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*This document constitutes four base prospectuses for the purposes of Article 5(4) of Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003, as amended (the "**Prospectus Directive**"): (i) the base prospectus of Bayer Aktiengesellschaft in respect of non-equity securities within the meaning of Art. 22 No. 6 (4) of the Commission Regulation (EC) No. 809/2004 of April 29, 2004, as amended ("**Non-Equity Securities**"), (ii) the base prospectus of Bayer Capital Corporation B.V. in respect of Non-Equity Securities, (iii) the base prospectus of Bayer Holding Ltd. in respect of Non-Equity Securities and (iv) the base prospectus of Bayer Nordic SE in respect of Non-Equity Securities (together, the "**Prospectus**").*

BAYER AKTIENGESELLSCHAFT

(incorporated in the Federal Republic of Germany)
as Issuer and as Guarantor for Notes issued by

BAYER CAPITAL CORPORATION B.V.

(incorporated in The Netherlands)

BAYER HOLDING LTD.

(incorporated in Japan)

BAYER NORDIC SE

(incorporated in Finland)

€15,000,000,000
Programme for the Issuance of Debt Instruments

Application has been made to list Notes to be issued under the €15,000,000,000 Programme for the Issuance of Debt Instruments (the "**Programme**") on the Official List of the Luxembourg Stock Exchange and to admit Notes to trading on the regulated market of the Luxembourg Stock Exchange (as defined below) during a period of 12 months from the date of the approval of this Prospectus. However, Notes may also be issued under the Programme which are not listed on any stock exchange. The maximum aggregate principal amount of Notes outstanding under the Programme will not exceed €15,000,000,000.

By approving this Prospectus, the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the "**CSSF**") shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the issuer pursuant to Article 7(7) *Loi relative aux prospectus pour valeurs mobilières*, as amended (the "**Luxembourg Law**").

This Prospectus has been approved by the CSSF, has been filed with said authority and will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Arranger and Dealer

DEUTSCHE BANK

http://www.oblible.com

RESPONSIBILITY STATEMENT

Bayer Aktiengesellschaft ("**Bayer AG**" and together with its consolidated subsidiaries, the "**Bayer Group**", "**Group**" or "**Bayer**") with its registered office in Leverkusen, Bayer Capital Corporation B.V. ("**Bayer Capital Corp**") with its registered office in Mijdrecht, Bayer Holding Ltd. ("**Bayer Holding Ltd.**") with its registered office in Tokyo and Bayer Nordic SE ("**Bayer Nordic**") with its registered office in Espoo (each an "**Issuer**", and together, the "**Issuers**") are solely responsible for the information given in this Prospectus and for the information which will be contained in the Final Terms (as defined herein).

Each Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus for which it is responsible is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

This Prospectus should be read and understood in conjunction with any supplement hereto and with any other documents incorporated herein by reference and, in relation to any Series of Notes, together with the relevant final terms (the "**Final Terms**").

Each Issuer and the Guarantor (as defined herein) have confirmed to the dealer set forth in the section "Names and Addresses" and any additional dealer appointed from time to time under the Programme (each a "**Dealer**" and together the "**Dealers**") that this Prospectus contains all information which, according to the particular nature of the Issuer and of the Notes admitted to trading on a regulated market, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses, and prospects of each Issuer and the Guarantor, and of the rights attaching to the Notes; that the information contained herein with respect to the Issuers and the Notes is accurate in all material respects and is not misleading; that any opinions and intentions expressed herein are honestly held and based on reasonable assumptions; that there are no other facts, the omission of which would make any statement, whether fact or opinion, in this Prospectus misleading in any material respect; and that all reasonable enquiries have been made to ascertain all facts and to verify the accuracy of all statements contained herein.

NOTICE

No person has been authorized to give any information or to make any representation not contained in or not consistent with this Prospectus or with any other document entered into in relation to the Programme or with any information supplied by any Issuer or any other information that is in the public domain. Such information or representation, if given or made, must not be relied upon as having been authorized by the Issuers, the Guarantor or the Dealers.

Neither the arranger nor any Dealer nor any other person mentioned in this Prospectus, excluding the Issuers, is responsible for the information contained in this Prospectus or any supplement thereof, or any Final Terms or any other document incorporated herein by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

This Prospectus and any supplement hereto as well as any Final Terms reflect the status as of their respective dates of issue. The delivery of this Prospectus or any Final Terms and the offering, sale or delivery of any Notes may not be taken as an implication that the information contained in such documents is accurate and complete subsequent to their respective dates of issue or that there has been no adverse change in the financial situation of the Issuers since such date or that any other information supplied in connection with the Programme is accurate at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

For the avoidance of doubt, the content of websites this Prospectus refers to in hyperlinks does not form part of the Prospectus.

The distribution of this Prospectus and any Final Terms and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus or any Final Terms come are required to inform themselves about and observe any such restrictions. For a description of the restrictions applicable in the United States of America, the United Kingdom, The Netherlands, the European Economic Area, Japan and Canada see "*Selling Restrictions*". In particular, the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, and are subject to tax law requirements of the United States of America; subject to certain exceptions, Notes may not be offered, sold or delivered within the United States of America or to U.S. persons.

This Prospectus and any Final Terms may not be used for the purpose of an offer or solicitation (i) by anyone in any jurisdiction in which such offer or solicitation is not authorized or (ii) to any person to whom it is unlawful to make such an offer or solicitation.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the stabilising manager(s) (or persons acting on behalf of any stabilising manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation or over-allotment must be conducted by the relevant stabilising manager(s) (or persons acting on behalf of any stabilising manager(s)) in accordance with all applicable laws and rules.

The language of the Prospectus is English. The German versions of the English language sets of Terms and Conditions and Guarantee and Negative Pledge are shown in the Prospectus for additional information. As to form and content, and all rights and obligations of the Holders and the relevant Issuer under the Notes to be issued, German is the controlling legally binding language if so specified in the relevant Final Terms. In respect of the Guarantee and Negative Pledge, the German language version is always controlling and legally binding as to form and content, and all rights and obligations of the Holders and the Guarantor thereunder.

Each of the Issuers and the Guarantor has undertaken, in connection with the listing of the Notes on the Official List of the Luxembourg Stock Exchange and admission to trading on the "**regulated market of the Luxembourg Stock Exchange**" which is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, that if, while Notes of an Issuer are outstanding and listed on the Official List of the Luxembourg Stock Exchange and are admitted to trading on the regulated market of the Luxembourg Stock Exchange, there shall occur any adverse change in the business or financial position of such Issuers or the Guarantor or any change in the information set out under "*Terms and Conditions of the Notes*" that is material in the context of issuance under the Programme and which is not reflected in this Prospectus (or any of the documents incorporated into this Prospectus by reference), such Issuer and/or the Guarantor, as the case may be, will prepare or procure the preparation of a supplement to this Prospectus or, as the case may be, will publish a new Prospectus for use in connection with any subsequent issue by such Issuer of Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange.

Tranches of Notes may be rated or unrated. Where a Tranche of Notes is rated, it will be rated by Moody's Investors Service ("**Moody's**") and/or Standard & Poor's Global Ratings ("**S&P**")[*] and such rating will be specified in the relevant Final Terms. A rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

[*] Each of Moody's and S&P is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended from time to time (the "**CRA Regulation**"). The European Securities and Markets Authority publishes on its website (http://www.esma.europa.eu/page/Listregistered-and-certified-CRAs) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

For a general discussion of certain German, Dutch, Japanese, Luxembourg and Finnish income tax consequences of the acquisition and ownership of the Notes see "*Taxation*".

Bayer Holding Ltd. will not, under this Programme, issue "Taxable Linked Securities," being securities of which the amount of interest is to be calculated by reference to certain indexes (as prescribed by the Cabinet Order under Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation) relating to Bayer Holding Ltd. or a specially-related person of Bayer Holding Ltd.

The Issuer does not consent to the use of the Prospectus for the subsequent resale or final placement of the Notes.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain forward-looking statements. A forward-looking statement is a statement that does not relate to historical facts and events but is based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements are identified by the use of terms and phrases such as "*anticipate*", "*believe*", "*could*", "*estimate*", "*expect*", "*intend*", "*may*", "*plan*", "*predict*", "*project*", "*will*" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on future earning capacity, plans and expectations regarding the Bayer Group's business and management, its growth and profitability, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuers make to the best of their present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including the Bayer Group's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. The Bayer Group's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "*Risk Factors*", "*Bayer AG*", "*Bayer Capital Corporation B.V.*", "*Bayer Holding Ltd.*" and "*Bayer Nordic SE*". These sections include more detailed descriptions of factors that might have an impact on the Bayer Group's business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur. In addition, neither the Issuers nor the Dealers assume any obligation, except as required by law, to update any forward-looking statement or to conform these forward-looking statements to actual events or developments.

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SUMMARY

Summaries are made up of disclosure requirements known as "*Elements*". These elements are numbered in Sections A – E (A.1 – E.7).

This summary (the "**Summary**") contains all the Elements required to be included in a summary for this type of Notes and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the Summary because of the type of Notes and Issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the Summary with the mention of "not applicable".

Element	**Section A – Introduction and warnings**	
A.1	**Warnings**	**Warning that:** ▪ this Summary should be read as an introduction to the Prospectus; ▪ any decision to invest in the Notes should be based on consideration of the Prospectus as a whole by the investor; ▪ where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Prospectus, before the legal proceedings are initiated; and ▪ civil liability attaches only to the Issuers who have tabled the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such Notes.
A.2	**Consent to the use of the Prospectus**	Not applicable. The Issuer does not give consent to the use of the Prospectus for the subsequent resale or final placement of the Notes.

Element	Section B – Bayer AG	
B.1	**Legal and commercial name**	Bayer Aktiengesellschaft (the "**Issuer**" and "**Guarantor**" or "**Bayer AG**" and together with its consolidated subsidiaries, the "**Bayer Group**", "**Group**" or "**Bayer**")
B.2	**Domicile / Legal form / Legislation / Country of incorporation**	Bayer AG is incorporated under the laws of Germany in Leverkusen, Germany as a stock corporation (*Aktiengesellschaft*). Its registered office is located at Kaiser-Wilhelm Allee 1, 51373 Leverkusen, Germany.
B.4b	**Known trends affecting the [Issuer][Guarantor] and the industries in which it operates**	Bayer's growth could be impeded by increasing global cost pressure on health care systems. The prices of pharmaceutical products are subject to regulatory monitoring and control in many markets, and government reimbursement systems often favor less expensive generic medicines over branded products.. In addition, in some markets, major health care providers can exert substantial pressure on prices. Price controls and pricing pressure reduce earnings from Bayer's pharmaceutical products and may occasionally make the market launch of a new product unprofitable. According to Bayer's assessment the current extent of regulatory controls and market pressures on pricing will persist or increase. Bayer's Life Science businesses operate in highly competitive markets. Corporate mergers, along with business practices such as aggressive pricing strategies – not only in the field of generic competition – may adversely affect Bayer's earnings. Modern agricultural methods, the application of certain classes of crop protection products and the use of genetic engineering are repeatedly the subject of intense public debate. This political opinion-forming may yield legislative and regulatory decisions that significantly limit the use of Bayer products or even result in voluntary or mandated product withdrawals. In addition, decisions by the European Union, for example, also affect agricultural imports from other parts of the world and therefore Bayer's business in those regions. In the Crop Science segment, risks may arise from seasonal fluctuations in the weather, market volatility for agricultural products and Bayer's customers' financial situations, for example. These may adversely affect both Bayer's crop protection and seeds businesses. The current global consolidation process in the seeds and crop protection industry could greatly alter Bayer's future competitive environment. Negative economic developments generally have an adverse effect on the sales markets for Covestro's products, usually leading to lower sales volumes and a drop in the company's operational earnings. The extent of these effects on volumes and the operating result also depend on capacity utilization in the industry, which in turn varies according to the supply-demand ratio for industry-specific products. A decline in demand leads to lower sales volumes and ultimately to lower capacity utilization, which adversely impacts margins. There is steady growth in public and regulatory expectations with regard to the safety and efficacy of chemical, biological and pharmaceutical products so Bayer continues to anticipate increasing regulatory requirements for clinical or (eco)toxicological studies, for example. This leads to higher product development costs and longer timeframes. The Bayer Group, now as in the past, has a portfolio that largely consists of patent-protected products. Generic manufacturers, in particular,

		attempt to contest patents prior to their expiration. Sometimes a generic version of a product may even be launched "at risk" prior to the issuance of a final patent decision. When a patent defense is unsuccessful, or if one of our patents expires, our prices are likely to come under pressure because of increased competition from generic products entering the market. Furthermore, the presence of traces of unwanted genetically modified organisms in agricultural products and / or foodstuffs cannot be entirely excluded. Potential payments of damages in connection with the above risks may have a substantial negative impact on Bayer's earnings.
B.5	**Description of the Group and the [Issuer's][Guarantor's] position within the Group**	Following the stock market flotation of Covestro, Bayer reorganized the Group effective January 1, 2016, and is now focusing on its Life Science activities. These businesses hold leading positions in innovation-driven, rapidly growing markets. Together, the Life Science businesses make up a strong, attractive and balanced portfolio that is resistant to fluctuations in demand and to potential risks. The company's operations are managed in three divisions – Pharmaceuticals, Consumer Health and Crop Science – and the Animal Health business unit, which are also reporting segments. As of December 31, 2016, Bayer held about 64% of Covestro AG. Covestro therefore also remains a fully consolidated reporting segment. The operational business is supported by the corporate functions – including Technology Services, which was integrated into Bayer AG effective July 1, 2016 – Business Services and the service company Currenta. In 2016, the Bayer Group comprised 301 consolidated companies in 78 countries throughout the world. As the parent company of the Bayer Group, Bayer AG – represented by its Board of Management – performs the principal management functions for the entire Group. These include strategic planning, resource allocation, executive management and financial management. With the reorganization at the beginning of 2016, the three divisions at Bayer AG also assumed responsibility for managing the operational business.
B.9	**Profit forecast or estimate**	Not applicable. No profit forecast or estimate has been included.
B.10	**Nature of any qualifications in the audit report on historical financial information**	Not applicable. The audit reports do not include any qualifications.
B.12	**Selected historical key financial information**	

	As of and for the year ended	
	December 31, 2016	December 31, 2015
	in million Euro	
Sales	46,769	46,085
Net income[(a)]	4,531	4,110
Net cash provided by (used in) operating activities [(b)]	9,089	6,890
Total assets	82,238	73,917
Equity	31,897	25,445

[(a)] Net income = Income (loss) after income taxes attributable to Bayer AG stockholders
[(b)] From continuing and discontinued operations

	Material adverse change in the prospects of the Issuer	There has been no material adverse change in the prospects of the Bayer Group since the end of the last reporting period ended December 31, 2016.

	Significant change in the financial or trading position	Not applicable. There has been no significant change in the financial or trading position of the Bayer Group since the end of the last reporting period ended December 31, 2016.
B.13	**Recent developments**	Bayer AG has reduced its holding in Covestro from 64.2 percent to 53.3 percent. This was achieved by selling 22 million of its shares to institutional investors at a price of EUR 66.50 per share. Allocation of the shares took place on February 28, 2017 and the ownership was transferred on March 3, 2017. The company intends to use the proceeds of nearly EUR 1.5 billion to pay down debt.
B.14	**Statement of dependency upon other entities within the group**	**see Element B.5** Not applicable. Bayer AG is not dependent upon other entities within the Bayer Group.
B.15	**Principal activities**	Bayer is a Life Science company with a more than 150-year history and core competencies in the areas of health care and agriculture. With its innovative products, Bayer is contributing to finding solutions to some of the major challenges of our time. A growing and aging world population requires an adequate supply of food and improved medical care. The company's research and development activities are therefore focused on improving people's quality of life by preventing, alleviating and treating diseases. At the same time, Bayer is contributing to provide a reliable supply of high-quality food, feed and plant-based raw materials. Bayer's activities are based on a profound understanding of the biochemical processes in living organisms.
B.16	**Major shareholders**	To Bayer AG's knowledge, Bayer AG is not directly or indirectly owned or controlled by another corporation, by any government, or by any other natural or legal person severally or jointly, and there are no arrangements which may result in a change of control.
B.17	**Credit ratings of the [Issuer][Guarantor] or its debt securities**	**Long-term rating** / **Short-term rating** S&P Global Ratings: A- / A-2 Moody's: A3 / P-2 As a result of the agreed acquisition of Monsanto, both S&P Global Ratings and Moody's are reviewing the possibility of a downgrade. [Not applicable.] [The Notes have [not] been rated [**insert rating(s)**] [by] [**insert rating agency/agencies**].]
[B.18	**Nature and scope of the Guarantee**	Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic will have the benefit of a Guarantee and Negative Pledge (the "**Guarantee and Negative Pledge**") given by Bayer AG (the "**Guarantor**"). The Guarantee and Negative Pledge constitutes an unconditional and irrevocable obligation of the Guarantor for the punctual payment of principal of, and interest on, and any other amounts payable under any Note. The Guarantee and Negative Pledge is governed by German law. The Guarantee and Negative Pledge constitutes a contract for the benefit of the Holders from time to time as third party beneficiaries pursuant to § 328 paragraph 1 German Civil Code (*Bürgerliches Gesetzbuch* – BGB).**]**

[Element	Section B – Bayer Capital Corporation B.V.	
B.1	**Legal and commercial name**	Bayer Capital Corporation B.V. (the "**Issuer**" or "**Bayer Capital Corp**")
B.2	**Domicile / Legal form / Legislation / Country of incorporation**	Bayer Capital Corp is incorporated under the laws of the Netherlands in Mijdrecht, The Netherlands as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*). Its registered office is located at Energieweg 1, 3641 RT Mijdrecht, The Netherlands.
B.4b	**Known trends affecting the Issuer and the industries in which it operates**	Not applicable. There are no known trends affecting the Issuer and the industries in which it operates.
B.5	**Description of the Group and the Issuer's position within the Group**	Bayer Capital Corp is a directly wholly owned subsidiary of Bayer AG, the ultimate parent company of the Bayer Group. Bayer Capital Corp does not have any subsidiaries.
B.9	**Profit forecast or estimate**	Not applicable. No profit forecast or estimate has been included.
B.10	**Nature of any qualifications in the audit report on historical financial information**	Not applicable. The audit reports do not include any qualifications.
B.12	**Selected historical key financial information**	

	As of and for the year ended	
	December 31, 2016	December 31, 2015
	in thousand Euro	
Interest income	74,097	45,176
Net result after taxation	337	718
Net cash flow from operating activities	1,000	1,900
Total assets	4,575,226	1,115,140
Shareholders' equity	12,168	14,029

	Material adverse change in the prospects of the Issuer	There has been no material adverse change in the prospects of Bayer Capital Corp since the end of the last reporting period ended December 31, 2016.
	Significant change in the financial or trading position	Not applicable. There has been no significant change in the financial or trading position of Bayer Capital Corp since the end of the last reporting period ended December 31, 2016.
B.13	**Recent developments**	Not applicable. There are no recent events particular to the Issuer which are to a material extent relevant to its solvency.
B.14	**Statement of dependency upon other entities within the group**	**see Element B.5** Bayer Capital Corp was established to finance activities of the Bayer Group. As such, it raises funds and on-lends monies to companies within the Bayer Group by way of intra-group loans and as such depends on payment of interest and principal with regard to these intra-group loans.
B.15	**Principal activities**	Bayer Capital Corp engages in several activities in the field of finance. Bayer Capital Corp serves as an entity for the financing activities of Bayer Group companies including the issuance of bonds and the performance of certain administrative functions. These activities include mostly long term financing.

