, Technology and Environment. Bayer’s sustainable value contributions begin with its products and services:

They help provide solutions to the major challenges of our time – global access to medicines, feeding the growing world population, conserving water resources and limiting the progression of climate change.

Through its “Social Health Care Programs” (SHCP) strategy, Bayer supports the availability of medicines for people worldwide with three approaches that focus on different aspects. First, the company maintains cooperation agreements with international organizations active in reproductive health issues in emerging and developing countries through which it makes available contraceptives in large numbers at reduced prices. Second, Bayer provides active substances and further products to the World Health Organization (WHO) and other institutions at no cost with the aim of improving the treatment of neglected tropical and infectious diseases such as Chagas’ disease, African sleeping sickness, malaria and tuberculosis. And third, in the area of serious and chronic diseases, Bayer supports innovative programs that enable patients in both industrialized and emerging countries to access new and highly effective pharmaceuticals such as the cancer drug Nexavar[®].

Climate protection and the responsible use of water are of utmost importance for the preservation of natural resources. Bayer is active in both areas. The company is resolutely pressing ahead with its climate program, breaking ground, for example, with the construction of a climate-neutral child care center at its site in Monheim, Germany. Bayer is thereby implementing its new “EcoCommercial Building” concept for the first time in Germany, parallel to the construction of a Group administration building in India. With the innovative “Bayer Climate Check,” the company will have analyzed 100 production facilities worldwide by the end of this year with the goal of identifying additional CO₂ reduction potential. Analysis of more than half of the facilities so far has confirmed the original assumption that there is an emissions reduction potential of between 5 and 10 percent to be identified.

Bayer is working to increase stress resistance in plants. The aim is to increase their ability to withstand factors such as heat and drought, which are intensified by climate change, and thus safeguard harvest yields. In further activities the company is specifically addressing the challenge stemming from the fact that the natural resource water is available only in limited quantities and must therefore be used responsibly. One example is rice cultivation in Asia, where direct seeding from pregerminated crops requires approximately 20 percent less water than the conventional transplanting of pre-grown

seedlings. With the help of nanotechnology, the membranes used to produce freshwater through seawater desalination can be made more efficient and the very high energy requirement thus reduced. Bayer participates in the “Innovation Alliance Carbon Nanotubes” to promote the development of nanomaterials. The company is also continuing its efforts to achieve increasingly efficient processes as regards the use of water in its own production facilities. The company has introduced a new wastewater recycling tool to increase efficiency in this area.

Bayer is also living up to its social responsibility during the economic crisis and continues to be very active in its social endeavors. In 2008, the Bayer Group invested some EUR 50 million in the promotion of education and research, the safeguarding of basic social and health needs, environmental protection and support for sports and culture. The company views these activities as an important contribution to safeguarding society’s ability to thrive in the future.

The report concludes with the “Sustainability Program 2006+”, which contains detailed quantitative and qualitative objectives set by the company for the period between 2006 and 2010 in the areas of innovation, product stewardship, corporate management, and social and environmental responsibility.

The Bayer Sustainable Development Report 2008 can be ordered for free by phone at +49 214 30 57546, by fax at +49 214 30 57547 or by e-mail at serviceline@bayer-ag.de.

A download version of the report and an online version containing additional information can be found at www.sustainability.bayer.com

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Forward-Looking Statements

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