B.16	**Major shareholders**	Bayer AG is the sole shareholder of Bayer Capital Corp.
B.17	**Credit ratings of the Issuer or its debt securities**	Not applicable. No ratings are assigned to Bayer Capital Corp. Bayer AG guarantees the payment of interest on and principal of the Notes issued by Bayer Capital Corp. Therefore, creditors base Bayer Capital Corp's credit assessment mainly on Bayer AG's credit rating. **See Bayer AG - B.17**
B.19	**Summary Information about the Guarantor**	**see Bayer AG - B.1 to B.18;** *In the case of an issue of Notes by Bayer Capital Corp insert the information under Bayer AG - B.1 to B.18 into the summary of the individual issue of Notes under this Element B.19 and number the Elements about Bayer AG as Guarantor as follows: B.19 B.1., etc.*]

[Element	Section B – Bayer Holding Ltd.	
B.1	**Legal and commercial name**	Bayer Holding Ltd. (the "**Issuer**")
B.2	**Domicile / Legal form / Legislation / Country of incorporation**	Bayer Holding Ltd. is incorporated under the laws of Japan in Tokyo, Japan as a private company with limited liability. Its registered office is located at 1-6-5, Marunouchi, Chiyoda-ku, Tokyo 100-8268, Japan.
B.4b	**Known trends affecting the Issuer and the industries in which it operates**	Not applicable. There are no known trends affecting the Issuer and the industries in which it operates.
B.5	**Description of the Group and the Issuer's position within the Group**	Bayer Holding Ltd. is a wholly owned subsidiary of Bayer Global Investments B.V., which in turn is an indirectly wholly owned subsidiary of Bayer AG. Bayer Holding Ltd. is thus part of the Bayer Group. Bayer Holding Ltd. owns 100 percent of the shares of Bayer Yakuhin Ltd. and 90.87 percent of the shares of Bayer CropScience K.K.
B.9	**Profit forecast or estimate**	Not applicable. No profit forecast or estimate has been included.
B.10	**Nature of any qualifications in the audit report on historical financial information**	Not applicable. The audit reports do not include any qualifications.
B.12	**Selected historical key financial information**	

	As of and for the year ended	
	December 31, 2016	December 31, 2015
	in million Yen	
Total revenue	16,024	20,173
Net income after taxes	9,303	15,314
Net cash flow from operating activities	9,930	14,255
Total assets	209,021	217,540
Total net assets	92,420	88,117

	Material adverse change in the prospects of the Issuer	There has been no material adverse change in the prospects of Bayer Holding Ltd. since end of the last reporting period ended December 31, 2016.
	Significant change in the financial or trading position	Not applicable. There has been no significant change in the financial or trading position of Bayer Holding Ltd. since the end of the last reporting period ended December 31, 2016.
B.13	**Recent developments**	Not applicable. There are no recent events particular to the Issuer which are to a material extent relevant to its solvency.
B.14	**Statement of dependency upon other entities within the group**	**see Element B.5** Bayer Holding Ltd. was founded as a holding company of the Bayer Group companies in Japan. It also operates as a vehicle for financing activities and as such depends on payment of interest and principal with regard to intra-group loans and dividends by its subsidiaries.
B.15	**Principal activities**	Bayer Holding Ltd. is a holding company of all Bayer companies in Japan and operates as financing vehicle and as strategic management holding. Bayer Holding Ltd. bundles all local corporate and business support services (general administration; accounting; information

		technology; procurement; human resources; site services; communications; law, patents and compliance; finance and taxes, order management) and acts as governance body for all Bayer companies in Japan.
B.16	**Major shareholders**	Bayer Global Investments B.V. is the sole shareholder of Bayer Holding Ltd.
B.17	**Credit ratings of the Issuer or its debt securities**	Not applicable. No ratings are assigned to Bayer Holding Ltd. Bayer AG guarantees the payment of interest on and principal of the Notes issued by Bayer Holding Ltd. Therefore, creditors base Bayer Holding Ltd.'s credit assessment mainly on Bayer AG's credit rating. **See Bayer AG - B.17**
B.19	**Summary Information about the Guarantor**	**see Bayer AG - B.1 to B.18;** *In the case of an issue of Notes by Bayer Holding Ltd. insert the information under Bayer AG - B.1 to B.18 into the summary of the individual issue of Notes under this Element B.19 and number the Elements about Bayer AG as Guarantor as follows: B.19 B.1., etc.*]

[Element	Section B – Bayer Nordic SE	
B.1	**Legal and commercial name**	Bayer Nordic SE (the "**Issuer**" or "**Bayer Nordic**")
B.2	**Domicile / Legal form / Legislation / Country of incorporation**	Bayer Nordic is incorporated under the laws of Finland in Espoo, Finland as a European company, société européenne – (SE). Its registered office is located at Keilaranta 12, 02150 Espoo, Finland.
B.4b	**Known trends affecting the Issuer and the industries in which it operates**	Not applicable. There are no known trends affecting the Issuer and the industries in which it operates.
B.5	**Description of the Group and the Issuer's position within the Group**	Bayer Nordic is a wholly owned subsidiary of Bayer Global Investments B.V., which in turn is an indirectly wholly owned subsidiary of Bayer AG. Bayer Nordic is thus part of the Bayer Group. Bayer Nordic owns 100 percent of the shares of Bayer Oy, Bayer AB, Bayer A/S, Bayer Norway AS and UAB Bayer.
B.9	**Profit forecast or estimate**	Not applicable. No profit forecast or estimate has been included.
B.10	**Nature of any qualifications in the audit report on historical financial information**	Not applicable. The audit reports do not include any qualifications.
B.12	**Selected historical key financial information**	

	As of and for the year ended	
	December 31, 2016	December 31, 2015
	in thousand Euro	
Total revenue	10,481	11,387
Net income (loss) after taxes	397,769	297,462
Net cash flow from operating activities	-69,757	234,281
Total assets	3,691,591	3,689,066
Stockholder's equity	1,622,950	1,298,181

	Material adverse change in the prospects of the Issuer	There has been no material adverse change in the prospects of Bayer Nordic since the end of the last reporting period ended December 31, 2016.
	Significant change in the financial or trading position	Not applicable. There has been no significant change in the financial or trading position of Bayer Nordic since the end of the last reporting period ended December 31, 2016.
B.13	**Recent developments**	Not applicable. There are no recent events particular to the Issuer which are to a material extent relevant to its solvency.
B.14	**Statement of dependency upon other entities within the group**	**see Element B.5** Bayer Nordic was founded as a holding and regional management company of the Bayer Group companies in the Nordic region. It also operates as a vehicle for financing activities and as such depends on payment of interest and principal with regard to intra-group loans, dividends and/or group contribution (applicable for the Finnish subsidiary Bayer Oy) of its subsidiaries.
B.15	**Principal activities**	Bayer Nordic is the holding and regional management company for the Bayer Group companies in the Nordic region, hosting the corporate functions and serving as a vehicle for financing activities. It also operates as a corporate service company by providing services to all of its direct subsidiaries (Bayer Group companies) in the Nordic region in the areas

		of Law, Patents and Compliance, Communications, Finance, Accounting, Controlling, Tax, Human Resources, Information Technology, Procurement and Supply Chain Management. Bayer Nordic is also the regional hub for some agency business activities where Bayer Nordic affiliates promote the goods of 3rd party principals, for which Bayer Nordic receives commission income.
B.16	**Major shareholders**	Bayer Global Investments B.V. is the sole shareholder of Bayer Nordic.
B.17	**Credit ratings of the Issuer or its debt securities**	Not applicable. No ratings are assigned to Bayer Nordic. Bayer AG guarantees the payment of interest on and principal of the Notes issued by Bayer Nordic. Therefore, creditors base Bayer Nordic's credit assessment mainly on Bayer AG's credit rating. **See Bayer AG - B.17**
B.19	**Summary Information about the Guarantor**	**see Bayer AG - B.1 to B.18;** *In the case of an issue of Notes by Bayer Nordic insert the information under Bayer AG - B.1 to B.18 into the summary of the individual issue of Notes under this Element B.19 and number the Elements about Bayer AG as Guarantor as follows: B.19 B.1., etc.*]

Element	Section C – The Securities	
C.1	**Class and type of the Notes / ISIN**	**Class** The notes are unsecured (the "**Notes**").
		[Fixed Rate Notes The Notes bear a fixed interest income throughout the entire term of the Notes.**]**
		[Floating Rate Notes The Notes will bear interest at a rate determined **[**(and as adjusted for the applicable margin)**]** on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service.**]**
		ISIN: [●] **Common Code: [●]** **WKN: [●]** **[Other: [●]]**
C.2	**Currency**	The Notes are issued in **[●]**.
C.5	**Restrictions on free Transferability**	Not applicable. The Notes are freely transferable.
C.8	**Rights attached to the Notes (including limitations to those rights and ranking of the Notes)**	**[Early redemption** ***in the case of fixed rate Notes*** The Notes can be redeemed prior to their stated maturity **[**at the option of the**]** **[**Issuer,**]** **[**and**][**or**]** **[**the Holders**]** **[**,**]** for taxation reasons **[**, for reason of minimal outstanding amount**]** **[**, for reasons of a change of control in respect of Bayer AG**]** or upon the occurrence of an event of default).**]**
		[Early redemption ***in the case of floating rate Notes*** The Notes can be redeemed prior to their stated maturity **[**at the option of the Issuer,**]** for taxation reasons **[**, for reason of minimal outstanding amount**]** **[**, for reasons of a change of control in respect of Bayer AG**]** or upon the occurrence of an event of default).**]**
		[Early redemption at the option of the [Issuer] [and][or] [the Holders] at specified redemption amount(s) ***in the case of fixed rate Notes*** The Notes can be redeemed at the option of the **[**Issuer**]** **[**and**][**or**]** **[**the Holders**]** upon giving notice within the specified notice period to **[**the Holders**]** **[**or**]** **[**the Issuer**][**, as the case may be,**]** within the period(s) specified prior to such stated maturity and at the specified redemption amount(s) together with accrued interest to, but excluding, the relevant redemption date.**]**
		[Early redemption at the option of the Issuer at the principal amount of the respective Note ***in the case of floating rate Notes*** The Notes can be redeemed in whole or in part at the option of the Issuer for the first time on **[●]** and on each interest payment date thereafter upon giving notice within the specified notice period to the Holders at the principal amount of the respective Note together with accrued interest to, but excluding, the relevant redemption date.**]**
		Early redemption for taxation reasons Early Redemption of the Notes for reasons of taxation will be permitted, if as a result of any change in, or amendment to the laws or regulations (including any amendment to, or change in, an official interpretation or application of such laws or regulations), of the Federal Republic of Germany **[**– *in case of Notes issued by Bayer Capital Corp:*

		or The Netherlands**]** **[**– *in case of Notes issued by Bayer Holding Ltd.:* or Japan**]** **[**– *in case of Notes issued by Bayer Nordic:* or Finland, The Netherlands**]**, or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, the Issuer **[**or**]** **[***in case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic:* the Guarantor,**]** will become obligated to pay additional amounts on the Notes.
		[Early redemption for reasons of a change of control in respect of Bayer AG The Notes provide for the option of the Holders to demand redemption of Notes at their principal amount together with accrued interest to, but excluding, the relevant redemption date in the event of a change of control in respect of Bayer AG and the occurrence of a rating downgrade in respect of that change of control within the change of control period.**]**
		[Early redemption for reasons of minimal outstanding amount The Issuer **[***in case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic*: or the Guarantor,**]** or any subsidiary **[***in case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic*: of the Guarantor,**]** may at any time purchase Notes in the open market or otherwise and at any price. In the event that the Issuer **[***in case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic*: or the Guarantor,**]** or any subsidiary **[***in case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic*: of the Guarantor,**]** has purchased Notes equal to or in excess of 75 percent of the aggregate principal amount of the Notes initially issued and the aggregate principal amount of the Notes is reduced by this percentage in the global note accordingly, the Issuer may call and redeem the remaining Notes (in whole but not in part) at the final redemption amount plus accrued interest until the date of redemption (exclusive).**]**
		[Early redemption upon occurrence of a Transaction Trigger Event The Notes may be redeemed prior to their stated maturity at the option of the Issuer upon the occurrence of a Transaction Trigger Event. "**Transaction Trigger Event**" means a notice given by the Issuer to the Holders in accordance with the terms and conditions of the Notes that the Transaction has been terminated prior to completion. "**Transaction**" means **[***insert description of envisaged transaction for which the Notes are intended to be issued for refinancing purposes***].]**
		Early redemption in an event of default The Notes provide for events of default entitling Holders to demand immediate redemption of Notes at their principal amount together with accrued interest to, but excluding, the relevant redemption date.
		Resolutions of Holders In accordance with the German Act on Issues of Debt Securities (*Schuldverschreibungsgesetz* – "**SchVG**"), the Notes contain provisions pursuant to which holders of the Notes (the "**Holders**") may agree by resolution to amend the conditions (with the consent of the Issuer) and to decide upon certain other matters regarding the Notes. Resolutions of Holders properly adopted, either in a meeting of Holders or by vote taken without a meeting in accordance with the conditions, are binding upon all Holders. Resolutions providing for material amendments to the conditions require a majority of not less than 75% of the votes cast. Resolutions regarding other amendments are passed by a simple majority of the votes cast.

		Status of the Notes The Notes constitute unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, unless such obligations are accorded priority under mandatory provisions of statutory law.
		Negative pledge The Notes contain a negative pledge provision of the Issuer **[***in case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic*: and the Guarantor**]**.
C.9	**see Element C.8**	
	Interest rate	**[●]**% *in the case of fixed rate Notes.*
		In the case of floating rate Notes [EURIBOR][LIBOR for the specified currency] **[**[plus][minus] the margin of **[●]**%**]** for each interest period. **[**The maximum interest rate is **[●]**%.**]** **[**The minimum interest rate is **[●]**%.**]**
	Interest commencement date	**[***The issue date of the Notes*. **[•]]**
	Interest payment dates	**[●]**
	Underlying on which interest rate is based	**[**Not applicable *in the case of fixed rate Notes*. The interest rate is not based on an underlying.**]**
		[EURIBOR][LIBOR for the specified currency]
	Maturity date including repayment procedures	**[●]** *in the case of fixed rate Notes*
		In the case of floating rate Notes the interest payment date falling in **[***the redemption month and year***]**.
		Payment of principal in respect of Notes shall be made to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.
	Indication of yield	**[●]**%
		[Not applicable *in the case of floating rate Notes*. No yield is calculated.**]**
	Name of representative of the Holders	**[**In accordance with the SchVG, the Notes provide that the Holders may by majority resolution appoint a representative for all Holders (the "**Holders' Representative**"). The responsibilities and functions assigned to the Holders' Representative appointed by a resolution are determined by the SchVG and by majority resolutions of the Holders.**]** **[**A representative for all Holders (the "**Holders' Representative**") has been designated. The duties, rights and functions of the Holders' Representative are determined by the relevant provisions of the Notes.**]** **[**Not applicable. No Holders' Representative has been designated for the Notes.**]**
[C.10	**see Element C.9**	
	Explanation how the value of the investment is affected in the case	Not applicable. The interest payment has no derivative component.]

	the Notes have a derivative component	
[C.11	**Admission to trading on a regulated market or equivalent market**	**[**Regulated Market of the Luxemburg Stock Exchange.**]** **[**The Notes will not be listed on any regulated market of any stock exchange.**]]**
[C.21	**Indication of the market where the Notes will be traded and for which the Prospectus has been published**	Regulated Market of the Luxemburg Stock Exchange.**]**

Element	Section D – Risks	
D.2	**Key information on the key risks that are specific to Bayer AG**	As a global enterprise with a diversified portfolio, the Bayer Group is constantly exposed to numerous risks. • Despite all efforts, Bayer cannot assure that all of the products it is currently developing or will develop in the future will achieve planned approval / registration or commercial success. For example, a drug candidate may fail to meet trial endpoints. • Patents protect Bayer's intellectual property. The Bayer Group, now as in the past, has a portfolio that largely consists of patent-protected products Generic manufacturers, in particular, attempt to contest patents prior to their expiration. Sometimes a generic version of a product may even be launched "at-risk" prior to the issuance of a final patent decision. Bayer is currently involved in legal proceedings to enforce patent rights relating to its products. When a patent defense is unsuccessful, or if one of Bayer's patents expires, prices are likely to come under pressure because of increased competition from generic products entering the market. • Despite extensive studies prior to approval or registration, it is possible that products could be partially or completely withdrawn from the market due to the occurrence of adverse side effects or other factors. Such a withdrawal may be voluntary or result from legal or regulatory measures. Furthermore, the presence of traces of unwanted genetically modified organisms in agricultural products and / or foodstuffs cannot be entirely excluded. Potential payments of damages in connection with the above risks may have a substantial negative impact on Bayer's earnings. • Operations at Bayer's sites may be disrupted by natural disasters, fires or explosions, sabotage or supply shortages for our principal raw materials or intermediates. This also applies to external partners along the value chain. Disruption may also result from possible regulatory or legislative changes in the respective countries. If Bayer is unable to meet demand, sales may undergo a structural decline. • Bayer is exposed to the risk of illegal trading of counterfeit medicines and crop protection products by criminal third parties. In most cases, the composition and / or the quality of counterfeit products do not correspond to those of the original products. In addition, the fact that no local regulatory authority is involved in assuring the quality of the manufacturing or distribution process precludes any official product recall. Products originating from illegal third-party manufacturing not only endanger patients, users, animals and the environment, but also jeopardize the good reputation of Bayer and its products and undermine its competitive position. • The Bayer Group is exposed to risks from legal disputes or proceedings to which Bayer is currently a party or which could arise in the future, particularly in the areas of product liability, competition and antitrust law, anticorruption law, patent law, tax law and environmental protection. Investigations of possible legal or regulatory violations, such as potential infringements of antitrust law or certain marketing and / or distribution methods, may result in the imposition of civil or criminal penalties – including substantial monetary fines – and / or other adverse financial consequences, harm Bayer's reputation and ultimately hamper our commercial success. • Business and production processes and the internal and external communications of the Bayer Group are increasingly dependent on global IT systems. A significant technical disruption or failure of

		IT systems could severely impair Bayer's business and production processes. • Bayer has collaborations in place along the value chain of its products. Suboptimum performance by collaboration partners may affect the development, manufacture or marketing of Bayer's products and services and adversely impact our business. In some countries, for example, the marketing rights for certain pharmaceutical products are held by third parties. Inadequate performance by these marketing partners could adversely affect the development of our sales and costs. • In the Crop Science segment, risks may arise from seasonal fluctuations in the weather, market volatility for agricultural products and Bayer's customers' financial situations, for example. These may adversely affect both Bayer's crop protection and seeds businesses. • On September 14, 2016, Bayer signed a definitive merger agreement with Monsanto Company, St. Louis, Missouri, United States, under which Bayer will acquire all outstanding shares of Monsanto Company. On December 13, 2016, the shareholders of Monsanto Company approved the transaction by the necessary majority. On account of the magnitude and importance of the acquisition, material risks related to the transaction are: o At the present time the possibility cannot be excluded that the planned acquisition will be delayed or not take place at all. The transaction is still subject to the customary requirements for closing, including clearance by the relevant antitrust and other authorities. The necessary approvals may be refused or could be tied to certain divestiture actions or other commitments required by regulators of Bayer and / or Monsanto. Such measures could adversely affect Bayer's current or future business, financial position, share price or dividend payments. Furthermore, Bayer may not be able to effect commitments in a timely manner, or at all, or on economically viable terms. o The merger agreement also provides for payment by Bayer of a US$2 billion reverse break fee including, in particular, in the event that the necessary antitrust approvals are not granted by June 14, 2018, and Bayer or Monsanto therefore terminates the merger agreement. o Bayer's strategic, synergistic and other operational objectives regarding the acquisition and integration of the Monsanto business are based on assumptions and estimates Bayer has made that may prove inaccurate, including Monsanto's earning potential and cost structure, the synergy and innovation potentials of both companies and future economic developments and market changes. In addition, difficulties may arise in connection with the acquisition and integration of the Monsanto business that adversely impact Bayer's current business or may prevent the expected benefits of the acquisition from being fully realized. These include the retention of key employees, important customers, suppliers, partners, licensors or contacts to other stakeholders, unexpected challenges in developing and successfully executing a strategy for the combined business, and risks resulting from management being distracted from the operational business by the agreed transaction. Combining businesses, processes and workforces as intended while retaining multiple corporate

		locations could be more complex than expected, partly in view of different corporate cultures and divergent internal control and compliance systems. The achievement of expectations in terms of the tax and accounting treatment of the transaction will be subject to a future detailed review. In light of this, unexpectedly high transaction and integration costs along with further risks and / or charges cannot be ruled out. It is also possible that Bayer may be forced to recognize an impairment loss on the intangible assets of Monsanto and the goodwill of Crop Science if unforeseen difficulties were to arise during the integration, if the Monsanto business were to fail to develop as expected or if other business developments affecting Crop Science were to occur that have not been anticipated. o Bayer believes that it may face increased or additional risks as a consequence of acquiring and integrating the Monsanto business. However, these risks cannot yet be definitively identified at the present time. Among the possible consequences of taking over the Monsanto business are potential downgrades in sustainability ratings and increased exposure to public criticism. o Bayer is also exposed to certain risks from the financing of the planned acquisition. These mainly result from the need to refinance the original acquisition financing, the increase in debt and the possible credit rating downgrade by the rating agencies. Risks also arise from the development of the USD / EUR exchange rate and the interest rate level, as well as from potential difficulties in refinancing the transaction with equity capital to the extent planned.
[D.2	**Key information on the key risks that are specific to Bayer Capital Corp**	Bayer Capital Corp was established to finance activities of the Bayer Group. As such, it raises funds and on-lends monies to companies within the Bayer Group by way of intra-group loans. Typically, the terms of such intra-group loans match those of the payment obligations of Bayer Capital Corp under notes or bonds issued by it to fund those loans. In the event that a Group company fails to make a payment under an intra-group loan, Bayer Capital Corp may not be able to meet its payment obligations under notes (including the Notes) or bonds issued by it.**]**
[D.2	**Key information on the key risks that are specific to Bayer Holding Ltd**	Bayer Holding Ltd. was founded as the holding company of Bayer Group companies in Japan. It also operates as a vehicle for financing activities. As such, it raises funds and on-lends monies to companies within the Bayer Group by way of intra-group loans. In the event that a Group company fails to make a payment under an intra-group loan, Bayer Holding Ltd. may not be able to meet its payment obligations under notes (including the Notes) or bonds issued by it. The activities of the subsidiaries of Bayer Holding Ltd. are subject to the same risks described for the Bayer Group. **See Bayer AG – D.2]**
[D.2	**Key information on the key risks that are specific to Bayer Nordic**	Bayer Nordic was founded as a holding and regional management company of Bayer Group companies in the Nordic region. It provides services to all of its direct subsidiaries in the Nordic region in the areas of Law, Patents and Compliance, Communications, Finance, Accounting, Controlling, Tax, Human Resources, Information Technology, Procurement and Supply Chain Management. It also operates as a vehicle for financing activities. Paying capacity of Bayer Nordic depends largely on the profitability of its subsidiaries. In case

		the subsidiaries are not profitable enough to provide dividends and/or group contribution (applicable for the Finnish subsidiary Bayer Oy) or in the event that a Group company fails to make a payment under an intra-group loan, Bayer Nordic may not be able to meet its payment obligations under notes (including the Notes) or bonds issued by it. The activities of the subsidiaries of Bayer Nordic are subject to the same risks described for the Bayer Group. **See Bayer AG – D.2]**

Element	Section D – Risks specific to the Notes	
D.3	**Key information on the key risks that are specific to the securities**	**Notes may not be a suitable Investment** Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances. **Currency risk** A Holder of Notes denominated in a foreign currency is exposed to the risk, that changes in currency exchange rates may affect the yield of such Notes. **Liquidity risks** There can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. In an illiquid market, an investor might not be able to sell its Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons. **Market price risk** The Holder of Notes is exposed to the risk of an unfavourable development of market prices of its Notes, which materialises if the Holder sells the Notes prior to the final maturity of such Notes. **Risk of early redemption** A Holder of Notes is exposed to the risk that due to early redemption its investment will have a lower than expected yield. Also, the Holder may only be able to reinvest on less favourable conditions as compared to the original investment. **[Fixed Rate Notes** A Holder of Fixed Rate Notes is exposed to the risk that the price of such Notes falls as a result of changes in the market interest rate.] **[Floating Rate Notes** A Holder of Floating Rate Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of Floating Rate Notes in advance. Specific risks arise in connection with the [*insert relevant reference interest rate(s)*] to which interest payments under the Notes are linked. The London Inter-Bank Offered Rate (LIBOR), the Euro Interbank Offered Rate (EURIBOR) and other indices which are deemed "benchmarks" (each a "**Benchmark**" and together, the "**Benchmarks**") are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause a Benchmark (including the [*insert relevant reference interest rate(s)*] (if affected by these reforms)) to perform differently than in the past, or have other consequences which cannot be predicted. Although it is uncertain whether or to what extent any change in the administration or method of determining a Benchmark could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be, and/or could have an effect on the value of any Notes whose interest or principal return is linked to the relevant Benchmark, investors should be aware that they face the risk that any changes to the relevant Benchmark may have a material adverse effect on the value of and the amount payable under Notes whose rate of interest or principal return is linked to a Benchmark (including, but not limited to, Floating Rate Notes).**]** **Resolutions of Holders** Since the Notes provide for resolutions of Holders, either to be passed

		in a meeting of Holders or by vote taken without a meeting, a Holder is subject to the risk of being outvoted by a majority resolution of the Holders. As resolutions properly adopted are binding on all Holders, certain rights of such Holder against the Issuer under the Notes may be amended or reduced or even cancelled. **[Holders' Representative** Since Notes provide for the appointment of a Holders' Representative, it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights under the Notes against the Issuer, such right passing to the Holders' Representative who is then responsible for claiming and enforcing the rights of all Holders.**]** **FATCA** Payments on the Notes issued by the Issuer may be subject to U.S. withholding tax pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code (commonly referred to as "**FATCA**").

Element	Section E – Offer of the Notes	
[E.2b	**Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks**	**[●]]**
[E.3	**A description of the terms and conditions of the offer**	**[**Not applicable. The Notes have been placed with qualified investors only with a minimum consideration of €100,000 or its equivalent. There will be no public offer of the Notes.**]** **[**The issue price of the Notes is **[●].]** **[**The aggregate principal amount of the Notes is **[●]**.**]** **[●]]**
E.4	**Any interest that is material to the issue/offer including conflicting interests**	**[●]**
E.7	**Estimated expenses charged to the investor by the issuer or the offeror**	**[●]**

RISK FACTORS

The following is a disclosure of risk factors that are material to the Notes issued under the Programme in order to assess the market risk associated with these Notes and risk factors that may affect each of the Issuers' ability to fulfil its obligations under the Notes and the Guarantee and Negative Pledge in the case of Bayer AG. Prospective investors should consider these risk factors before deciding to purchase Notes issued under the Programme. Further, prospective investors should consider all information provided in this Prospectus and consult with their own professional advisers if they consider it necessary. In addition, investors should be aware that the risks described may combine and thus intensify one another.

Risk Factors in respect of Bayer AG and the Bayer Group

As a global enterprise with a diversified portfolio, the Bayer Group is constantly exposed to a wide range of internal or external developments or events that could significantly impact the achievement of its financial and non-financial objectives.

The order in which the risks are listed does not imply any order of importance. The risks described may apply to all segments and divisions unless otherwise indicated.

Corporate environment

Ethical conduct is a matter of essential importance for society. The Bayer Group is dedicated to sustainable development in all areas of its commercial activity. This voluntary commitment is reflected in Bayer's responsible corporate governance. Any violations of this voluntary commitment can result in adverse media reporting and thus lead to a negative public perception of the Bayer Group.

Economic Environment

Bayer's growth could be impeded by increasing global cost pressure on health care systems. The prices of pharmaceutical products are subject to regulatory price controls and regulations in many markets, and government reimbursement systems often favor less expensive generic medicines over branded products. In addition, in some markets, major health care providers can exert substantial pressure on prices. Price controls and pricing pressure reduce earnings from Bayer's pharmaceutical products and may occasionally make the market launch of a new product unprofitable.

According to Bayer's assessment the current extent of regulatory controls and market pressures on pricing will persist or increase. A further factor is that Bayer's Life Science businesses operate in highly competitive markets. Corporate mergers, along with business practices such as aggressive pricing strategies – not only in the field of generic competition – may adversely affect our earnings.

Modern agricultural methods, the application of certain classes of crop protection products and the use of genetic engineering are repeatedly the subject of intense public debate. This political opinion-forming may yield legislative and regulatory decisions that significantly limit the use of Bayer's products or even result in voluntary or mandated product withdrawals. In addition, decisions by the European Union, for example, also affect agricultural imports from other parts of the world and therefore our business in those regions.

In the Crop Science segment, risks may arise from seasonal fluctuations in the weather, market volatility for agricultural products and our customers' financial situations, for example. These may adversely affect both our crop protection and our seeds businesses.

The current global consolidation process in the seeds and crop protection industry could greatly alter Bayer's future competitive environment.

Negative economic developments generally have an adverse effect on the sales markets for Covestro's products, usually leading to lower sales volumes and a drop in the company's operational earnings. The extent of these effects on volumes and the operating result also depend on capacity utilization in the industry, which in turn varies according to the supply-demand ratio for industry-specific products. A decline in demand leads to lower sales volumes and ultimately to lower capacity utilization, which adversely impacts margins.

Further risks may arise if the future economic development of Bayer's markets varies from its estimates. If macroeconomic development is out of line with forecasts, this may positively or negatively impact Bayer's sales and earnings expectations.

Innovation

Bayer cannot assure that all of the products it is currently developing or will develop in the future will achieve planned approval / registration or commercial success. For example, a drug candidate may fail to meet trial endpoints. Furthermore, there is steady growth in public and regulatory expectations with regard to the safety and efficacy of chemical, biological and pharmaceutical products so Bayer continues to anticipate increasing regulatory requirements for clinical or (eco)toxicological studies, for example. This leads to higher product development costs and longer timeframes.

Acquisitions

Where it appears strategically advantageous, Bayer may supplement its organic growth by acquiring companies or parts of companies. Failure to successfully integrate a newly acquired business or unexpectedly high integration costs, for example, could jeopardize the achievement of qualitative or quantitative targets and adversely impact earnings.

On September 14, 2016, Bayer signed a definitive merger agreement with Monsanto Company, St. Louis, Missouri, United States, under which Bayer will acquire all outstanding shares of Monsanto Company. On December 13, 2016, the shareholders of Monsanto Company approved the transaction by the necessary majority. On account of the magnitude and importance of the acquisition, material risks related to the transaction are:

At the present time the possibility cannot be excluded that the planned acquisition will be delayed or not take place at all. The transaction is still subject to the customary requirements for closing, including clearance by the relevant antitrust and other authorities. The necessary approvals may be refused or could be tied to certain divestiture actions or other commitments required by regulators of Bayer and / or Monsanto. Such measures could adversely affect Bayer's current or future business, financial position, share price or dividend payments. Furthermore, Bayer may not be able to effect commitments in a timely manner, or at all, or on economically viable terms.

The merger agreement also provides for payment by Bayer of a US$2 billion reverse break fee including, in particular, in the event that the necessary antitrust approvals are not granted by June 14, 2018, and Bayer or Monsanto therefore terminates the merger agreement.

Bayer's strategic, synergistic and other operational objectives regarding the acquisition and integration of the Monsanto business are based on assumptions and estimates Bayer has made that may prove inaccurate, including Monsanto's earning potential and cost structure, the synergy and innovation potentials of both companies and future economic developments and market changes. In addition, difficulties may arise in connection with the acquisition and integration of the Monsanto business that adversely impact Bayer's current business or may prevent the expected benefits of the acquisition from being fully realized. These include the retention of key employees, important customers, suppliers, partners, licensors or contacts to other stakeholders, unexpected challenges in developing and successfully executing a strategy for the combined business, and risks resulting from management being distracted from the operational business by the agreed transaction. Combining businesses, processes and workforces as intended while retaining multiple corporate locations could be more complex than expected, partly in view of different corporate cultures and divergent internal control and compliance systems. The achievement of expectations in terms of the tax and accounting treatment of the transaction will be subject to a future detailed review. In light of this, unexpectedly high transaction and integration costs along with further risks and / or charges cannot be ruled out. It is also possible that Bayer may be forced to recognize an impairment loss on the intangible assets of Monsanto and the goodwill of Crop Science if unforeseen difficulties were to arise during the integration, if the Monsanto business were to fail to develop as expected or if other business developments affecting Crop Science were to occur that have not been anticipated.

Bayer believes that it may face increased or additional risks as a consequence of acquiring and integrating the Monsanto business. However, these risks cannot yet be definitively identified at the present time. Among the possible consequences of taking over the Monsanto business are potential

downgrades in sustainability ratings and increased exposure to public criticism.

Bayer is also exposed to certain risks from the financing of the planned acquisition. These mainly result from the need to refinance the original acquisition financing, the increase in debt and the possible credit rating downgrade by the rating agencies. Risks also arise from the development of the USD / EUR exchange rate and the interest rate level, as well as from potential difficulties in refinancing the transaction with equity capital to the extent planned.

Collaborations

Bayer has collaborations in place along the value chain of its products. Suboptimum performance by collaboration partners may affect the development, manufacture or marketing of Bayer's products and services and adversely impact our business. In some countries, for example, the marketing rights for certain pharmaceutical products are held by third parties. Inadequate performance by these marketing partners could adversely affect the development of Bayer's sales and costs.

Patent Protection

Patents protect Bayer's intellectual property. The Bayer Group, now as in the past, has a portfolio that largely consists of patent-protected products.. Generic manufacturers, in particular, attempt to contest patents prior to their expiration. Sometimes a generic version of a product may even be launched "at risk" prior to the issuance of a final patent decision. Bayer is currently involved in legal proceedings to enforce patent protection for its products. For details of these proceedings, see also "*Bayer AG – Governmental, legal or arbitration proceedings*". When a patent defense is unsuccessful, or if one of Bayer's patents expires, prices are likely to come under pressure because of increased competition from generic products entering the market. Legal action by third parties for alleged infringement of patent or proprietary rights by Bayer may impede or even halt the development or manufacturing of certain products or require Bayer to pay monetary damages or royalties to third parties.

Products and Product Stewardship

Despite extensive studies prior to approval or registration, it is possible that products could be partially or completely withdrawn from the market due to the occurrence of unexpected side effects or other factors. Such a withdrawal may be voluntary or result from legal or regulatory measures. Furthermore, the presence of traces of unwanted genetically modified organisms in agricultural products and / or foodstuffs cannot be entirely excluded. Potential payments of damages in connection with the above risks may have a substantial negative impact on Bayer's earnings.

Another risk Bayer faces is that of illegal trading of counterfeit medicines and crop protection products by criminal third parties. In most cases, the composition and the quality of counterfeit products do not correspond to those of the original products. In addition, the fact that no local regulatory authority is involved in assuring the quality of the manufacturing or distribution process precludes any official product recall. Products originating from illegal third-party manufacturing not only endanger patients, users, animals and the environment, but also jeopardize the good reputation of Bayer and its products and undermine Bayer's competitive position.

Procurement and Production

Bayer's Supplier Code of Conduct includes legal and ethical standards to which Bayer attaches the utmost importance. Violations of the Supplier Code of Conduct may also harm Bayer's company's reputation Operations at Bayer's sites may be disrupted by natural disasters, fires or explosions, sabotage or supply shortages for principal raw materials or intermediates. This also applies to external partners along the value chain. Disruption may also result from possible regulatory or legislative changes in the respective countries. If Bayer is unable to meet demand, sales may undergo a structural decline.

Employees

If Bayer is unable to recruit a sufficient number of highly qualified personnel and retain them within Bayer, particularly in countries with full employment and in the emerging economies of Asia and Latin America, this could have significant adverse consequences for Bayer's future development.

Information Technology

A significant technical disruption or failure of IT systems could severely impair Bayer's business and production processes.

The confidentiality of internal and external data is of fundamental importance to Bayer. A loss of data confidentiality, integrity or authenticity could lead to manipulation and / or the uncontrolled outflow of data and know-how.

Law and Compliance

The Bayer Group is exposed to risks from legal disputes or proceedings to which it is currently a party or which could arise in the future, particularly in the areas of product liability, competition and antitrust law, anticorruption law, patent law, tax law and environmental protection.

Investigations of possible legal or regulatory violations, such as potential infringements of antitrust law or certain marketing and / or distribution methods, may result in the imposition of civil or criminal penalties – including substantial monetary fines – and / or other adverse financial consequences, harm Bayer's reputation and ultimately hamper its commercial success.

Tax Risks

Bayer AG and its subsidiaries operate worldwide and are thus subject to many different local tax laws and regulations. Bayer Group companies are regularly audited by the tax authorities in various countries. Amendments to tax laws and regulations, legal judgments and their interpretation by the tax authorities, and the findings of tax audits in these countries may result in higher tax expense and payments, thus also influencing the level of tax receivables, tax liabilities and deferred tax assets and liabilities.

Liquidity Risks

Liquidity risks result from the possible inability of the Bayer Group to meet current or future payment obligations due to a lack of cash or cash equivalents.

Credit Risks

Credit risks arise from the possibility that the value of receivables or other financial assets of the Bayer Group may be impaired because counterparties cannot meet their payment or other performance obligations. Positive and negative fair values of derivative financial instruments may be netted when certain conditions are fulfilled.

Foreign Currency Risks

Foreign currency risks for the Bayer Group result from changes in exchange rates and the related changes in the value of financial instruments (including receivables and payables) and of anticipated payment receipts and disbursements in the functional currency.

Interest Rate Risks

Interest-rate risks result for the Bayer Group through changes in capital market interest rates, which in turn could lead to changes in the fair value of fixed-rate financial instruments and changes in interest payments in the case of floating-rate instruments.

Risk to Pension Obligations from Capital Market Developments

Changes in relevant measurement parameters such as interest rates, mortality and salary increase rates may raise the present value of Bayer's pension obligations. This may lead to increased costs for pension plans or diminish equity due to actuarial losses being recognized as other comprehensive income in the statement of comprehensive income. A large proportion of Bayer's pension and other post-employment benefit obligations is covered by plan assets including fixed-income securities, shares, real estate and other investments. Declining or even negative returns on these investments may adversely affect the future fair value of plan assets. Both these effects may negatively impact the development of equity and / or Bayer's earnings and / or may necessitate additional payments by Bayer.

Risk Factors in respect of Bayer Capital Corporation B.V.

Bayer Capital Corp was established to finance activities of the Bayer Group. As such, it raises funds and on-lends monies to companies within the Bayer Group by way of intra-group loans. Typically, the terms of such intra-group loans match those of the payment obligations of Bayer Capital Corp under notes or bonds issued by it to fund those loans. In the event that a Group company fails to make a payment under an intra-group loan, Bayer Capital Corp may not be able to meet its payment obligations under notes (including the Notes) or bonds issued by it.

Risk Factors in respect of Bayer Holding Ltd.

Bayer Holding Ltd. was founded as the holding company of Bayer Group companies in Japan. It also operates as a vehicle for financing activities. As such, it raises funds and on-lends monies to companies within the Bayer Group by way of intra-group loans. In the event that a Group company fails to make a payment under an intra-group loan, Bayer Holding Ltd. may not be able to meet its payment obligations under notes (including the Notes) or bonds issued by it.

The activities of the subsidiaries of Bayer Holding Ltd. are subject to the same risks described for the Bayer Group, see *"Risk Factors in respect of Bayer AG and the Bayer Group"*. Legal and arbitration proceedings to which subsidiaries of Bayer Holding Ltd. are subject are (if material from a Bayer Group perspective) described under *"Bayer AG – Governmental, legal or arbitration proceedings"*.

Risk Factors in respect of Bayer Nordic SE

Bayer Nordic was founded as a holding and regional management company of Bayer Group companies in the Nordic region. It provides services to all of its direct subsidiaries in the Nordic region in the areas of Law, Patents and Compliance, Communication, Finance, Accounting, Controlling, Tax, Human Resources, Information Technology, Procurement and Supply Chain Management. It also operates as a vehicle for financing activities. Payment capacity of Bayer Nordic depends largely on the profitability of its subsidiaries. In case the subsidiaries are not profitable enough to provide dividends and/or group contribution (applicable for the Finnish subsidiary Bayer Oy), or in the event that a Group company fails to make a payment under an intra-group loan, Bayer Nordic may not be able to meet its payment obligations under notes (including the Notes) or bonds issued by it.

The activities of the subsidiaries of Bayer Nordic are subject to the same risks described for the Bayer Group, see *"Risk Factors in respect of Bayer AG and the Bayer Group "*. Legal and arbitration proceedings to which subsidiaries of Bayer Nordic are subject are (if material from a Bayer group perspective) described under *"Bayer AG – governmental, legal or arbitration proceedings"*.

Risk Factors in respect of the Notes

Notes may not be a suitable investment for all investors

Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Currency Risk

Holders of Notes denominated in a foreign currency are exposed to the risk of changes in currency exchange rates, which may affect the yield of such Notes. A change in the value of any foreign currency against the euro, for example, will result in a corresponding change in the euro value of a Note denominated in a currency other than the euro. If the underlying exchange rate falls and the value of the euro correspondingly rises, the price of the Note in euros will fall.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Liquidity Risk

Application has been made to list Notes to be issued under the Programme on the Official List of the Luxembourg Stock Exchange and to admit the Notes to trading on the regulated market of the Luxembourg Stock Exchange. In addition, the Programme provides that Notes may not be listed at all. Regardless of whether the Notes are listed or not, there can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. In an illiquid market, an investor might not be able to sell its Notes at any time at fair market prices. Its ability to sell the Notes might be restricted by country-specific factors in addition.

Market Price Risk

The development of the market prices of the Notes depends on various factors, such as changes in market interest rate levels, the policies of central banks, overall economic developments, inflation rates or the lack of or excess demand for the relevant type of Note. The holders of Notes are therefore exposed to the risk of unfavourable development of the market prices of their Notes should they sell the Notes prior to final maturity. If a holder of Notes decides to hold the Notes until final maturity, the Notes will be redeemed at the amount stated in the relevant Final Terms.

Risk of Early Redemption

The applicable Final Terms will indicate whether an Issuer may have the right to call the Notes prior to maturity (optional call right) on one or several pre-determined dates or periods or whether the Notes are subject to early redemption upon the occurrence of an event specified in the applicable Final Terms (early redemption event). In addition, each Issuer will always have the right to redeem the Notes if the relevant Issuer and/or Guarantor are required to pay additional amounts (gross-up payments) on the Notes for reasons of taxation as set out in the Terms and Conditions. If the relevant Issuer redeems the Notes prior to maturity or the Notes are subject to early redemption due to an early redemption event, a holder of such Notes is exposed to the risk that due to such early redemption its investment will have a lower than expected yield. The Issuer can be expected to exercise its optional call right if the yield on comparable Notes in the capital market has fallen, which means that the investor may only be able to reinvest the redemption proceeds in comparable Notes with a lower yield. On the other hand, the Issuer can be expected not to exercise its optional call right if the yield on comparable Notes in the capital market has increased. In this event an investor will not be able to reinvest the redemption proceeds in comparable Notes with a higher yield. It should be noted, however, that the Issuer may exercise any optional call right irrespective of market interest rates on a call date or a call period.

Fixed Rate Notes

A holder of a Fixed Rate Note is exposed to the risk that the price of such Note falls as a result of changes in the market interest rate. While the nominal interest rate of a Fixed Rate Note as specified in the applicable Final Terms is fixed during the life of such Note, the current interest rate on the capital market ("**market interest rate**") typically changes on a daily basis. As the market interest rate changes, the price of a Fixed Rate Note changes in the opposite direction. If the market interest rate increases, the price of a Fixed Rate Note typically falls, until the yield of such Note is approximately equal to the market interest rate. If the market interest rate falls, the price of a Fixed Rate Note typically increases, until the yield of such Note is approximately equal to the market interest rate. If the holder of a Fixed Rate Note holds such Note until maturity, changes in the market interest rate are without relevance to such holder as the Note will be redeemed at a specified redemption amount, usually the principal amount of such Note.

Floating Rate Notes

A holder of a Floating Rate Note is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the yield of Floating Rate Notes in advance.

Neither the current nor a historical interest rate should be taken as an indication of the future development of such interest rate during the term of any Note.

Risk of financial benchmark and reference rate continuity

So-called benchmarks such as the London Interbank Offered Rate ("**LIBOR**") and the Euro Interbank Offered Rate ("**EURIBOR**") and other indices which are deemed "benchmarks" (each a "**Benchmark**" and together, the "**Benchmarks**"), to which the interest of Securities bearing or paying a floating or other variable rate of interest may be linked to, have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause the relevant benchmarks to perform differently than in the past, or have other consequences which may have a material adverse effect on the value of and the amount payable under Notes bearing or paying a floating or other variable rate of interest.

International proposals for reform of Benchmarks include the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the "Benchmark Regulation") which will enter into force on 1 January 2018. In addition, there are numerous other proposals, initiatives and investigations which may impact Benchmarks.

Any changes to a Benchmark as a result of the Benchmark Regulation or other initiatives, could have a material adverse effect on the costs of refinancing a Benchmark or the costs and risks of administering or

otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain Benchmarks, trigger changes in the rules or methodologies used in certain Benchmarks or lead to the disappearance of certain Benchmarks. Although it is uncertain whether or to what extent any of the abovementioned changes and/or any further changes in the administration or method of determining a Benchmark could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be, and/or could have an effect on the value of any Notes whose interest or principal return is linked to the relevant Benchmark, investors should be aware that they face the risk that any changes to the relevant Benchmark may have a material adverse effect on the value of and the amount payable under Notes whose rate of interest or principal return is linked to a Benchmark (including, but not limited to, Floating Rate Notes).

Resolutions of Holders

Since the Notes provide for meetings of Holders or the taking of votes without a meeting, a Holder is subject to the risk of being outvoted by a majority resolution of the Holders. As such majority resolution is binding on all Holders, certain rights of such Holder against the Issuer under the Terms and Conditions may be amended or reduced or even cancelled.

Holders' Representative

If the Notes provide for the appointment of a Holders' Representative, either in the Terms and Conditions or by a majority resolution of the Holders, it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights against the Issuer under the Terms and Conditions, such rights passing to the Holders' Representative who is then exclusively responsible for claiming and enforcing the rights of all the Holders.

Risks in respect of U.S. withholding tax under FATCA.

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Germany) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to 1 January 2019 and Notes characterized as debt for U.S. federal income tax purposes (or which are not otherwise characterized as equity and have a fixed term) issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the issuer). However, if additional notes (as described under "Terms and Conditions—Further Issues, Purchases and Cancellation") that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat such Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

GENERAL DESCRIPTION OF THE PROGRAMME

I. General

Under this €15,000,000,000 Debt Issuance Programme, Bayer AG, Bayer Capital Corp, Bayer Holding Ltd. and Bayer Nordic may from time to time issue notes, (the "**Notes**") to Dealers (as defined herein). The maximum aggregate principal amount of the Notes from time to time outstanding under the Programme will not exceed €15,000,000,000 (or its equivalent in any other currency). The Issuers may increase the amount of the Programme in accordance with the terms of the Dealer Agreement from time to time.

Bayer AG (the "**Guarantor**") has given its unconditional and irrevocable Guarantee (the "**Guarantee**") for the due payment of the amounts corresponding to the principal of and interest on the Notes issued by Bayer Capital Corp, Bayer Holding Ltd. and Bayer Nordic. The Guarantee will be governed by German law.

Notes will be issued on a continuous basis in tranches (each a "**Tranche**"), each Tranche consisting of Notes which are identical in all respects. One or more Tranches, which are expressed to be consolidated and form a single series and are identical in all respects, but which may have different issue dates, interest commencement dates, issue prices and dates for first interest payments may form a series ("**Series**") of Notes. Further Notes may be issued as part of existing Series. The specific terms of each Tranche will be set forth in the applicable Final Terms. The Final Terms will be displayed on the website of the Luxembourg Stock Exchange (www.bourse.lu) in the case of listed Notes. Listed Notes are Notes which are admitted to trading on the regulated market and listed on the Official List of the Luxembourg Stock Exchange.

Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms save that the minimum denomination of the Notes will be, if in euro, €1,000, or, if in any currency other than euro, in an amount in such other currency nearly equivalent to €1,000 at the time of the issue of Notes. Subject to any applicable legal or regulatory restrictions, and requirements of relevant central banks, Notes may be issued in euro or any other currency. The Notes will be freely transferable. The method of distribution of each Tranche will be stated in the Final Terms. Notes may not be offered to investors in consideration of a purchase amount of less than €100,000 or its equivalent and may be offered to qualified investors (as defined in Article 2 para. 1 lit. (e) of the Prospectus Directive and in accordance with Article 5(2) Luxembourg Law) only.

Notes may be issued at an issue price which is at par or at a discount to, or premium over, par, as stated in the applicable Final Terms. The issue price for Notes to be issued will be determined at the time of pricing on the basis of a yield which will be determined on the basis of the orders of the investors which are received by the Dealers during the offer period. Orders will specify a minimum yield and may only be confirmed at or above such yield. The resulting yield will be used to determine an issue price, all to correspond to the yield.

The yield for Notes with fixed interest rates will be calculated by the use of the ICMA method, which determines the effective interest rate of notes taking into account accrued interest on a daily basis.

Application has been made to list Notes on the Official List of the Luxembourg Stock Exchange and to trade Notes on the regulated market "*Bourse de Luxembourg*". Notes may further be issued under the Programme which will not be listed on any stock exchange.

Deutsche Bank Aktiengesellschaft will act as fiscal agent (the "**Fiscal Agent**") and paying agent (the "**Paying Agent**").

Notes will be accepted for clearing through one or more Clearing Systems as specified in the applicable Final Terms. These systems will comprise those operated by Clearstream Banking AG, Frankfurt am Main, Clearstream Banking, société anonyme, Luxembourg and Euroclear Bank SA/NV. Notes denominated in euro or, as the case may be, such other currency recognised from time to time for the purposes of eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem, are intended to be held in a manner, which would allow Eurosystem eligibility. Therefore, these Notes will initially be deposited upon issue with in the case of (i) a new global note either Clearstream Banking société anonyme, Luxembourg or Euroclear Bank SA/NV as common safekeeper or, (ii) a classical global note Clearstream Banking AG, Frankfurt am Main. It does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

II. Issue Procedures

General

The relevant Issuer and the relevant Dealer(s) will agree on the terms and conditions applicable to each particular Tranche of Notes (the "**Conditions**"). The Conditions will be constituted by the relevant set of Terms and Conditions of the Notes set forth below (the "**Terms and Conditions**") as further specified by the Final Terms as described below.

Options for sets of Terms and Conditions

A separate set of Terms and Conditions applies to each type of Notes, as set forth below. The Final Terms provide for the relevant Issuer to choose between the following Options:

- Option I – Terms and Conditions for Notes with fixed interest rates*;*
- Option II – Terms and Conditions for Notes with floating interest rates.

Documentation of the Conditions

The Issuer may document the Conditions of an individual issue of Notes in either of the following ways:

- The Final Terms shall be completed as set out therein. The Final Terms shall determine which of the Option I or II including certain further options contained therein, respectively, shall be applicable to the individual issue of Notes by replicating the relevant provisions and completing the relevant placeholders of the relevant set of Terms and Conditions as set out in the Prospectus in the Final Terms. The replicated and completed provisions of the set of Terms and Conditions alone shall constitute the Conditions, which will be attached to each global note representing the Notes of the relevant Tranche.

- Alternatively, the Final Terms shall determine which of Option I or II and of the respective further options contained in each of Option I or II are applicable to the individual issue by referring to the relevant provisions of the relevant set of Terms and Conditions as set out in the Prospectus only. The Final Terms will specify that the provisions of the Final Terms and the relevant set of Terms and Conditions as set out in the Prospectus, taken together, shall constitute the Conditions. Each global note representing a particular Tranche of Notes will have the Final Terms and the relevant set of Terms and Conditions as set out in the Prospectus attached.

Determination of Options / Completion of Placeholders

The Final Terms shall determine which of the Option I or II shall be applicable to the individual issue of Notes. Each of the sets of Terms and Conditions of Option I or II contains also certain further options (characterised by indicating the respective optional provision through instructions and explanatory notes set out either on the left of or in square brackets within the text of the relevant set of Terms and Conditions as set out in the Prospectus) as well as placeholders (characterised by square brackets which include the relevant items) which will be determined by the Final Terms as follows:

Determination of Options

The relevant Issuer will determine which options will be applicable to the individual issue either by replicating the relevant provisions in the Final Terms or by reference of the Final Terms to the respective sections of the relevant set of Terms and Conditions as set out in the Prospectus. If the Final Terms do not refer to an alternative or optional provision or such alternative or optional provision is not replicated therein it shall be deemed to be deleted from the Conditions.

Completion of Placeholders

The Final Terms will specify the information with which the placeholders in the relevant set of Terms and Conditions will be completed. In the case the provisions of the Final Terms and the relevant set of Terms and Conditions, taken together, shall constitute the Conditions the relevant set of Terms and Conditions shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in

the placeholders of such provisions.

All instructions and explanatory notes and text set out in square brackets in the relevant set of Terms and Conditions and any footnotes and explanatory text in the Final Terms will be deemed to be deleted from the Conditions.

TERMS AND CONDITIONS OF THE NOTES

*The Terms and Conditions of the Notes (the "**Terms and Conditions**") are set forth below in two options:*

Option I comprises the set of Terms and Conditions that apply to Tranches of Notes with fixed interest rates.

Option II comprises the set of Terms and Conditions that apply to Tranches of Notes with floating interest rates.

The set of Terms and Conditions for each of these options contains certain further options, which are characterised accordingly by indicating the respective optional provision through instructions and explanatory notes set out in square brackets within the set of Terms and Conditions.

In the Final Terms the Issuer will determine, whether Option I or II including certain further options contained therein, respectively, shall apply with respect to an individual issue of Notes, either by replicating the relevant provisions or by referring to the relevant options.

To the extent that upon the approval of the Prospectus the Issuer had no knowledge of certain items which are applicable to an individual issue of Notes, this Prospectus contains placeholders set out in square brackets which include the relevant items that will be completed by the Final Terms.

EMISSIONSBEDINGUNGEN

*Die Anleihebedingungen für die Schuldverschreibungen (die "**Anleihebedingungen**") sind nachfolgend in zwei Optionen aufgeführt:*

Option I umfasst den Satz der Anleihebedingungen, der auf Tranchen von Schuldverschreibungen mit fester Verzinsung Anwendung findet.

Option II umfasst den Satz der Anleihebedingungen, der auf Tranchen von Schuldverschreibungen mit variabler Verzinsung Anwendung findet.

Der Satz von Anleihebedingungen für jede dieser Optionen enthält bestimmte weitere Optionen, die entsprechend gekennzeichnet sind, indem die jeweilige optionale Bestimmung durch Instruktionen und Erklärungen in eckigen Klammern innerhalb des Satzes der Anleihebedingungen bezeichnet wird.

In den Endgültigen Bedingungen wird die Emittentin festlegen, ob Option I oder II (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) für die einzelne Emission von Schuldverschreibungen Anwendung findet, indem entweder die betreffenden Angaben wiederholt werden oder auf die betreffenden Optionen verwiesen wird.

Soweit die Emittentin zum Zeitpunkt der Billigung des Prospektes keine Kenntnis von bestimmten Angaben hatte, die auf eine einzelne Emission von Schuldverschreibungen anwendbar sind, enthält dieser Prospekt Leerstellen in eckigen Klammern, die die maßgeblichen durch die Endgültigen Bedingungen zu vervollständigenden Angaben enthalten.

Deutsche Fassung der Emissionsbedingungen

[*Im Fall, dass die Endgültigen Bedingungen, die für eine einzelne Emission anwendbar sind, nur auf die weiteren Optionen verweisen, die im Satz der Anleihebedingungen der Option I oder II enthalten sind, ist folgendes anwendbar:*

Die Bestimmungen dieser Anleihebedingungen gelten für diese Schuldverschreibungen so, wie sie durch die Angaben der beigefügten endgültigen Bedingungen (die "**Endgültigen Bedingungen**") vervollständigt werden. Die Leerstellen in den auf die Schuldverschreibungen anwendbaren Bestimmungen dieser Anleihebedingungen gelten als durch die in den Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Leerstellen in den betreffenden Bestimmungen durch diese Angaben ausgefüllt wären; alternative oder wählbare Bestimmungen dieser Anleihebedingungen, deren Entsprechungen in den Endgültigen Bedingungen nicht ausgefüllt oder die gestrichen sind, gelten als aus diesen Anleihebedingungen gestrichen; sämtliche auf die Schuldverschreibungen nicht anwendbaren Bestimmungen dieser Anleihebedingungen (einschließlich der Anweisungen, Anmerkungen und der Texte in eckigen Klammern) gelten als aus diesen Anleihebedingungen gestrichen, soweit dies erforderlich ist, um den Bestimmungen der Endgültigen Bedingungen Geltung zu verschaffen. Kopien der Endgültigen Bedingungen sind kostenlos bei der bezeichneten Geschäftsstelle der Emissionsstelle und bei der bezeichneten Geschäftsstelle einer jeden Zahlstelle erhältlich; bei nicht an einer Börse notierten Schuldverschreibungen sind Kopien der betreffenden Endgültigen Bedingungen allerdings ausschließlich für die Gläubiger solcher Schuldverschreibungen erhältlich.**]**

OPTION I – Anleihebedingungen für Schuldverschreibungen mit fester Verzinsung

§ 1
WÄHRUNG, STÜCKELUNG, FORM, BEGRIFFSBESTIMMUNGEN

(1) *Währung; Stückelung.* Diese Serie der Schuldverschreibungen (die "**Schuldverschreibungen**") der **[**Bayer Aktiengesellschaft**] [**Bayer Capital Corporation B.V.**] [**Bayer Holding Ltd.**] [**Bayer Nordic SE**]** (die "**Emittentin**") wird in **[festgelegte Währung]** (die "**festgelegte Währung**") im Gesamtnennbetrag **[falls die Globalurkunde eine NGN ist, ist folgendes anwendbar**: vorbehaltlich §1 Absatz 4**]** von **[Gesamtnennbetrag]** (in Worten:

English language version
(Englische Fassung der Emissionsbedingungen)

[*In the case the Final Terms applicable to an individual issue only refer to the further options contained in the set of Terms and Conditions for one of Option I or II the following applies:*

The provisions of these Terms and Conditions apply to the Notes as completed by the terms of the final terms which are attached hereto (the "**Final Terms**"). The blanks in the provisions of these Terms and Conditions which are applicable to the Notes shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the blanks of such provisions; alternative or optional provisions of these Terms and Conditions as to which the corresponding provisions are not completed or are deleted in the Final Terms shall be deemed to be deleted from these Terms and Conditions; and all provisions of these Terms and Conditions which are inapplicable to the Notes (including instructions, explanatory notes and text set out in square brackets) shall be deemed to be deleted from these Terms and Conditions, as required to give effect to the terms of the Final Terms. Copies of the Final Terms may be obtained free of charge at the specified office of the Fiscal Agent and at the specified office of any Paying Agent *provided* that, in the case of Notes which are not listed on any stock exchange, copies of the relevant Final Terms will only be available to Holders of such Notes.**]**

OPTION I – Terms and Conditions that apply to Notes with fixed interest rates

§ 1
CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS

(1) *Currency; Denomination.* This series of Notes (the "**Notes**") of **[**Bayer Aktiengesellschaft**] [**Bayer Capital Corporation B.V.**] [**Bayer Holding Ltd.**] [**Bayer Nordic SE**]** (the "**Issuer**") is being issued in **[Specified Currency]** (the "**Specified Currency**") in the aggregate principal amount **[in the case the global note is an NGN the following applies:** subject to §1(4)**]** of **[Aggregate Principal Amount]** (in words: **[Aggregate Principal Amount in words]**) in denominations of **[Specified**

[Gesamtnennbetrag in Worten]) in Stückelungen von **[festgelegte Stückelungen]** (die "**festgelegte Stückelung**") begeben.

Denomination] (the "**Specified Denomination**").

(2) *Form.* Die Schuldverschreibungen lauten auf den Inhaber.

(2) *Form.* The Notes are being issued in bearer form.

(3) *Vorläufige Globalurkunde — Austausch.*

(3) *Temporary Global Note — Exchange.*

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die "**vorläufige Globalurkunde**") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird gegen Schuldverschreibungen in den festgelegten Stückelungen, die durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine verbrieft sind, ausgetauscht. Die vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die Unterschriften **[im Fall von durch Bayer AG begebenen Schuldverschreibungen, ist folgendes anwendbar:** zweier ordnungsgemäß bevollmächtigter Vertreter**] [im Fall von durch Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begebenen Schuldverschreibungen, ist folgendes anwendbar:** eines ordnungsgemäß bevollmächtigten Vertreters**]** der Emittentin und sind jeweils von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(a) The Notes are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons. The Temporary Global Note will be exchangeable for Notes in Specified Denominations represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by **[in the case of Notes issued by Bayer AG the following applies:** two authorized signatories**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** one authorized signatory**]** of the Issuer and shall each be authenticated by or on behalf of the Fiscal Agent. Definitive notes and interest coupons will not be issued.

(b) Die vorläufige Globalurkunde wird frühestens an einem Tag (der "**Austauschtag**") gegen die Dauerglobalurkunde austauschbar, der 40 Tage nach dem Tag der Ausgabe der vorläufigen Globalurkunde liegt. Ein solcher Austausch soll nur nach Vorlage von Bescheinigungen gemäß U.S. Steuerrecht erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Zinszahlungen auf durch eine vorläufige Globalurkunde verbriefte Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der vorläufigen Globalurkunde eingeht, wird als ein Ersuchen behandelt, diese vorläufige Globalurkunde gemäß diesem Absatz (b) dieses § 1 Absatz 3 auszutauschen. Wertpapiere, die im Austausch für die vorläufige Globalurkunde geliefert werden, sind nur außerhalb der Vereinigten

(b) The Temporary Global Note shall be exchangeable for the Permanent Global Note from a date (the "**Exchange Date**") 40 days after the date of issue of the Temporary Global Note. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note are not U.S. persons (other than certain financial institutions or certain persons holding Notes through such financial institutions) as required by U.S. tax law. Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this subparagraph (b) of this § 1(3). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 4(3)).

Staaten (wie in § 4 Absatz 3 definiert) zu liefern.

(4) *Clearing System.* Die Schuldverschreibungen verbriefende Globalurkunde wird von einem oder im Namen eines Clearing Systems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind. "**Clearing System**" bedeutet **[bei mehr als einem Clearing System ist folgendes anwendbar:** jeweils**]** folgendes: **[**Clearstream Banking AG, Neue Börsenstraße 1, 60487 Frankfurt am Main, Bundesrepublik Deutschland ("**CBF**")**]** **[**und**]** **[**Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, 1855 Luxemburg, Großherzogtum Luxemburg ("**CBL**") und Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgium ("**Euroclear**"), (CBL and Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**")**]**.

[*Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, und die Globalurkunde eine NGN ist, ist folgendes anwendbar:*

Die Schuldverschreibungen werden in Form einer *new global note* ("**NGN**") ausgegeben und von einem *common safekeeper* im Namen beider ICSDs verwahrt.

Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtnennbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind maßgeblicher Nachweis über den Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bescheinigung mit dem Betrag der so verbrieften Schuldverschreibungen ist ein maßgeblicher Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder einer Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über Rückzahlung und Zinszahlung bzw. Kauf und Löschung bezüglich der Globalurkunde *pro rata* in die Unterlagen der ICSDs eingetragen werden, und dass, nach jeder Eintragung, vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtbetrag der zurückgezahlten bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.

Bei Austausch eines Anteils von ausschließlich durch eine vorläufige Globalurkunde verbriefter Schuldverschreibungen wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Register der ICSDs aufgenommen

(4) *Clearing System.* Each global note representing the Notes will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means **[if more than one Clearing System the following applies:** each of**]** the following: **[**Clearstream Banking AG, Neue Börsenstraße 1, 60487 Frankfurt am Main, Bundesrepublik Deutschland ("**CBF**")**]** **[**and**]** **[**Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, 1855 Luxemburg, Großherzogtum Luxemburg ("**CBL**") and Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgium ("**Euroclear**"), (CBL and Euroclear each an "**ICSD**" and together the "**ICSDs**")**]**.

[*In the case of Notes kept in custody on behalf of the ICSDs and the global note is an NGN the following applies:*

The Notes are issued in new global note ("**NGN**") form and are kept in custody by a common safekeeper on behalf of both ICSDs.

The aggregate principal amount of Notes represented by the global note shall be the aggregate amount as entered from time to time in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers and which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the global note and, for these purposes, a statement issued by an ICSD stating the amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

Upon any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the global note the Issuer shall procure that details of any redemption, payment of interest or purchase and cancellation (as the case may be) in respect of the global note shall be entered *pro rata* in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the global note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled.

Upon the exchange of only a portion of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.**]**

werden.]

[*Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden und die Globalurkunde eine CGN ist, ist folgendes anwendbar:*

Die Schuldverschreibungen werden in Form einer *classical global note* ("**CGN**") ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.]

(5) *Gläubiger von Schuldverschreibungen.* "**Gläubiger**" bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen treugeberischen oder eigenen Rechts an den Schuldverschreibungen.

(6) *In Bezug genommene Bedingungen.* Die Bestimmungen über Beschlüsse der Gläubiger vom 24. März 2017 (einsehbar unter www.bourse.lu), die überwiegend das für Gläubigerversammlungen oder Abstimmungen der Gläubiger ohne Versammlung zu wahrende Verfahren betreffen, sind in vollem Umfang durch diese Bedingungen in Bezug genommen.

§ 2
STATUS, NEGATIVVERPFLICHTUNG [im Fall von Schuldverschreibungen begeben von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic: , GARANTIE]

(1) *Status.* Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen gegenwärtigen und zukünftigen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit diesen Verbindlichkeiten nicht durch gesetzliche Bestimmungen ein Vorrang eingeräumt wird.

(2) *Negativverpflichtung.* Die Emittentin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, für andere, nachstehend definierte Wertpapieremissionen nach dem Tag der Begebung der Schuldverschreibungen kein Sicherungsrecht ("**Pfandrecht**") am eigenen inländischen Vermögen zu bestellen, ohne die Gläubiger zur gleichen Zeit und im gleichen Rang an einem solchen Pfandrecht teilhaben zu lassen, mit der Maßgabe, dass diese Verpflichtung keine Anwendung findet, falls die Emittentin Pfandrechte folgender Art bestellt, übernimmt oder bestehen lässt:

(a) Pfandrechte, die auf einem Vermögensgegenstand zum Zeitpunkt des Erwerbs durch die Emittentin lasten;

(b) Pfandrechte zur Besicherung von Verbindlichkeiten, die vor dem Erwerb, zum Zeitpunkt des Erwerbs oder innerhalb von 12 Monaten nach dem Erwerb eines

[*In the case of Notes kept in custody on behalf of the ICSDs and the global note is a CGN the following applies:*

The Notes are issued in classical global note ("**CGN**") form and are kept in custody by a common depositary on behalf of both ICSDs.]

(5) *Holder of Notes.* "**Holder**" means any holder of a proportionate co-ownership or other beneficial interest or right in the Notes.

(6) *Referenced Conditions.* The Conditions fully refer to the Provisions Regarding Resolutions of Holders dated March 24, 2017 (on display under www.bourse.lu) containing primarily the procedural provisions regarding resolutions of Holders which shall be fully incorporated into the Conditions.

§ 2
STATUS, NEGATIVE PLEDGE [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic: , GUARANTEE]

(1) *Status.* The obligations under the Notes constitute unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other present or future unsecured and unsubordinated obligations of the Issuer except for any obligations preferred by law.

(2) *Negative Pledge.* The Issuer undertakes, as long as Notes are outstanding but only up to the time all amounts of principal and interest have been provided to the Fiscal Agent, not to provide after the issue date of the Notes any security interest ("**Lien**") upon its domestic assets for other Security Issues (as defined below) without at the same time letting the Holders share *pari passu* in such Lien; provided, however, that this undertaking shall not be applicable in the event the Issuer shall create, assume or suffer to exist Liens of the following character:

(a) any Lien existing on property at the time of the acquisition thereof by the Issuer;

(b) any Lien to secure any debt incurred prior to, at the time of, or within 12 months after the acquisition of property by the Issuer for the purpose of financing all or any part of the

Vermögensgegenstandes durch die Emittentin zum Zwecke der vollständigen oder teilweisen Kaufpreisfinanzierung eingegangen worden sind, sowie Pfandrechte, die zur Sicherung von über diesen Kaufpreis hinausgehenden Verbindlichkeiten dienen, vorausgesetzt, dass für deren Begleichung ausschließlich auf diesen Vermögensgegenstand zurückgegriffen werden kann;

purchase price thereof and any Lien to the extent that it secures debt which is in excess of such purchase price and for the payment of which recourse may be had only against such property;

(c) Pfandrechte zur Besicherung von Verbindlichkeiten, die vor, zum Zeitpunkt, oder innerhalb von 12 Monaten nach der Fertigstellung einer Errichtung, Veränderung, Instandsetzung oder Verbesserung eines Vermögensgegenstandes der Emittentin zum Zwecke der vollständigen oder teilweisen Finanzierung der dabei entstehenden Kosten eingegangen worden sind, sowie Pfandrechte, die zur Sicherung von über diese Kosten hinausgehenden Verbindlichkeiten dienen, vorausgesetzt, dass für deren Begleichung ausschließlich auf diesen Vermögensgegenstand zurückgegriffen werden kann;

(c) any Lien to secure any debt incurred prior to, at the time of, or within 12 months after the completion of the construction, alteration, repair or improvement of property of the Issuer for the purpose of financing all or any part of the cost thereof and any Lien to the extent that it secures debt which is in excess of such cost and for the payment of which recourse may be had only against such property;

(d) jedwede vollständige oder teilweise Verlängerung, Erneuerung oder Ersetzung (oder wiederholte Verlängerungen, Erneuerungen oder Ersetzungen) eines der vorstehend in den Klauseln (a) bis (c) aufgeführten Pfandrechte, soweit der Nennbetrag der dadurch besicherten Verbindlichkeit den im Zeitpunkt einer solchen Verlängerung, Erneuerung oder Ersetzung besicherten Nennbetrag nicht übersteigt (mit der Ausnahme, dass zusätzliche Verbindlichkeiten sowie damit verbundene Finanzierungskosten durch das Pfandrecht besichert werden können, wenn diese zusätzlichen Verbindlichkeiten zur Mittelbeschaffung für die Fertigstellung eines bestimmten Vorhabens eingegangen werden), und soweit das Pfandrecht auf denselben Vermögensgegenstand, an welchem das verlängerte, erneuerte oder ersetzte Pfandrecht bestanden hat, beschränkt bleibt (einschließlich Wertverbesserungen des Vermögensgegenstandes);

(d) any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Lien referred to in clauses (a) through (c) above, so long as the principal amount of debt so secured does not exceed the principal amount secured at the time of extension, renewal or replacement (except that, where an additional principal amount of debt is incurred to provide funds for the completion of a specific project, the additional principal amount and any related financial costs, may be secured by the Lien as well) and the Lien is limited to the same property subject to the Lien so extended, renewed or replaced (plus improvements on the property);

(e) Pfandrechte, die kraft Gesetzes entstehen;

(e) any Lien arising by operation of law;

(f) Pfandrechte, die aus oder in Verbindung mit der Veräußerung oder der Vermietung von Vermögensgegenständen an Leasinggesellschaften entstehen, die den Gesamtbetrag von €1.000.000.000 pro Jahr oder den Gegenwert in anderen Währungen nicht übersteigen (seit dem Tag der Begebung der Schuldverschreibungen); und

(f) any Lien arising from or related to a disposal or lease-out of assets to any person whose core business is the leasing business (*Leasinggesellschaften*) that does not exceed an aggregate of €1,000,000,000 per year or the equivalent in other currencies (as from the issue date of the Notes); and

(g) Pfandrechte, die Verbindlichkeiten besichern, deren Betrag €250.000.000 (aggregiert mit dem Betrag von anderen Verbindlichkeiten, die ein Pfandrecht besitzen, welches nach den

(g) any Lien securing indebtedness the amount of which (when aggregated with the amount of any other indebtedness which has the benefit of a Lien not allowed under the preceding sub-

vorstehenden Unterabsätzen nicht erlaubt ist) oder den Gegenwert in anderen Währungen zu jeder Zeit nicht übersteigt.

paragraphs) does not exceed €250,000,000 or its equivalent in other currencies at any time.

In Bezug auf von der Emittentin begebene asset-backed Emissionen, schließen die im ersten Satz dieses Abschnittes (2) benutzten Worte "Vermögen" und "Wertpapieremission" nicht Vermögensgegenstände und Wertpapieremissionen der Emmittentin ein, solange das Vermögen, das derartige Emissionen deckt zusammen €2.000.000.000 nicht übersteigt.

In respect of asset-backed securitizations originated by the Issuer, the expressions "assets" and "Security Issue" as used in the first sentence of this subparagraph (2) do not include assets and Security Issues of the Issuer if the assets backing such securitizations do not in aggregate exceed €2,000,000,000.

"**Wertpapieremission**" bedeutet jede Zahlungsverpflichtung aus der Aufnahme von Geld in der Form von oder verbrieft durch Schuldverschreibungen oder ähnliche(n) Wertpapiere(n) mit einer ursprünglichen Laufzeit von mehr als einem Jahr, die an einer Wertpapierbörse oder in einem over-the-counter Wertpapiermarkt notiert, eingeführt oder gehandelt werden oder die anderweitig öffentlich gehandelt werden oder gehandelt werden sollen.

"**Security Issue**" shall mean any obligation for the payment of borrowed money represented by bonds, notes, debentures or any similar securities which are quoted, listed or traded on any stock exchange or over-the-counter securities market or which are otherwise publicly traded or intended to be publicly traded, having an original maturity of more than one year.

**[*Im Fall von Schuldverschreibungen begeben von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic, ist folgendes anwendbar:*

**[*In the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:*

(3) *Garantie und Negativverpflichtung der Garantin.* Bayer AG (die "**Garantin**") hat eine unbedingte und unwiderrufliche Garantie (die "**Garantie**") vom 19. März 2014 für die ordnungsgemäße Zahlung von Kapital und Zinsen und sonstiger auf die Schuldverschreibungen zahlbarer Beträge übernommen.

(3) *Guarantee and Negative Pledge of the Guarantor.* Bayer AG (the "**Guarantor**") has given its unconditional and irrevocable guarantee (the "**Guarantee**") dated March 19, 2014 for the due and punctual payment of principal of, and interest on, and any other amounts payable under any Note.

Die Garantin übernimmt außerdem eine Negativverpflichtung (die "**Negativverpflichtung**"), solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, für andere, vorstehend definierte Wertpapieremissionen nach dem Tag der Begebung der Schuldverschreibungen kein Pfandrecht, wie vorstehend definiert, am eigenen inländischen Vermögen zu bestellen, ohne die Gläubiger zur gleichen Zeit und im gleichen Rang an einem solchen Pfandrecht teilhaben zu lassen, mit der Maßgabe, dass diese Verpflichtung keine Anwendung findet, falls die Garantin Pfandrechte folgender Art bestellt, übernimmt oder bestehen lässt:

The Guarantor has further undertaken in a negative pledge (the "**Negative Pledge**"), as long as Notes are outstanding but only up to the time all amounts of principal and interest have been provided to the Fiscal Agent, not to provide after the issue date of the Notes any Lien (as defined above) upon its domestic assets for other Security Issues (as defined above) without at the same time letting the Holders share *pari passu* in such Lien; provided, however, that this undertaking shall not be applicable in the event the Guarantor shall create, assume or suffer to exist Liens of the following character:

(a) Pfandrechte, die auf einem Vermögensgegenstand zum Zeitpunkt des Erwerbs durch die Garantin lasten;

(a) any Lien existing on property at the time of the acquisition thereof by the Guarantor;

(b) Pfandrechte zur Besicherung von Verbindlichkeiten, die vor dem Erwerb, zum Zeitpunkt des Erwerbs oder innerhalb von 12 Monaten nach dem Erwerb eines Vermögensgegenstandes durch die Garantin zum Zwecke der vollständigen oder teilweisen Kaufpreisfinanzierung eingegangen worden sind, sowie Pfandrechte, die zur Sicherung von

(b) any Lien to secure any debt incurred prior to, at the time of, or within 12 months after the acquisition of property by the Guarantor for the purpose of financing all or any part of the purchase price thereof and any Lien to the extent that it secures debt which is in excess of such purchase price and for the payment of which recourse may be had only against such

über diesen Kaufpreis hinausgehenden Verbindlichkeiten dienen, vorausgesetzt, dass für deren Begleichung ausschließlich auf diesen Vermögensgegenstand zurückgegriffen werden kann;

property;

(c) Pfandrechte zur Besicherung von Verbindlichkeiten, die vor, zum Zeitpunkt, oder innerhalb von 12 Monaten nach der Fertigstellung einer Errichtung, Veränderung, Instandsetzung oder Verbesserung eines Vermögensgegenstandes der Garantin zum Zwecke der vollständigen oder teilweisen Finanzierung der dabei entstehenden Kosten eingegangen worden sind, sowie Pfandrechte, die zur Sicherung von über diese Kosten hinausgehenden Verbindlichkeiten dienen, vorausgesetzt, dass für deren Begleichung ausschließlich auf diesen Vermögensgegenstand zurückgegriffen werden kann;

(c) any Lien to secure any debt incurred prior to, at the time of, or within 12 months after the completion of the construction, alteration, repair or improvement of property of the Guarantor for the purpose of financing all or any part of the cost thereof and any Lien to the extent that it secures debt which is in excess of such cost and for the payment of which recourse may be had only against such property;

(d) jedwede vollständige oder teilweise Verlängerung, Erneuerung oder Ersetzung (oder wiederholte Verlängerungen, Erneuerungen oder Ersetzungen) eines der vorstehend in den Klauseln (a) bis (c) aufgeführten Pfandrechte, soweit der Nennbetrag der dadurch besicherten Verbindlichkeit den im Zeitpunkt einer solchen Verlängerung, Erneuerung oder Ersetzung besicherten Nennbetrag nicht übersteigt (mit der Ausnahme, dass zusätzliche Verbindlichkeiten sowie damit verbundene Finanzierungskosten durch das Pfandrecht besichert werden können, wenn diese zusätzlichen Verbindlichkeiten zur Mittelbeschaffung für die Fertigstellung eines bestimmten Vorhabens eingegangen werden), und soweit das Pfandrecht auf denselben Vermögensgegenstand, an welchem das verlängerte, erneuerte oder ersetzte Pfandrecht bestanden hat, beschränkt bleibt (einschließlich Wertverbesserungen des Vermögensgegenstandes);

(d) any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Lien referred to in clauses (a) through (c) above, so long as the principal amount of debt so secured does not exceed the principal amount secured at the time of extension, renewal or replacement (except that, where an additional principal amount of debt is incurred to provide funds for the completion of a specific project, the additional principal amount and any related financial costs, may be secured by the Lien as well) and the Lien is limited to the same property subject to the Lien so extended, renewed or replaced (plus improvements on the property);

(e) Pfandrechte, die kraft Gesetzes entstehen;

(e) any Lien arising by operation of law;

(f) Pfandrechte, die aus oder in Verbindung mit der Veräußerung oder der Vermietung von Vermögensgegenständen an Leasinggesellschaften entstehen, die den Gesamtbetrag von €1.000.000.000 pro Jahr oder den Gegenwert in anderen Währungen nicht übersteigen (seit dem Tag der Begebung der Schuldverschreibungen); und

(f) any Lien arising from or related to a disposal or lease-out of assets to any person whose core business is the leasing business *(Leasinggesellschaften)* that does not exceed an aggregate of €1,000,000,000 per year or the equivalent in other currencies (as from the issue date of the Notes); and

(g) Pfandrechte, die Verbindlichkeiten besichern, deren Betrag €250.000.000 (aggregiert mit dem Betrag von anderen Verbindlichkeiten, die ein Pfandrecht besitzen welches nach den vorstehenden Unterabsätzen nicht erlaubt ist) oder den Gegenwert in anderen Währungen zu jeder Zeit nicht übersteigt.

(g) any Lien securing indebtedness the amount of which (when aggregated with the amount of any other indebtedness which has the benefit of a Lien not allowed under the preceding sub-paragraphs) does not exceed €250,000,000 or its equivalent in other currencies at any time.

In Bezug auf von der Garantin begebene asset-backed Emissionen, schließen die im ersten Satz des zweiten Absatzes dieses Abschnittes (3) benutzten Worte "Vermögen" und "Wertpapieremission" nicht Vermögensgegenstände und Wertpapieremissionen der Garantin ein, solange das Vermögen, das derartige Emissionen deckt, zusammen €2.000.000.000 nicht übersteigt.

In respect of asset-backed securitizations originated by the Guarantor, the expressions "assets" and "Security Issue" as used in the first sentence of the second paragraph of this subparagraph (3) do not include assets and Security Issues of the Guarantor if the assets backing such securitizations do not in aggregate exceed €2,000,000,000.

Die Garantie und die Negativverpflichtung stellen einen Vertrag zugunsten eines jeden Gläubigers als begünstigtem Dritten gemäß § 328 Absatz 1 BGB dar, welcher das Recht eines jeden Gläubigers begründet, Erfüllung aus der Garantie und der Negativverpflichtung unmittelbar von der Garantin zu verlangen und die Garantie und die Negativverpflichtung unmittelbar gegenüber der Garantin durchzusetzen.**]**

The Guarantee and Negative Pledge constitute a contract for the benefit of the Holders from time to time as third party beneficiaries in accordance with § 328 subparagraph 1 *BGB* (German Civil Code), giving rise to the right of each Holder to require performance of the Guarantee and the Negative Pledge directly from the Guarantor and to enforce the Guarantee and the Negative Pledge directly against the Guarantor.**]**

§ 3
ZINSEN

(1) *Zinssatz und Zinszahlungstage.* Die Schuldverschreibungen werden bezogen auf ihren Nennbetrag verzinst, und zwar von einschließlich **[Verzinsungsbeginn]** (der "**Verzinsungsbeginn**") bis zum Beginn des Fälligkeitstags (wie in § 5 Absatz 1 definiert) (ausschließlich) mit jährlich **[Zinssatz]** %. Die Zinsen sind nachträglich am **[Festzinstermin(e)]** eines jeden Jahres zahlbar (jeweils ein "**Zinszahlungstag**"). Die erste Zinszahlung erfolgt am **[erster Zinszahlungstag] [sofern der erste Zinszahlungstag nicht der erste Jahrestag des Verzinsungsbeginns ist, ist folgendes anwendbar:** und beläuft sich auf **[anfänglicher Bruchteilzinsbetrag je festgelegte Stückelung]** für eine Schuldverschreibung mit einer festgelegten Stückelung von **[festgelegte Stückelung]]**. **[Sofern der Fälligkeitstag kein Festzinstermin ist, ist folgendes anwendbar:** Die Zinsen für den Zeitraum von einschließlich **[letzter dem Fälligkeitstag vorausgehender Festzinstermin]** bis zum Beginn des Fälligkeitstags (ausschließlich) belaufen sich auf **[abschließender Bruchteilzinsbetrag je festgelegte Stückelung]** für eine Schuldverschreibung mit einer festgelegten Stückelung von **[festgelegte Stückelung]**.**]**

§ 3
INTEREST

(1) *Rate of Interest and Interest Payment Dates.* The Notes shall bear interest on their principal amount at the rate of **[Rate of Interest]** percent *per annum* from (and including) **[Interest Commencement Date]** (the "**Interest Commencement Date**") to (but excluding) the Maturity Date (as defined in § 5(1)). Interest shall be payable in arrears on **[Fixed Interest Date or Dates]** in each year (each such date, an "**Interest Payment Date**"). The first payment of interest shall be made on **[First Interest Payment Date] [if First Interest Payment Date is not first anniversary of Interest Commencement Date the following applies:** and will amount to **[Initial Broken Amount per Specified Denomination]** for a Note in a denomination of **[Specified Denomination]]**. **[If the Maturity Date is not a Fixed Interest Date the following applies:** Interest in respect of the period from **[Fixed Interest Date preceding the Maturity Date]** (inclusive) to the Maturity Date (exclusive) will amount to **[Final Broken Amount per Specified Denomination]** for a Note in a denomination of **[Specified Denomination]**.**]**

(2) *Auflaufende Zinsen.* Die Verzinsung der Schuldverschreibungen endet mit Beginn des Tages, an dem sie zur Rückzahlung fällig sind. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, fallen auf den ausstehenden Nennbetrag der Schuldverschreibungen ab dem Fälligkeitstag (einschließlich) bis zum Tag der tatsächlichen Rückzahlung (ausschließlich) Zinsen zum gesetzlich festgelegten Satz für Verzugszinsen an[1].

(2) *Accrual of Interest.* The Notes shall cease to bear interest as from the beginning of the day on which they are due for redemption. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding principal amount of the Notes beyond the due date (including) until the date of the actual redemption of the Notes (excluding) at the default rate of interest established by law[1].

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[1] Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutsche Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 BGB.

[1] The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288(1), 247 German Civil Code (*BGB*).

(3) *Berechnung der Zinsen für Teile von Zeiträumen.* Sofern Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachstehend definiert).

(3) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).

(4) *Zinstagequotient.* "**Zinstagequotient**" bezeichnet im Hinblick auf die Berechnung des Zinsbetrages auf eine Schuldverschreibung für einen beliebigen Zeitraum (der "**Zinsberechnungszeitraum**"):

(4) *Day Count Fraction.* "**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (the "**Calculation Period**"):

[*Im Fall von Actual/Actual (ICMA) mit nur einer Zinsperiode innerhalb eines Zinsjahres ist folgendes anwendbar:*

[*In the case of Actual/Actual (ICMA) with annual interest payments the following applies:*

die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, geteilt durch die tatsächliche Anzahl von Tagen in der jeweiligen Bezugsperiode in die der Zinsberechnungszeitraum fällt.**]**

the actual number of days in the Calculation Period divided by the actual number of days in the respective Reference Period in which the Calculation Period falls.**]**

[*Im Fall von Actual/Actual (ICMA) mit zwei oder mehr gleichbleibenden Zinsperioden innerhalb eines Zinsjahres ist folgendes anwendbar:*

[*In the case of Actual/Actual (ICMA) with two or more constant interest periods within an interest year the following applies:*

die tatsächliche Anzahl von Tagen in dem Zinsberechnungszeitraum, geteilt durch das Produkt aus (1) der tatsächlichen Anzahl der Tage in der Bezugsperiode, in die der Zinsberechnungszeitraum fällt und (2) der Anzahl von Bezugsperioden, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte Jahr zu zahlen wären.**]**

the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in the Reference Period in which the Calculation Period falls and (2) the number of Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year.**]**

[*Folgendes gilt für alle Optionen von Actual/Actual (ICMA):*

[*The following applies for all options of Actual/Actual (ICMA):*

"**Bezugsperiode**" bezeichnet den Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) oder von jedem Zinszahlungstag (einschließlich) bis zum nächsten Zinszahlungstag (ausschließlich). **[Im Fall eines ersten kurzen Zinsberechnungszeitraumes ist folgendes anwendbar:** Zum Zwecke der Bestimmung der ersten Bezugsperiode gilt der **[Fiktiver Zinszahlungstag]** als Zinszahlungstag.**]** **[Im Fall eines letzten kurzen Zinsberechnungszeitraumes ist folgendes anwendbar***:* Zum Zwecke der Bestimmung der letzten Bezugsperiode gilt der, **[Fiktiver Zinszahlungstag]** als Zinszahlungstag.**]** **[Im Fall eines ersten langen Zinsberechnungszeitraumes ist folgendes anwendbar:** Zum Zwecke der Bestimmung der ersten Bezugsperiode gilt der **[Fiktiver Zinszahlungstag]** als Zinszahlungstag]. **[Im Fall eines letzten langen Zinsberechnungszeitraumes ist folgendes anwendbar***:* Zum Zwecke der Bestimmung der letzten Bezugsperiode gilt der **[Fiktive Zinszahlungstag]** als Zinszahlungstag.**]]**

"**Reference Period**" means the period from (and including) the Interest Commencement Date to, but excluding, the first Interest Payment Date or from (and including) each Interest Payment Date to, but excluding the next Interest Payment Date. **[In the case of a short first Calculation Period the following applies:** For the purpose of determining the first Reference Period only, **[Deemed Interest Payment Date]** shall be deemed to be the Interest Payment Date.**]** **[In the case of a short last Calculation Period the following applies:** For the purpose of determining the last Reference Period only, **[Deemed Interest Payment Date]** shall be deemed to be an Interest Payment Date.**]** **[In the case of a long first Calculation Period the following applies:** For the purpose of determining the first Reference Period only, **[Deemed Interest Payment Date]** shall be deemed to be an Interest Payment Date.**]** **In the case of a long last Calculation Period the following applies:** For the purpose of determining the last Reference Period only, **[Deemed Interest Payment Date]** shall be deemed to be an Interest Payment Date.**]]**

[*im Fall von 30/360, 360/360 oder Bond Basis ist folgendes anwendbar:*

[*if 30/360, 360/360 or Bond Basis the following applies:*

die Anzahl von Tagen im Zinsberechnungszeitraum

the number of days in the Calculation Period divided

dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraums fällt auf den 31. Tag eines Monates, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. noch auf den 31. Tag eines Monats fällt, wobei in diesem Fall der den letzten Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).**]**

by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).**]**

[*im Fall von 30E/360 oder Eurobond Basis ist folgendes anwendbar:*

die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit 12 Monaten zu 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des ersten oder letzten Tages des Zinsberechnungszeitraumes, es sei denn, dass im Falle einer am Fälligkeitstag endenden Zinsperiode der Fälligkeitstag der letzte Tag des Monats Februar ist, in welchem Fall der Monat Februar als nicht auf einen Monat zu 30 Tagen verlängert gilt).**]**

[*if 30E/360 or Eurobond Basis the following applies:*

the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).**]**

§ 4
ZAHLUNGEN

(1) (a) *Zahlungen auf Kapital.* Zahlungen auf Kapital in bezug auf die Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes 2 an das Clearing System oder gegebenenfalls dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems gegen Vorlage und, soweit es sich nicht um eine Teilzahlung handelt, Übergabe der Globalurkunde, mit der die Schuldverschreibungen verbrieft werden, zum Zeitpunkt der Zahlung in der bezeichneten Geschäftsstelle der Emissionsstelle außerhalb der Vereinigten Staaten.

(b) *Zahlung von Zinsen.* Die Zahlung von Zinsen auf Schuldverschreibungen erfolgt nach Maßgabe von Absatz 2 an das Clearing System oder gegebenenfalls dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.

Die Zahlung von Zinsen auf Schuldverschreibungen, die durch die vorläufige Globalurkunde verbrieft sind, erfolgt nach Maßgabe von Absatz 2 an das Clearing System oder gegebenenfalls dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz 3(b).

§ 4
PAYMENTS

(1) (a) *Payment of Principal.* Payment of principal in respect of Notes shall be made, subject to subparagraph (2) below, to the Clearing System or (if applicable) to its order for credit to the accounts of the relevant account holders of the Clearing System upon presentation and (except in the case of partial payment) surrender of the global note representing the Notes at the time of payment at the specified office of the Fiscal Agent outside the United States.

(b) *Payment of Interest.* Payment of interest on Notes shall be made, subject to subparagraph (2), to the Clearing System or (if applicable) to its order for credit to the relevant account holders of the Clearing System.

Payment of interest on Notes represented by the Temporary Global Note shall be made, subject to subparagraph (2), to the Clearing System or (if applicable) to its order for credit to the relevant account holders of the Clearing System, upon due certification as provided in § 1(3) (b).

(2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in der festgelegten Währung.

(2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

(3) *Vereinigte Staaten.* Für die Zwecke des § 1 Absatz 3 und des Absatzes 1 dieses § 4 bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

(3) *United States.* For purposes of § 1(3) and subparagraph (1) of this § 4, "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

(4) *Erfüllung.* Die Emittentin **[Im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** bzw. die Garantin**]** wird durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.

(4) *Discharge.* The Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or, as the case may be, the Guarantor**]** shall be discharged by payment to, or to the order of, the Clearing System.

(5) *Zahltag (nicht angepaßt, Following Business Day Convention).* Fällt der Fälligkeitstag einer Zahlung in bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, dann hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächsten Zahltag am jeweiligen Geschäftsort. Der Gläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.

(5) *Payment Business Day (unadjusted, Following Business Day Convention).* If the date for payment of any amount in respect of any Note is not a Payment Business Day then the Holder shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

Für diese Zwecke bezeichnet "**Zahltag**" einen Tag,

For these purposes, "**Payment Business Day**" means

[*Bei nicht auf EUR lautenden Schuldverschreibungen, ist folgendes anwendbar*

[*In the case of Notes not denominated in EUR the following applies*

der ein Tag (außer einem Samstag oder Sonntag) ist, an dem Geschäftsbanken und Devisenmärkte Zahlungen in **[relevante(s) Finanzzentrum(en)]** abwickeln**[.][**und**]]**

a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in **[relevant financial centre(s)][.][**and**]]**

[*Im Fall, dass das Clearing System und TARGET offen sein sollen, ist folgendes anwendbar*

[*In the case the Clearing System and TARGET shall be open the following applies*

der ein Tag (außer einem Samstag oder Sonntag) ist, an dem alle betroffenen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer Systems 2 ("**TARGET**") und das betreffende Clearing System offen sind, um Zahlungen abzuwickeln.**]**

a day (other than a Saturday or a Sunday) on which all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("**TARGET**") and the Clearing System are open to effect payments.**]**

(6) *Bezugnahmen auf Kapital und Zinsen.* Bezugnahmen in diesen Bedingungen auf einen Kapitalbetrag der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Rückzahlungsbetrag der Schuldverschreibungen; **[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen aus anderen als steuerlichen Gründen vorzeitig zurückzuzahlen, ist folgendes anwendbar:** den Wahl-Rückzahlungsbetrag (Call) der Schuldverschreibungen;**] [falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, ist**

(6) *References to Principal and Interest.* Reference in these Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the Final Redemption Amount of the Notes; **[if redeemable at option of Issuer for other than taxation reasons the following applies:** the Call Redemption Amount of the Notes;**] [if redeemable at option of the Holder the following applies:** the Put Redemption Amount of the Notes;**]** and any premium and any other amounts which may be payable under or in respect of the Notes. Reference in these Conditions to interest in respect of the Notes shall be deemed to

folgendes anwendbar: den Wahl-Rückzahlungsbetrag (Put) der Schuldverschreibungen;**]** sowie jeden Aufschlag sowie sonstige auf oder in bezug auf die Schuldverschreibungen zahlbaren Beträge. Bezugnahmen in diesen Bedingungen auf Zinsen auf die Schuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 7 zahlbaren zusätzlichen Beträge einschließen.

include, as applicable, any additional amounts which may be payable under § 7.

(7) *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht Frankfurt am Main Zins- oder Kapitalbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem Fälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rücknahme verzichtet wird, erlöschen die Ansprüche der Gläubiger gegen die Emittentin.

(7) *Deposit of Principal and Interest.* The Issuer may deposit with the *Amtsgericht* in Frankfurt am Main principal or interest not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

§ 5
RÜCKZAHLUNG

(1) *Rückzahlung bei Endfälligkeit.*

Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag am **[Fälligkeitstag]** (der "**Fälligkeitstag**"**)** zurückgezahlt. Der "**Rückzahlungsbetrag**" in bezug auf jede Schuldverschreibung entspricht dem Nennbetrag der Schuldverschreibungen.

(2) *Vorzeitige Rückzahlung aus steuerlichen Gründen.* Sollte die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** und/oder die Garantin**]** zur Zahlung von zusätzlichen Beträgen (wie in § 7 dieser Bedingungen definiert) aufgrund einer Änderung des Steuerrechts (wie nachstehend definiert) am nächstfolgenden Zinszahlungstag (wie in § 3 Absatz 1 definiert) verpflichtet sein und kann diese Verpflichtung nicht durch das Ergreifen angemessener, der Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** und/oder der Garantin**]** zur Verfügung stehender Maßnahmen vermieden werden, können die Schuldverschreibungen insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** und/oder der Garantin**]** mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber der Emissionsstelle und gemäß § 13 gegenüber den Gläubigern vorzeitig gekündigt und zu ihrem Rückzahlungsbetrag zuzüglich bis zu dem Beginn des für die Rückzahlung festgesetzten Tags (ausschließlich) aufgelaufener Zinsen zurückgezahlt

§ 5
REDEMPTION

(1) *Redemption at Maturity.*

Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Final Redemption Amount on **[Maturity Date]** (the "**Maturity Date**"). The "**Final Redemption Amount**" in respect of each Note shall be its principal amount.

(2) *Early Redemption for Reasons of Taxation.* If as a result of any Tax Law Change (as hereinafter defined) the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** and/or the Guarantor**]** is required to pay additional amounts (as defined in § 7 herein) on the next succeeding Interest Payment Date (as defined in § 3(1)) and this obligation cannot be avoided by the use of reasonable measures available to the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** and/or the Guarantor**]**, the Notes may be redeemed, in whole but not in part, at the option of the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** and/or the Guarantor**]**, upon not more than 60 days' nor less than 30 days' prior notice of redemption given to the Fiscal Agent and, in accordance with § 13 to the Holders, at their Final Redemption Amount, together with interest (if any) accrued to but excluding the date fixed for redemption. A "**Tax Law Change**" is (i) any change in, or amendment to, the laws or regulations of Germany **[in the case of Notes issued by Bayer Capital Corp the following applies:** or The Netherlands**] [in the case of Notes issued by Bayer Holding Ltd. the following applies:** or Japan**] [in**

werden. Eine "**Änderung des Steuerrechts**" ist (i) eine Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften der Bundesrepublik Deutschland **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp begeben werden, ist folgendes anwendbar:** oder der Niederlande**] [im Fall von Schuldverschreibungen, die von Bayer Holding Ltd. begeben werden, ist folgendes anwendbar:** oder Japans**] [im Fall von Schuldverschreibungen, die von Bayer Nordic begeben werden, ist folgendes anwendbar:** , Finnlands oder der Niederlande**]** oder deren politischen Untergliederungen oder Steuerbehörden, die die Besteuerung oder die Verpflichtung steuerliche Gebühren jeglicher Art zu zahlen beeinflussen, (ii) die Folge einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften, (iii) jede von den Steuerbehörden oder der zuständigen Gerichtsbarkeit in der Bundesrepublik Deutschland **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp begeben werden, ist folgendes anwendbar:** oder der Niederlande**] [im Fall von Schuldverschreibungen, die von Bayer Holding Ltd. begeben werden, ist folgendes anwendbar:** oder Japan**] [im Fall von Schuldverschreibungen, die von Bayer Nordic begeben werden, ist folgendes anwendbar:** , Finnland oder der Niederlande**]** oder deren politischen Untergliederungen oder Steuerbehörden getroffene Maßnahme/Entscheidung, unabhängig davon, ob eine derartige Maßnahme in Zusammenhang mit der Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder der Garantin**]** stehen, oder (iv) jede Änderung, jede Ergänzung, jede Neufassung, Anwendung, Auslegung oder Durchsetzung der Gesetze der Bundesrepublik Deutschland **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp begeben werden, ist folgendes anwendbar:** oder der Niederlande**] [im Fall von Schuldverschreibungen, die von Bayer Holding Ltd. begeben werden, ist folgendes anwendbar:** oder Japans**] [im Fall von Schuldverschreibungen, die von Bayer Nordic begeben werden, ist folgendes anwendbar:** , Finnlands oder der Niederlande**]** (oder jeder dazu ergangenen Verordnung oder Regelung), der oder die offiziell vorgeschlagen wurde (vorausgesetzt, diese Änderung, diese Ergänzung, diese Neufassung, Anwendung, Auslegung oder Durchsetzung würde am oder nach dem Tag, an dem die letzte Tranche dieser Serie von Schuldverschreibungen begeben wird, wirksam werden).

the case of Notes issued by Bayer Nordic the following applies: , Finland or The Netherlands**]** or any political subdivision or taxing authority thereof or therein affecting taxation or the obligation to pay duties of any kind, (ii) any change in, or amendment to, an official interpretation, administrative guidance or application of such laws or regulations, (iii) any action and/or decision which shall have been taken by any taxing authority, or any court of competent jurisdiction of Germany **[in the case of Notes issued by Bayer Capital Corp the following applies:** or The Netherlands**] [in the case of Notes issued by Bayer Holding Ltd. the following applies:** or Japan**] [in the case of Notes issued by Bayer Nordic the following applies:** , Finland or The Netherlands**]** or any political subdivision or taxing authority thereof or therein, whether or not such action was taken or brought with respect to the Issuer **[in the case of Notes issued by BayerCapital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or the Guarantor**]**, or (iv) any change, amendment, application, interpretation or execution of the laws of Germany**] [in the case of Notes issued by Bayer Capital Corp the following applies:** or The Netherlands**] [in the case of Notes issued by Bayer Holding Ltd. the following applies:** or Japan**] [in the case of Notes issued by Bayer Nordic the following applies:** , Finland or The Netherlands**]** (or any regulations or ruling promulgated thereunder), which change, amendment, action, application, interpretation or execution is officially proposed and would have effect on or after the date on which the last tranche of this series of Notes was issued.

Eine solche Kündigung darf allerdings nicht (i) früher als 90 Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** und/oder

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** and/or the Guarantor**]** would be obligated to pay such additional amounts

die Garantin**]** verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, falls eine Zahlung auf die Schuldverschreibungen dann fällig sein würde, oder (ii) erfolgen, wenn zu dem Zeitpunkt, zu dem die Kündigung erfolgt, die Verpflichtung zur Zahlung von zusätzlichen Beträgen nicht mehr wirksam ist.

where a payment in respect of the Notes then due, or (ii) if at the time such notice is given, such obligation to pay such additional amounts or make such deduction or withholding does not remain in effect.

Eine solche Kündigung hat gemäß § 13 zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** und/oder der Garantin**]** begründenden Umständen darlegt.

Any such notice shall be given in accordance with § 13. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** and/or the Guarantor**]** so to redeem.

[*Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen, ist folgendes anwendbar:*

[*If Notes are subject to Early Redemption at the Option of the Issuer the following applies:*

(3) *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

(3) *Early Redemption at the Option of the Issuer.*

(a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen insgesamt oder teilweise innerhalb des/der Wahl-Rückzahlungszeitraumes/zeiträume (Call) zum/zu den nachstehend angegebenen Wahl-Rückzahlungsbetrag/beträgen (Call), nebst etwaigen bis zum maßgeblichen Rückzahlungstag (ausschließlich) aufgelaufenen Zinsen zurückzahlen.

(a) The Issuer may, upon notice given in accordance with clause (b), redeem all or some only of the Notes within the Call Redemption Period(s) at the Call Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the relevant redemption date.

Wahl-Rückzahlungszeitraum/ zeiträume (Call)	**Wahl-Rückzahlungsbetrag/ beträge (Call)**	**Call Redemption Period(s)**	**Call Redemption Amount(s)**
[Wahl-Rückzahlungszeitraum/ räume]	**[Wahl-Rückzahlungsbetrag/ beträge]**	**[Call Redemption Period(s)]**	**[Call Redemption Amount(s)]**
[**]**	**[** **]**	**[** **]**	**[** **]**
[**]**	**[** **]**	**[** **]**	**[** **]**

[Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, ist folgendes anwendbar: Der Emittentin steht dieses Wahlrecht nicht in bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits der Gläubiger in Ausübung seines Wahlrechts nach Absatz 4 dieses § 5 verlangt hat.**]**

[If the Notes are subject to Early Redemption at the Option of the Holder the following applies: The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under subparagraph (4) of this § 5.**]**

(b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 13 bekanntzugeben. Sie beinhaltet die folgenden Angaben:

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 13. Such notice shall specify:

(i) die zurückzuzahlende Serie von Schuldverschreibungen;

(i) the Series of Notes subject to redemption;

(ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden

(ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Notes which are to be redeemed;

Schuldverschreibungen;

(iii) den Rückzahlungstag, der nicht weniger als 30 und nicht mehr als 60 Tage nach dem Tag der Kündigung durch die Emittentin gegenüber den Gläubigern liegen darf; und

(iv) den Wahl-Rückzahlungsbetrag (Call), zu dem die Schuldverschreibungen zurückgezahlt werden.

(c) Wenn die Schuldverschreibungen nur teilweise zurückgezahlt werden, werden die zurückzuzahlenden Schuldverschreibungen in Übereinstimmung mit den Regeln des betreffenden Clearing Systems ausgewählt. **[Falls die Schuldverschreibungen in Form einer NGN begeben werden, ist folgendes anwendbar:** Die teilweise Rückzahlung wird in den Registern von CBL und Euroclear nach deren Ermessen entweder als Pool-Faktor oder als Reduzierung des Nennbetrags wiedergegeben.**]]**

(iii) the redemption date, which shall be not less than 30 nor more than 60 days after the date on which notice is given by the Issuer to the Holders; and

(iv) the Call Redemption Amount at which such Notes are to be redeemed.

(c) In the case of a partial redemption of Notes, Notes to be redeemed shall be selected in accordance with the rules of the relevant Clearing System. **[In the case of Notes in NGN form the following applies:** Such partial redemption shall be reflected in the records of CBL and Euroclear as either a pool factor or a reduction in principal amount, at the discretion of CBL and Euroclear.**]]**

[*Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, ist folgendes anwendbar:*

[(4)**]** *Vorzeitige Rückzahlung nach Wahl des Gläubigers.*

(a) Die Emittentin hat eine Schuldverschreibung nach Ausübung des entsprechenden Wahlrechts durch den Gläubiger innerhalb des/der Wahl-Rückzahlungszeitraumes/zeiträume (Put) zum/zu den Wahl-Rückzahlungsbetrag/beträgen (Put), wie nachstehend angegeben nebst etwaigen bis zum maßgeblichen Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen.

[*If the Notes are subject to Early Redemption at the Option of a Holder the following applies:*

[(4)**]** *Early Redemption at the Option of a Holder.*

(a) The Issuer shall, at the option of the Holder of any Note, redeem such Note within the Put Redemption Period(s) at the Put Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the relevant redemption date.

Wahl-Rückzahlungszeitraum/ zeiträume (Put)	**Wahl-Rückzahlungsbetrag/ beträge (Put)**	**Put Redemption Period(s)**	**Put Redemption Amount(s)**
[Wahl-Rückzahlungszeitraum/ zeiträume]	**[Wahl-Rückzahlungsbetrag/ beträge**	**[Put Redemption Period(s)]**	**[Put Redemption Amount(s)]**
[ ]	**[ ]**	**[ ]**	**[ ]**
[ ]	**[ ]**	**[ ]**	**[ ]**

Dem Gläubiger steht dieses Wahlrecht nicht in bezug auf eine Schuldverschreibung zu, deren Rückzahlung die Emittentin zuvor in Ausübung eines ihrer Wahlrechte nach diesem § 5 verlangt hat.

(b) Um dieses Wahlrecht auszuüben, hat der Gläubiger nicht weniger als 30 und nicht mehr als 60 Tage vor dem Beginn des Wahl-Rückzahlungszeitraumes (Put), an dem die

The Holder may not exercise such option in respect of any Note which is the subject of the prior exercise by the Issuer of its option to redeem such Note under this § 5.

(b) In order to exercise such option, the Holder must, not less than 30 nor more than 60 days before the Put Redemption Period begins on which such redemption is required to be

Rückzahlung gemäß der Ausübungserklärung (wie nachstehend definiert) erfolgen soll, an die bezeichnete Geschäftsstelle der Emissionsstelle eine schriftliche Mitteilung zur vorzeitigen Rückzahlung ("**Ausübungserklärung**") zu schicken. Falls die Ausübungserklärung nach 17:00 Uhr Frankfurter Zeit am Zahltag, welcher mindestens 30 Tage vor dem Wahl-Rückzahlungszeitraums (Put) liegt eingeht, ist das Wahlrecht nicht wirksam ausgeübt. Die Ausübungserklärung hat anzugeben: (i) den gesamten Nennbetrag der Schuldverschreibungen, für die das Wahlrecht ausgeübt wird **[**und**][**,**]** (ii) die Wertpapierkennnummern dieser Schuldverschreibungen (soweit vergeben) **[im Fall der Verwahrung der Globalurkunde durch CBF ist folgendes anwendbar:** und (iii) Kontaktdaten sowie eine Kontoverbindung**]**. Für die Ausübungserklärung kann ein Formblatt, wie es bei den bezeichneten Geschäftsstellen der Emissionsstelle und der Zahlstelle**[**n**]** in deutscher und englischer Sprache erhältlich ist und das weitere Hinweise enthält, verwendet werden. Die Ausübung des Wahlrechts kann nicht widerrufen werden. Die Rückzahlung der Schuldverschreibungen, für welche das Wahlrecht ausgeübt worden ist, erfolgt nur gegen Lieferung der Schuldverschreibungen an die Emittentin oder deren Order.**]**

made as specified in the Put Notice (as defined below), send to the specified office of the Fiscal Agent an early redemption notice in written form ("**Put Notice**"). In the event that the Put Notice is received after 5:00 p.m. Frankfurt time on the Payment Business Day which is at least 30 days before the Put Redemption Period, the option shall not have been validly exercised. The Put Notice must specify (i) the total principal amount of the Notes in respect of which such option is exercised, **[**and**]** (ii) the securities identification numbers of such Notes, if any **[in the case the global note is kept in custody by CBF, the following applies:** and (iii) contact details as well as a bank account**]**. The Put Notice may be in the form available from the specified offices of the Fiscal Agent and the Paying Agent**[**s**]** in the German and English language and includes further information. No option so exercised may be revoked or withdrawn. The Issuer shall only be required to redeem Notes in respect of which such option is exercised against delivery of such Notes to the Issuer or to its order.**]**

[*Falls vorzeitige Rückzahlung bei geringem ausstehenden Nennbetrag anwendbar ist, ist folgendes anwendbar:*

(5) *Rückkauf; Vorzeitige Rückzahlung nach Wahl der Emittentin bei geringem ausstehendem Nennbetrag.* Die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:**, oder die Garantin**]** oder eine Tochtergesellschaft **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** der Garantin**]** können jederzeit Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis kaufen. Derartig erworbene Schuldverschreibungen können entwertet, gehalten oder wieder veräußert werden. Falls die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:**, oder die Garantin**]** oder eine Tochtergesellschaft **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** der Garantin**]** Schuldverschreibungen in einem Gesamtnennbetrag von 75% oder mehr des ursprünglich begebenen Gesamtnennbetrages der

[*In the case Early Redemption for Reason of Minimal Outstanding Amount is applicable the following applies:*

(5) *Purchase; Early Redemption for Reason of Minimal Outstanding Amount.* The Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:**, or the Guarantor**]** or any subsidiary **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** of the Guarantor**]** may at any time purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold. In the event that the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:**, or the Guarantor**]** or any subsidiary **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** of the Guarantor**]** has purchased Notes equal to or in excess of 75 percent of the aggregate principal amount of the Notes initially issued and the aggregate principal amount of the Notes is reduced by this percentage in the global note accordingly, the Issuer may call and redeem the remaining Notes (in whole but not in part) at the Final Redemption Amount plus accrued interest until the date of redemption (exclusive).**]**

Schuldverschreibungen erworben hat, und der Gesamtnennbetrag der Schuldverschreibungen in der Globalurkunde um diesen Prozentsatz reduziert wurde, kann die Emittentin die verbleibenden Schuldverschreibungen (insgesamt, jedoch nicht teilweise) kündigen und zum Rückzahlungsbetrag nebst etwaiger bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurückzahlen.]

[*Falls die Schuldverschreibungen im Fall eines Kontrollwechsels vorzeitig kündbar sind, ist folgendes anwendbar:*

[(6)] *Kontrollwechsel.* Tritt ein Kontrollwechsel ein und kommt es innerhalb des Kontrollwechselzeitraums zu einer Absenkung des Ratings auf Grund des eingetretenen Kontrollwechsels (zusammen, ein "**Rückzahlungsereignis**"), hat jeder Gläubiger das Recht (sofern nicht die Emittentin, bevor die nachstehend beschriebene Rückzahlungsmitteilung gemacht wird, die Rückzahlung der Schuldverschreibungen nach § 5 Absatz 2 [oder Absatz 3] angezeigt hat), die Rückzahlung seiner Schuldverschreibungen durch die Emittentin zum Nennbetrag, zuzüglich aufgelaufener Zinsen bis zum Rückzahlungstag (ausschließlich), zu verlangen.

Für Zwecke dieses Wahlrechts:

Bedeutet "**Rating Agentur**" jede Ratingagentur von Standard and Poor's Rating Services, eine Abteilung von The McGraw-Hill Companies, Inc. ("**S&P**") und Moody's Investors Services ("**Moody's**") oder eine ihrer jeweiligen Nachfolgegesellschaften oder jede andere Rating Agentur vergleichbaren internationalen Ansehens, wie von Zeit zu Zeit durch die **[im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:** Emittentin] **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** Garantin] bestimmt;

Gilt eine "**Absenkung des Ratings**" in Bezug auf einen Kontrollwechsel als eingetreten, wenn (a) innerhalb des Kontrollwechselzeitraums ein vorher für die **[im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:** Emittentin] **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** Garantin] oder die Schuldverschreibungen vergebenes Rating einer Rating Agentur (i) zurückgezogen oder (ii) von einem Investment Grade Rating (BBB- von S&P/Baa3 von Moody's oder jeweils gleichwertig, oder besser) in ein non-Investment Grade Rating (BB+ von S&P/Ba1 von Moody's oder jeweils gleichwertig, oder schlechter) geändert oder (iii) (falls das für die Schuldverschreibungen vergebene Rating einer Rating Agentur unterhalb des Investment Grade Ratings liegt) um einen ganzen Punkt (von BB+ nach BB von S&P

[*If the Notes are subject to Early Redemption as a result of a Change of Control the following applies:*

[(6)] *Change of Control.* If there occurs a Change of Control and within the Change of Control Period a Rating Downgrade in respect of that Change of Control occurs (together called a "**Put Event**"), each Holder will have the option (unless, prior to the giving of the Put Event Notice referred to below, the Issuer gives notice to redeem the Notes in accordance with § 5(2) [or (3)]) to require the Issuer to redeem that Note on the Optional Redemption Date at its principal amount together with interest accrued to but excluding the Optional Redemption Date.

For the purposes of such option:

"**Rating Agency**" means each of the rating agencies of Standard and Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. ("**S&P**") and Moody's Investors Services ("**Moody's**") or any of their respective successors or any other rating agency of equivalent international standing specified from time to time by **[in the case of Notes issued by Bayer AG the following applies:** the Issuer] **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor];

A "**Rating Downgrade**" shall be deemed to have occurred in respect of a Change of Control (a) if within the Change of Control Period any rating previously assigned to **[in the case of Notes issued by Bayer AG the following applies:** the Issuer] **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor] or the Notes by any Rating Agency is (i) withdrawn or (ii) changed from an investment grade rating (BBB- by S&P/Baa3 by Moody's, or its equivalent for the time being, or better) to a non-investment grade rating (BB+ by S&P/Ba1 by Moody's, or its equivalent for the time being, or worse) or (iii) (if the rating assigned to the Notes by any Rating Agency shall be below an investment grade rating) lowered one full rating notch (from BB+ to BB by S&P or Ba1 to Ba2 by Moody's or such similar lower of equivalent rating) or (b) if at the time of the Change of Control, there is

oder Ba1 nach Ba2 von Moody's oder eine ähnliche Absenkung eines gleichwertigen Ratings) abgesenkt wird oder (b) zur Zeit des Kontrollwechsels kein Rating für die Schuldverschreibungen oder die **[im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:** Emittentin**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** Garantin**]** vergeben ist und keine Rating Agentur während des Kontrollwechselzeitraums ein Investment Grade Rating für die Schuldverschreibungen vergibt (es sei denn, die **[im Fall von Schuldverschreibungen, die von Bayer AG begeben werden:** Emittentin**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** Garantin**]** ist trotz zumutbarer Anstrengungen innerhalb dieses Zeitraums nicht in der Lage, ein solches Rating zu erhalten, ohne dass dies seine Ursache im Kontrollwechsel hat);

no rating assigned to the Notes or **[in the case of Notes issued by Bayer AG the following applies:** the Issuer**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor**]** and no Rating Agency assigns during the Change of Control Period an investment grade credit rating to the Notes (unless **[in the case of Notes issued by Bayer AG the following applies:** the Issuer**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor**]** is unable to obtain such a rating within such period having used all reasonable endeavours to do so and such failure is unconnected with the occurrence of the Change of Control);

Gilt ein "**Kontrollwechsel**" jedes Mal als eingetreten, wenn eine Person oder mehrere Personen (die "**relevante(n) Person(en)**"), die abgestimmt handeln, oder einer oder mehrere Dritte, die im Auftrag der relevanten Person(en) handeln, zu irgendeiner Zeit mittelbar oder unmittelbar (unabhängig davon, ob der Vorstand oder der Aufsichtsrat der **[im Fall von Schuldverschreibungen, die von Bayer AG begeben werden:** Emittentin**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** Garantin**]** seine Zustimmung erteilt hat) (i) mehr als 50% des ausstehenden Grundkapitals der **[im Fall von Schuldverschreibungen, die von Bayer AG begeben werden:** Emittentin**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** Garantin**]** oder (ii) eine solche Anzahl von Aktien der **[im Fall von Schuldverschreibungen, die von Bayer AG begeben werden:** Emittentin**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** Garantin**]** hält bzw. halten oder erworben hat bzw. haben, auf die mehr als 50% der Stimmrechte entfallen;

A "**Change of Control**" shall be deemed to have occurred at each time (whether or not approved by the Management Board or Supervisory Board of **[in the case of Notes issued by Bayer AG the following applies:** the Issuer**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor**]**) that any person or persons ("**Relevant Person(s)**") acting in concert or any person or persons acting on behalf of any such Relevant Person(s), at any time directly or indirectly acquire(s) or come(s) to own (i) more than 50 percent of the issued ordinary share capital of **[in the case of Notes issued by Bayer AG the following applies:** the Issuer**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor**]** or (ii) such number of the shares in the capital of **[in the case of Notes issued by Bayer AG the following applies:** the Issuer**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor**]** carrying more than 50 percent of the voting rights;

Ist der "**Kontrollwechselzeitraum**" der Zeitraum, der 120 Tage nach dem Eintritt eines Kontrollwechsels endet; und

"**Change of Control Period**" means the period ending 120 days after the occurrence of the Change of Control; and

Ist der "**Rückzahlungstag**" der siebte Tag nach dem letzten Tag des Rückzahlungszeitraums.

The "**Optional Redemption Date**" is the seventh day after the last day of the Put Period.

Sofort nachdem die Emittentin von einem Rückzahlungsereignis Kenntnis erlangt, wird die

Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a

Emittentin den Gläubigern gemäß § 13 Mitteilung vom Rückzahlungsereignis machen (eine "**Rückzahlungsmitteilung**"), in der die Umstände des Rückzahlungsereignisses sowie das Verfahren für die Ausübung des in diesem § 5 Absatz **[**6**]** genannten Wahlrechts angegeben sind.

"**Put Event Notice**") to the Holders in accordance with § 13 specifying the nature of the Put Event and the circumstances giving rise to it and the procedure for exercising the option set out in this § 5**[**(6)**]**.

Zur Ausübung dieses Wahlrechts muss der Gläubiger während der normalen Geschäftsstunden innerhalb eines Zeitraums (der "**Rückzahlungszeitraum**") von 45 Tagen, nachdem die Rückzahlungsmitteilung veröffentlicht ist, eine ordnungsgemäß ausgefüllte und unterzeichnete Ausübungserklärung bei der angegebenen Niederlassung der Emissionsstelle einreichen (die "**Ausübungserklärung**"), die in ihrer jeweils maßgeblichen Form bei der angegebenen Niederlassung der Emissionsstelle erhältlich ist. Ein so ausgeübtes Wahlrecht kann nicht ohne vorherige Zustimmung der Emittentin widerrufen oder zurückgezogen werden.**]**

In order to exercise such option, the Holder must submit during normal business hours at the specified office of the Fiscal Agent a duly completed option exercise notice ("**Exercise Notice**") in the form available from the specified office of the Fiscal Agent within the period (the "**Put Period**") of 45 days after a Put Event Notice is given. No option so exercised may be revoked or withdrawn without the prior consent of the Issuer.**]**

[Falls die Emittentin ein Wahlrecht hat, die Schuldverschreibungen bei Eintritt eines Transaktions-Ereignisses vorzeitig zurückzuzahlen, ist folgendes anwendbar:

[If the Notes are subject to Early Redemption at the Option of the Issuer upon the occurrence of a Transaction Trigger Event, the following applies:

[(7)] *Vorzeitige Rückzahlung nach Wahl der Emittentin bei Eintritt eines Transaktions-Ereignisses.*

[(7)] *Early Redemption at the Option of the Issuer upon the occurrence of a Transaction Trigger Event.*

(a) Die Emittentin kann, nachdem ein Transaktions-Ereignis eingetreten ist und sie gemäß Absatz (b) [***Im Fall eines Transaktions-Stichtages, einfügen***: bis zum [***Transaktions-Stichtag***]] gekündigt hat, die Schuldverschreibungen insgesamt am Wahl-Rückzahlungstag (Trigger Event) zum Wahl-Rückzahlungsbetrag (Trigger Event), wie nachstehend angegeben, nebst etwaigen bis zum Wahl-Rückzahlungstag (Trigger Event) (ausschließlich) aufgelaufenen Zinsen zurückzahlen.

(a) Upon the occurrence of a Transaction Trigger Event, the Issuer may, upon notice given [***in case of a Transaction Trigger Cut-off Date insert:*** no later than [***Transaction Trigger Cut-off Date***]] in accordance with clause (b), redeem all of the Notes on the Call Redemption Date (Trigger Event) at the Call Redemption Amount (Trigger Event) together with accrued interest, if any, to (but excluding) the Call Redemption Date (Trigger Event).

(b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 13 bekanntzugeben. Sie muss die folgenden Angaben enthalten:

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 13. Such notice shall specify:

(i) die zurückzuzahlende Serie von Schuldverschreibungen;

(i) the Series of Notes subject to redemption;

(ii) den Wahl-Rückzahlungstag (Trigger Event), der nicht weniger als 30 Tage und nicht mehr als 60 Tage nach dem Tag der Mitteilung des Eintritts eines Transaktions-Ereignisses durch die Emittentin gegenüber den Gläubigern liegen darf; und

(ii) the Call Redemption Date (Trigger Event), which shall be not less than 30 days nor more than 60 days after the date on which notice of the occurrence of the Transaction Trigger Event is given by the Issuer to the Holders; and

(iii) den Wahl-Rückzahlungsbetrag (Trigger Event), zu dem die Schuldverschreibungen zurückgezahlt werden.

(iii) the Call Redemption Amount (Trigger Event) at which such Notes are to be redeemed.

(c) Dabei gilt:

(c) Whereby:

"**Wahl-Rückzahlungsbetrag (Trigger Event)**" bezeichnet [den Nennbetrag der

"**Call Redemption Amount (Trigger Event)**" means [the principal amount per Note] [[***insert***

Schuldverschreibung] [[***Währung und Rückzahlungsbetrag***] pro Schuldverschreibung].

"**Wahl-Rückzahlungstag (Trigger Event)**" bezeichnet den Tag, der für die Rückzahlung der Schuldverschreibungen gemäß § 5[(7)](b) festgesetzt wurde.

"**Transaktion**" bezeichnet [***Beschreibung der geplanten Transaktion für deren Finanzierung die Schuldverschreibungen begeben werden***].

"**Transaktions-Ereignis**" bezeichnet die Mitteilung der Emittentin an die Gläubiger gemäß § 13, dass die Transaktion vor ihrem Abschluss abgebrochen wurde.**]**

currency and redemption amount] per Note].

"**Call Redemption Date (Trigger Event)**" means the date fixed for redemption of the Notes pursuant to § 5[(7)](b).

"**Transaction**" means [***insert description of envisaged transaction for which the Notes are intended to be issued for refinancing purposes***].

"**Transaction Trigger Event**" means a notice given by the Issuer to the Holders in accordance with § 13 that the Transaction has been terminated prior to completion.**]**

§ 6
VERWALTUNGSSTELLEN

(1) *Bestellung; bezeichnete Geschäftsstelle.* Die anfänglich bestellte Emissionsstelle und die Zahlstelle und ihre bezeichnete Geschäftsstelle lautet wie folgt:

Emissionsstelle und Zahlstelle:

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Bundesrepublik Deutschland

Die Emissionsstelle und die Zahlstelle behalten sich das Recht vor, jederzeit ihre bezeichnete Geschäftsstelle durch eine andere bezeichnete Geschäftsstelle in der Bundesrepublik Deutschland zu ersetzen.

(2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Emissionsstelle oder einer Zahlstelle zu ändern oder zu beenden und eine andere Emissionsstelle oder zusätzliche oder andere Zahlstellen zu bestellen. Die Emittentin wird zu jedem Zeitpunkt [(i)] eine Emissionsstelle unterhalten **[im Fall von Zahlungen in US-Dollar ist folgendes anwendbar:** und (ii) falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten (wie in § 4 definiert) aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in US-Dollar widerrechtlich oder tatsächlich ausgeschlossen werden, eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City unterhalten**]**. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 13 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

§ 6
AGENTS

(1) *Appointment; Specified Offices.* The initial Fiscal Agent and Paying Agent and its initial specified office is:

Fiscal Agent and Paying Agent:

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Germany

The Fiscal Agent and Paying Agent reserves the right at any time to change its specified office to some other specified office in Germany.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent and to appoint another Fiscal Agent or additional or other Paying Agents. The Issuer shall at all times maintain **[**(i)**]** a Fiscal Agent **[in the case of payments in U.S. dollars the following applies:** and (ii) if payments at or through the offices of all Paying Agents outside the United States (as defined in § 4 hereof) become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in United States dollars, a Paying Agent with a specified office in New York City**]**. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 13.

(3) *Beauftragte der Emittentin.* Die Emissionsstelle und die Zahlstelle handeln ausschließlich als Beauftragte der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

(3) *Agents of the Issuer.* The Fiscal Agent and Paying Agent act solely as agents of the Issuer and do not have any obligations towards or relationship of agency or trust to any Holder.

§ 7
STEUERN

Sämtliche auf die Schuldverschreibungen zu zahlenden Beträge sind an der Quelle ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtig oder zukünftig bestehenden Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland **[im Fall von Schuldverschreibungen begeben von Bayer Capital Corp, ist folgendes anwendbar:** oder der Niederlande**] [im Fall von Schuldverschreibungen begeben von Bayer Holding Ltd., ist folgendes anwendbar:** oder Japan**] [im Fall von Schuldverschreibungen begeben von Bayer Nordic, ist folgendes anwendbar:** , Finnland oder der Niederlande**]** oder für deren Rechnung oder von oder für Rechnung einer mit dem Recht zur Steuererhebung versehenen politischen Untergliederung oder Behörde der Vorgenannten auferlegt oder erhoben werden (zusammen "**Quellensteuer**"), es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge (die "**zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen an Kapital und Zinsen entsprechen, die ohne einen solchen Abzug oder Einbehalt von den Gläubigern empfangen worden wären. Die Verpflichtung zur Zahlung solcher zusätzlicher Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:

§ 7
TAXATION

All amounts payable in respect of the Notes shall be payable without deduction or withholding for or on account of any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by or on behalf of Germany **[in the case of Notes issued by Bayer Capital Corp the following applies:** or The Netherlands**] [in the case of Notes issued by Bayer Holding Ltd. the following applies:** or Japan**] [in the case of Notes issued by Bayer Nordic the following applies:** , Finland or The Netherlands**]** or by or on behalf of any political subdivision or authority thereof having power to tax (together "**Withholding Taxes**"), unless such deduction or withholding is required by law. In such event, the Issuer shall pay such additional amounts (the "**additional amounts**") of principal and interest as may be necessary in order that the net amounts received by the Holders after such deduction or withholding shall equal the respective amounts of principal and interest which would have been receivable had no such deduction or withholding been required. No such additional amounts shall, however, be payable on account of any taxes, duties or governmental charges which:

[Im Fall von Schuldverschreibungen begeben von Bayer AG, Bayer Capital Corp oder Bayer Nordic , ist folgendes anwendbar:

[in the case of Notes issued by Bayer AG, Bayer Capital Corp or Bayer Nordic the following applies:

(a) anders als durch Einbehalt oder Abzug von Zahlungen zu entrichten sind, die die Emittentin an den Gläubiger leistet; oder

(a) are payable otherwise than by withholding or deduction from payments made by the Issuer to the Holder, or

(b) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person abgezogen oder einbehalten werden oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder

(b) are deducted or withheld by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise payable in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it; or

(c) von einer Zahlstelle abgezogen oder einbehalten werden, wenn eine andere Zahlstelle die Zahlung ohne einen solchen Abzug oder Einbehalt hätte leisten können; oder

(c) are deducted or withheld by a Paying Agent from a payment if the payment could have been made by another paying agent without such deduction or withholding; or

(d) aufgrund (i) einer Richtlinie oder Verordnung

(d) are deducted or withheld pursuant to (i) any

der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der die Bundesrepublik Deutschland **[im Fall von Schuldverschreibungen begeben von Bayer Capital Corp, ist folgendes anwendbar:** oder die Niederlande**] [im Fall von Schuldverschreibungen begeben von Bayer Nordic, ist folgendes anwendbar:** , Finnland oder die Niederlande**]** oder die Europäische Union beteiligt ist/sind, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder

European Union Directive or Regulation concerning the taxation of savings, or (ii) any international treaty or understanding relating to such taxation and to which Germany **[in the case of Notes issued by Bayer Capital Corp the following applies:** or The Netherlands**] [in the case of Notes issued by Bayer Nordic the following applies:** , Finland or The Netherlands**]** or the European Union is a party/are parties or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding; or

(e) aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge wirksam wird; oder

(e) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for, whichever occurs later; or

(f) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers **[im Fall von durch Bayer AG begebenen Schuldverschreibungen ist folgendes anwendbar:** zur Bundesrepublik Deutschland**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp begeben werden, ist folgendes anwendbar:** zu den Niederlanden oder weil der Gläubiger in den Niederlanden wohnhaft ist bzw. für Zwecke der Besteuerung so behandelt wird oder weil der Gläubiger gewünscht hat, so behandelt zu werden oder weil der Gläubiger einen dauerhaften Wohnsitz in den Niederlanden hat (oder so behandelt wird)**] [im Fall von durch Bayer Nordic begebenen Schuldverschreibungen ist folgendes anwendbar:** zu Finnland oder den Niederlanden oder weil der Gläubiger in Finnland oder in den Niederlanden wohnhaft ist bzw. für Zwecke der Besteuerung so behandelt wird oder weil der Gläubiger gewünscht hat, so behandelt zu werden oder weil der Gläubiger einen dauerhaften Wohnsitz in Finnland oder in den Niederlanden hat (oder so behandelt wird)**]** oder zu einem anderen Mitgliedstaat der Europäischen Union zu zahlen sind. Dies gilt jedoch nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in **[im Fall von durch Bayer AG begebenen Schuldverschreibungen ist folgendes anwendbar:** der Bundesrepublik Deutschland**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp begeben werden, ist folgendes anwendbar:** den Niederlanden**] [im Fall von durch Bayer Nordic begebenen**

(f) are payable by reason of the Holder having, or having had, some personal or business connection with **[in the case of Notes issued by Bayer AG, the following applies:** Germany**] [in the case of Notes issued by Bayer Capital Corp the following applies:** The Netherlands or being a (deemed) resident of The Netherlands or is treated for tax purposes as a resident of The Netherlands or has elected to be taxed as a resident of The Netherlands or the Holder having a (deemed) permanent establishment in The Netherlands**] [in the case of Notes issued by Bayer Nordic the following applies:** Finland or The Netherlands or being a (deemed) resident of Finland or The Netherlands or is treated for tax purposes as a resident of Finland or The Netherlands or has elected to be taxed as a resident of Finland or The Netherlands or the Holder having a (deemed) permanent establishment in Finland or The Netherlands**]** or another member state of the European Union and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, **[in the case of Notes issued by Bayer AG, the following applies:** Germany**] [in the case of Notes issued by Bayer Capital Corp the following applies:** The Netherlands**] [in the case of Notes issued by Bayer Nordic the following applies:** Finland or The Netherlands**]**.

Schuldverschreibungen ist folgendes anwendbar: Finnland oder den Niederlanden**]** stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind.**]**

[*Im Fall von Schuldverschreibungen begeben von Bayer Holding Ltd., ist folgendes anwendbar:*

(a) durch oder für einen Gläubiger zu entrichten sind, der in Japan keinen Wohnsitz hat oder bei dem es sich um eine nichtjapanische Kapitalgesellschaft handelt und der oder die in bezug auf die Schuldverschreibung (a) aufgrund irgendeiner Verbindung mit Japan mit Ausnahme der bloßen Innehabung der Schuldverschreibung oder (b) aufgrund der Tatsache, dass er oder sie eine Person ist, die eine besondere Beziehung zu der Emittentin wie in Artikel 6 Absatz 4 des japanischen Gesetzes über besondere Besteuerungsmaßnahmen (Gesetz Nr. 26 von 1957) in seiner jeweils gültigen Fassung (das "**Gesetz über besondere Besteuerungsmaßnahmen**") ("**eine Person mit einer besonderen Beziehung zur Emittentin**") Quellensteuer schuldet;

(b) durch oder für einen Gläubiger zu entrichten sind, der ansonsten von einem Abzug an der Quelle oder sonstigem Abzug befreit wäre, der jedoch die jeweiligen Anforderungen an die Zurverfügungstellung von Zinsempfängerinformationen (wie untenstehend definiert) nicht erfüllt, oder dessen Zinsempfängerinformation nicht ordnungsgemäß durch den Teilnehmer (wie untenstehend definiert) und das entsprechende internationale Clearing System der Zahlstelle mitgeteilt wird;

(c) durch oder für einen Gläubiger zu entrichten sind, der für Zwecke der japanischen Besteuerung so behandelt wird, als habe er in Japan einen Wohnsitz bzw. als handele es sich um eine japanische Kapitalgesellschaft (außer (A) eine bestimmte Finanzeinrichtung (wie untenstehend definiert), die die Pflicht zur Zurverfügungstellung von Zinsempfängerinformationen erfüllt und (B) eine Person mit Wohnsitz in Japan bzw. eine japanische Kapitalgesellschaft, die die zuständige Zahlstelle ordnungsgemäß darüber informiert, dass sie von der durch die Emittentin zurückzubehaltenden oder abzuziehenden Quellensteuer befreit ist, weil sie Zinsen auf die entsprechende Schuldverschreibung durch einen von ihr ernannten Zahlungsvermittler erhält); oder

(d) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren

[*in the case of Notes issued by Bayer Holding Ltd. the following applies:*

(a) are payable by or on behalf of a Holder who is an individual non-resident of Japan or a non-Japanese corporation and is liable for the Withholding Taxes in respect of such Note by reason of its (a) having some connection with Japan other than the mere holding of such Note or (b) being a person having a special relationship with the Issuer as described in Article 6, paragraph 4 of the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957) (as amended) (the "**Act on Special Measures Concerning Taxation**") (a "**specially-related person of the Issuer**");

(b) are payable by or on behalf of a Holder who would otherwise be exempt from any such withholding or deduction but who fails to comply with any applicable requirement to provide Interest Recipient Information (as defined below), or whose Interest Recipient Information is not duly communicated through the Participant (as defined below) and the relevant international clearing organisation to such Paying Agent;

(c) are payable by or on behalf of a Holder who is for Japanese tax purposes treated as an individual resident of Japan or a Japanese corporation (except for (A) a Designated Financial Institution (as defined below) who complies with the requirement to provide Interest Recipient Information and (B) an individual resident of Japan or a Japanese corporation who duly notifies the relevant Paying Agent of its status as not being subject to Withholding Taxes to be withheld or deducted by the Issuer by reason of such an individual resident of Japan or Japanese corporation receiving interest on the relevant Note through a payment handling agent in Japan appointed by it); or

(d) are deducted or withheld pursuant to (i) any European Union Directive or Regulation pursuant to the taxation of savings, or (ii) any international treaty or understanding relating to

Besteuerung, an der die Bundesrepublik Deutschland oder die Europäische Union beteiligt ist/sind, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind.

such taxation and to which Germany or the European Union is a party/are parties or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding.

Für die Zwecke der obigen Absätze (b) und (c) gilt:

For the purpose of subparagraphs (b) and (c) above:

um Zahlungen ohne Einbehalt oder Abzug für Zwecke der Quellensteuer durch die Emittentin zu erhalten, soweit eine Schuldverschreibung durch einen bestimmten Teilnehmer an einem internationalen Clearing System oder einem bestimmten Finanzdienstleister (jeweils ein "**Teilnehmer**") gehalten wird und der jeweilige Gläubiger in Übereinstimmung mit dem Gesetz (A) keinen Wohnsitz in Japan hat bzw. eine nichtjapanische Kapitalgesellschaft (ausser eine Person mit einer besonderen Beziehung zur Emittentin) ist oder (B) eine japanische Finanzeinrichtung gemäß bestimmten durch das Gesetz über besondere Besteuerungsmaßnahmen und die dazu ergangene Kabinettsverfügung in der jeweils gültigen Fassung (zusammen mit der dazu ergangenen ministeriellen Verfügung und anderen Verordnungen, das "**Gesetz**") geregelten Kategorien ist (eine "**bestimmte Finanzeinrichtung**"), hat dieser Gläubiger zu dem Zeitpunkt, zu dem er den Teilnehmer mit der Verwahrung der jeweiligen Schuldverschreibung beauftragt, bestimmte durch das Gesetz vorgeschriebene Informationen zur Verfügung zu stellen, um dem Teilnehmer die Darlegung zu ermöglichen, dass dieser Gläubiger von der Verpflichtung, dass Quellensteuer einbehalten oder abgezogen wird, befreit ist (die "**Zinsempfängerinformation**"). Zudem soll der Gläubiger den Teilnehmer darüber informieren, falls er nicht mehr in dieser Weise befreit ist (einschließlich des Falles, dass der Gläubiger, der keinen Wohnsitz in Japan hat oder eine nichtjapanische Kapitalgesellschaft eine Person mit einer besonderen Beziehung zur Emittentin wird).

where a Note is held through a certain participant of an international clearing organisation or a certain financial intermediary (each, a "**Participant**"), in order to receive payments free of withholding or deduction by the Issuer for or on account of Withholding Taxes, if the relevant Holder is (A) an individual non-resident of Japan or a non-Japanese corporation (other than a specially-related person of the Issuer) or (B) a Japanese financial institution falling under certain categories prescribed by the Act on Special Measures Concerning Taxation and the Cabinet Order thereunder (as amended) (together with the ministerial ordinance and other regulations thereunder, the "**Law**") (a "**Designated Financial Institution**"), all in accordance with the Law, such Holder shall, at the time of entrusting a Participant with the custody of the relevant Note, provide certain information prescribed by the Law to enable the Participant to establish that such Holder is exempted from the requirement for Withholding Taxes to be withheld or deducted (the "**Interest Recipient Information**") and advise the Participant if the Holder ceases to be so exempted (including the case where the Holder who is an individual non-resident of Japan or a non-Japanese corporation became a specially-related person of the Issuer).

Jede Bezugnahme in dieser Schuldverschreibung oder der in der Schuldverschreibung genannten Garantie auf den Nennbetrag oder Zinsen versteht sich auch als Bezugnahme auf zusätzliche Beträge, die durch die Emittentin gemäß § 7 dieser Anleihebedingungen zahlbar sein können.**]**

Any reference in this Note or the guarantee referred to in the Note to principal or interest shall be deemed also to refer to any additional amount to be paid as above by the Issuer which may be payable under this § 7.**]**

Ungeachtet sonstiger hierin enthaltener Bestimmungen, darf die Emittentin Beträge, die gemäß einer beschriebenen Vereinbarung in Section 1471 (b) des U.S. Revenue Code von 1986 (der **"Code"**) erforderlich sind oder die anderweitig aufgrund der Sections 1471 bis 1474 des Codes (oder jeder Änderung oder Nachfolgeregelung), der Regelungen oder Verträge darunter, der offiziellen Auslegungen

Notwithstanding any other provisions contained herein, the Issuer shall be permitted to withhold or deduct any amounts required pursuant to an agreement described in Section 1471 (b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any amended or successor provisions), any regulations or agreements

davon oder jeglicher rechtsausführender und zwischenstaatlicher Zusammenarbeit dazu beruhen, einbehalten oder abziehen (**"FATCA Quellensteuer"**). Die Emittentin ist aufgrund einer durch die Emittentin, eine Zahlstelle oder eine andere Partei abgezogenen oder einbehaltenen FATCA Quellensteuer nicht zur Zahlung zusätzlicher Beträge oder anderweitig zur Entschädigung eines Investors verpflichtet.

thereunder, official interpretations thereof, or any law implementing and intergovernmental approach thereto ("**FATCA withholding**"). The Issuer will have no obligation to pay additional amounts or otherwise indemnify an investor for any such FATCA withholding deducted or withheld by the Issuer, the paying agent or any other party.

§ 8
VORLEGUNGSFRIST

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

§ 8
PRESENTATION PERIOD

The presentation period provided in § 801 subparagraph 1, sentence 1 *BGB* (German Civil Code) is reduced to ten years for the Notes.

§ 9
KÜNDIGUNG

(1) *Kündigungsgründe.* Jeder Gläubiger ist berechtigt, seine Schuldverschreibung zu kündigen und deren sofortige Rückzahlung zu ihrem Rückzahlungsbetrag (wie in §5 definiert), zuzüglich etwaiger bis zum Tage der Rückzahlung (ausschließlich) aufgelaufener Zinsen zu verlangen, falls:

(a) die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder die Garantin**]** Kapital oder Zinsen nicht innerhalb von 30 aufeinanderfolgenden Tagen nach dem betreffenden Fälligkeitstag zahlt; oder

(b) die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder die Garantin**]** die ordnungsgemäße Erfüllung irgendeiner anderen wesentlichen Verpflichtung aus den Schuldverschreibungen für einen ununterbrochenen Zeitraum von 30 Tagen unterlässt, nachdem die Emissionsstelle schriftlich mitteilt, dass sie hierüber eine Benachrichtigung von einem Gläubiger erhalten hat, mit der Erfüllung bzw. die Beachtung anderer wesentlicher Verpflichtungen aus diesen Bedingungen verlangt wird; oder

(c) ein am Sitz der Emittentin zuständiges Gericht in einem zwangsweisen Verfahren gemäß gegenwärtig oder künftig anwendbaren Konkurs-, Insolvenz- oder ähnlichem Recht eine Entscheidung oder Zahlungsaussetzung erlässt oder ein Konkursverwalter, Abwickler, Rechtsnachfolger, Vermögensverwalter, Treuhänder, Zwangsverwalter oder ein ähnlicher Funktionsträger für die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer**

§ 9
EVENTS OF DEFAULT

(1) *Events of Default.* Each Holder shall be entitled to declare its Notes due and demand immediate redemption thereof at the Final Redemption Amount (as described in § 5), together with accrued interest (if any) to the date of repayment (exclusive), in the event that

(a) the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or the Guarantor**]** is in default for a continuous period of 30 days in the payment of principal or interest on the Notes after the same shall become due and payable, or

(b) the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or the Guarantor**]** is in default for a continuous period of 30 days after written notice from the Fiscal Agent that the Fiscal Agent has received notice thereof from a Holder requesting performance or observance of any other material obligation of these Conditions, or

(c) a decree or order for relief is entered by a court having jurisdiction in the premises in respect to the Issuer in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or a receiver, liquidator, assignee, custodian, trustee, sequestrator or other similar official of the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or the Guarantor**]** or for any substantial part of the

Nordic begeben werden, ist folgendes anwendbar: oder die Garantin**]** oder für einen wesentlichen Teil des Vermögens der Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder der Garantin**]** bestellt wird oder die Auflösung oder der Liquidation der Geschäfte der Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder der Garantin**]** angeordnet wird, und eine solche Entscheidung oder Anordnung für einen Zeitraum von 90 aufeinanderfolgenden Tagen nicht ausgesetzt wird und wirksam bleibt; oder

property of the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or of the Guarantor**]** is ordered, or the winding up or liquidation of the affairs of the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or of the Guarantor**]** is ordered and any such decree or order continues unstayed and in effect for a period of 90 consecutive days, or

(d) die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder die Garantin**]** (i) von sich aus ein Verfahren gemäß gegenwärtig oder künftig anwendbaren Konkurs-, Insolvenz- oder ähnlichem Recht einleitet oder (ii) dem Erlaß einer gemäß solchem Recht zwangsweise ergangenen Zahlungsaussetzung zustimmt oder der Bestellung eines, oder Inbesitznahme durch einen, Konkursverwalter(s), Abwickler(s), Rechtsnachfolger(s), Vermögensverwalter(s), Treuhänder(s), Zwangsverwalter(s), oder ähnlichen Funktionsträger(s) für die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder die Garantin**]** oder eines wesentlichen Teils des Vermögens der Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder die Garantin**]** zustimmt oder (iii) allgemein die Bezahlung ihrer Verbindlichkeiten bei Fälligkeit einstellt oder (iv) irgendwelche Maßnahmen zur Förderung einer der vorgenannten Fälle trifft**[**; oder**]** **[.]**

(d) the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or the Guarantor**]** (i) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or (ii) consents to the entry of an order for relief in an involuntary case under any such law or consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or other similar official of the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or the Guarantor**]** or for any substantial part of the property of the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or the Guarantor**]**, or (iii) fails generally to pay its debts as they become due, or (iv) takes any corporate action in furtherance of any of the foregoing**[**, or**]** **[.]**

[*Im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:*

(e) falls die Garantie nicht länger rechtswirksam und bindend ist oder die Garantin ihre Verpflichtungen aus der Garantie nicht erfüllt.**]**

[*in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:*

(e) the Guarantee ceases to be legally valid and binding or the Guarantor fails to fulfil its obligations under the Guarantee.**]**

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

(2) *Quorum.* In den Fällen der Absätze 1 (a) bis **[Im Fall von Schuldverschreibungen, die von Bayer AG**

(2) *Quorum.* In the events specified in subparagraphs (1) (a) - **[in the case of Notes issued by Bayer AG**

begeben werden, ist folgendes anwendbar: (d)**] [Im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** (e)**]** wird eine Kündigung erst wirksam, wenn bei der Emissionsstelle Kündigungserklärungen von Gläubigern von Schuldverschreibungen im Nennbetrag von mindestens 25% der dann ausstehenden Schuldverschreibungen eingegangen sind. Die Wirkung einer solchen Kündigung entfällt, wenn die Gläubiger dies binnen drei Monaten mit Mehrheit beschließen. Für den Beschluss über die Unwirksamkeit der Kündigung genügt die einfache Mehrheit der Stimmrechte, es müssen aber in jedem Fall mehr Gläubiger zustimmen als gekündigt haben.

(3) *Bekanntmachung.* Eine Benachrichtigung, einschließlich einer Kündigung der Schuldverschreibungen gemäß vorstehendem Absatz 1 ist schriftlich in deutscher oder englischer Sprache gegenüber der Emissionsstelle zu erklären und persönlich oder per Einschreiben an deren bezeichnete Geschäftsstelle zu übermitteln. Der Benachrichtigung ist ein Nachweis beizufügen, aus dem sich ergibt, dass der betreffende Gläubiger zum Zeitpunkt der Abgabe der Benachrichtigung Inhaber der betreffenden Schuldverschreibung ist. Der Nachweis kann durch eine Bescheinigung der Depotbank (wie in § 14 Absatz **[Im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:** 3**] [Im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** 4**]** definiert) oder auf andere geeignete Weise erbracht werden.

the following applies: (d)**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** (e)**]**, any notice declaring Notes due shall become effective only when the Fiscal Agent has received such notices from the Holders of at least 25 percent in principal amount of Notes then outstanding. Any such termination shall become ineffective if within three months the majority of the Holders so resolve. The resolution in relation to the ineffectiveness of a termination may be passed by simple majority of the voting rights, provided, however, that in each case there must be more Holders consenting to such resolution than Holders having terminated the Notes.

(3) *Notice.* Any notice, including any notice declaring Notes due, in accordance with subparagraph (1) shall be made by means of a written declaration in the German or English language delivered by hand or registered mail to the specified office of the Fiscal Agent together with proof that such Holder at the time of such notice is a holder of the relevant Notes by means of a certificate of its Custodian (as defined in § 14 **[in the case of Notes issued by Bayer AG the following applies:** (3)**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** (4)**]**) or in other appropriate manner.

§ 10
ERSETZUNG

(1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** die Garantin oder**]** jede andere Gesellschaft, deren stimmberechtigte Anteile zu mehr als 90% direkt oder indirekt von **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** der Garantin**] [im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:** der Emittentin**]** gehalten werden, an Stelle der Emittentin als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit dieser Emission einzusetzen, vorausgesetzt, dass:

(a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in bezug auf die

§ 10
SUBSTITUTION

(1) *Substitution.* The Issuer may, without the consent of the Holders, if no payment of principal of or interest on any of the Notes is in default, at any time substitute for the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor or**]** any other company more than 90 percent of the voting share or other equity interests of which are directly or indirectly owned by **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor**] [in the case of Notes issued by Bayer AG the following applies:** the Issuer**]** as principal debtor in respect of all obligations arising from or in connection with the Notes (the "**Substitute Debtor**") provided that:

(a) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;

Schuldverschreibungen übernimmt;

(b) die Nachfolgeschuldnerin alle erforderlichen Genehmigungen erhalten hat und berechtigt ist, an die Emissionsstelle die zur Erfüllung der Zahlungsverpflichtungen aus den Schuldverschreibungen zahlbaren Beträge in der hierin festgelegten Währung zu zahlen, ohne verpflichtet zu sein, jeweils in dem Land, in dem die Nachfolgeschuldnerin oder die Emittentin ihren Sitz oder Steuersitz haben, erhobene Steuern oder andere Abgaben jeder Art abzuziehen oder einzubehalten;

(b) the Issuer and the Substitute Debtor have obtained all necessary authorisations and may transfer to the Fiscal Agent in the currency required hereunder and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;

(c) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Gläubiger hinsichtlich solcher Quellensteuern, Abgaben oder behördlichen Lasten freizustellen, die einem Gläubiger bezüglich der Ersetzung auferlegt werden;

(c) the Substitute Debtor has agreed to indemnify and hold harmless each Holder against any withholding tax, duty, assessment or governmental charge imposed on such Holder in respect of such substitution;

[*Im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:*

(d) die Emittentin unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge garantiert. Diese Garantie muss den Bedingungen der Garantie und Negativverpflichtung entsprechen, wie im Basisprospekt im Zusammenhang mit dem €15.000.000.000 Bayer Programm zur Begebung von Schuldverschreibungen vom 24. März 2017 enthalten; und**]**

[*in the case of Notes issued by Bayer AG the following applies:*

(d) the Issuer irrevocably and unconditionally guarantees in favour of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes. This guarantee shall be equivalent to the terms of the Guarantee and Negative Pledge as contained in the base prospectus relating to the €15,000,000,000 Bayer Programme for the Issuance of Debt Instruments dated March 24, 2017; and**]**

[*Im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:*

(d) die Garantin unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen garantiert, die den Bedingungen der Garantie entsprechen; und**]**

[*in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:*

(d) the Guarantor irrevocably and unconditionally guarantees in favour of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes on terms equivalent to the terms of the Guarantee; and**]**

(e) der Emissionsstelle jeweils ein Rechtsgutachten bezüglich der betroffenen Rechtsordnungen von anerkannten Rechtsanwälten vorgelegt werden, die bestätigen, dass die Bestimmungen in den vorstehenden Unterabsätzen (a), (b), (c) und (d) erfüllt wurden.

(e) there shall have been delivered to the Fiscal Agent an opinion or opinions of lawyers of recognised standing to the effect that subparagraphs (a), (b), (c) and (d) above have been satisfied.

(2) *Bekanntmachung.* Jede Ersetzung ist gemäß § 13 bekanntzumachen.

(2) *Notice.* Notice of any such substitution shall be published in accordance with § 13.

(3) *Änderung von Bezugnahmen.* Im Fall einer Ersetzung gilt jede Bezugnahme in diesen Bedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin und jede Bezugnahme auf das Land, in dem die Emittentin ihren Sitz oder Steuersitz hat, gilt ab diesem Zeitpunkt als Bezugnahme auf das

(3) *Change of References.* In the event of any such substitution, any reference in these Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation

Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat.

Außerdem gilt im Falle der Ersetzung folgendes:

[(a)**]** in § 7 und § 5 Absatz 2 gilt eine alternative Bezugnahme auf **[im Fall von durch Bayer AG begebenen Schuldverschreibungen ist folgendes anwendbar:** die Bundesrepublik Deutschland**] [im Fall von Schuldverschreibungen begeben von Bayer Capital Corp ist folgendes anwendbar:** die Niederlande**] [im Fall von Schuldverschreibungen begeben von Bayer Holding Ltd. ist folgendes anwendbar:** Japan**] [im Fall von Schuldverschreibungen begeben von Bayer Nordic ist folgendes anwendbar:** Finnland und die Niederlande**]** als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat)**[.] [im Fall von Schuldverschreibungen begeben von Bayer AG, ist folgendes anwendbar:** ; und

(b) in § 9 Absatz 1(a) bis (d) gilt eine alternative Bezugnahme auf die Emittentin in ihrer Eigenschaft als Garantin als aufgenommen (zusätzlich zu der Bezugnahme auf die Nachfolgeschuldnerin).**]**

Die Emittentin ist berechtigt, die Globalurkunde und die Anleihebedingungen ohne Zustimmung der Gläubiger anzupassen, soweit dies erforderlich ist, um die Wirkungen der Ersetzung nachzuvollziehen. Entsprechend angepasste Globalurkunden oder Anleihebedingungen werden bei dem oder für das Clearing System hinterlegt.

§ 11
ÄNDERUNG DER BEDINGUNGEN, GEMEINSAMER VERTRETER**[im Fall von Schuldverschreibungen begeben von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic:, ÄNDERUNG DER GARANTIE]**

(1) *Änderung der Bedingungen.* Die Emittentin kann mit Zustimmung der Gläubiger entsprechend den Bestimmungen des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz – "**SchVG**") die Bedingungen hinsichtlich eines nach dem SchVG zugelassenen Gegenstands ändern. Die Gläubiger entscheiden über ihre Zustimmung durch einen Beschluß mit der in Absatz 2 bestimmten Mehrheit. Die Mehrheitsbeschlüsse der Gläubiger sind für alle Gläubiger gleichermaßen verbindlich. Ein Mehrheitsbeschluss der Gläubiger, der nicht gleiche Bedingungen für alle Gläubiger vorsieht, ist unwirksam, es sei denn, die benachteiligten Gläubiger stimmen ihrer Benachteiligung ausdrücklich zu.

purposes of the Substitute Debtor.

Furthermore, in the event of such substitution the following shall apply:

[(a)**]** in § 7 and § 5(2) an alternative reference to **[in the case of Notes issued by Bayer AG the following applies:** Germany**] [in the case of Notes issued by Bayer Capital Corp the following applies:** The Netherlands**] [in the case of Notes issued by Bayer Holding Ltd. the following applies:** Japan**] [in the case of Notes issued by Bayer Nordic the following applies:** Finland and The Netherlands**]** shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the Substitute Debtor**[.] [in the case of Notes issued by Bayer AG the following applies:** ; and

(b) in § 9(1) (a) to (d) an alternative reference to the Issuer in its capacity as Guarantor shall be deemed to have been included in addition to the reference to the Substitute Debtor.**]**

The Issuer is authorized to adapt the Global Note and the Conditions of Issue without the consent of the Holders to the extent necessary to reflect the changes resulting from the substitution. Appropriately adjusted Global Notes or Conditions of Issue will be deposited with or on behalf of the Clearing System.

§ 11
AMENDMENT OF THE CONDITIONS, HOLDERS' REPRESENTATIVE**[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic:, AMENDMENT OF THE GUARANTEE]**

(1) *Amendment of the Conditions.* In accordance with the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz* – "**SchVG**")) the Issuer may, with the consent of the Holders, amend the Conditions with regard to matters permitted by the SchVG. The Holders' consent to such amendments is given by resolution with the majority specified in paragraph (2). Majority resolutions shall be binding on all Holders. Resolutions which do not provide for identical conditions for all Holders are void, unless Holders who are disadvantaged have expressly consented to their being treated disadvantageously.

(2) *Mehrheitserfordernisse.* Die Gläubiger entscheiden mit einer Mehrheit von 75 % der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Bedingungen nicht geändert wird, und die keinen Gegenstand des § 5 (3) Nr. 1 bis Nr. 8 und (soweit § 10 dieser Bedingungen keine andere Regelung vorsieht) Nr. 9 des SchVG betreffen, bedürfen zu ihrer Wirksamkeit einer einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte.

(2) *Majority.* Resolutions shall be passed by a majority of not less than 75 percent of the votes cast. Resolutions relating to amendments of the Conditions which are not material and which do not relate to the matters listed in § 5(3) No. 1 – 8 and (if § 10 of these Conditions does not provide otherwise) No. 9 of the SchVG require a simple majority of the votes cast.

(3) *Abstimmung ohne Versammlung.* Alle Abstimmungen werden, vorbehaltlich des nächsten Satzes, ausschließlich im Wege der Abstimmung ohne Versammlung durchgeführt. Eine Gläubigerversammlung und eine Übernahme der Kosten für eine solche Versammlung durch die Emittentin findet ausschließlich im Fall des § 18 (4) Satz 2 SchVG statt. Die Gegenstände und Vorschläge zur Beschlussfassung sowie nähere Angaben zu den Abstimmungsmodalitäten werden den Gläubigern mit der Aufforderung zur Stimmabgabe bekannt gemacht. Die Ausübung der Stimmrechte ist von einer vorherigen Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Aufforderung zur Stimmabgabe mitgeteilten Adresse spätestens am dritten Tag vor Beginn des Abstimmungszeitraums zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 14(3)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum letzten Tag des Abstimmungszeitraums (einschließlich) nicht übertragbar sind, nachweisen.

(3) *Vote without a meeting.* All votes will be taken, subject to the next sentence, exclusively by vote taken without a meeting. A meeting of Holders and the assumption of the fees by the Issuer for such a meeting will only take place in the circumstances of § 18(4) sentence 2 of the SchVG. The subject matter of the vote as well as the proposed resolutions and further information on voting procedures shall be notified to the Holders together with the request for voting. The exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the request for voting no later than the third day preceding the beginning of the voting period. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 14(3)(i)(a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the day the voting period ends.

(4) *Zweite Versammlung*. Wird für die Abstimmung ohne Versammlung gemäß § 11(3) die mangelnde Beschlussfähigkeit festgestellt, kann der Abstimmungsleiter eine zweite Versammlung im Sinne von § 15 Abs. 3 Satz 3 SchVG einberufen. Die Teilnahme an der zweiten Versammlung und die Ausübung der Stimmrechte sind von einer vorherigen Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der zweiten Versammlung zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 14(3)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Versammlung (einschließlich) nicht übertragbar sind, nachweisen.

(4) *Second Meeting*. If it is ascertained that no qurom exists for the vote without a meeting pursuant to § 11(3), the scrutineer (*Abstimmungsleiter*) may convene a second meeting within the meaning of section 15 paragraph 3 sentence 3 of the SchVG. Attendance at the second meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the second meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 14(3)(i)(a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the stated end of the meeting.

(5) *Leitung der Abstimmung*. Die Abstimmung wird von einem von der Emittentin beauftragten Notar oder, falls der Gemeinsame Vertreter (wie in § 11(7) definiert) zur Abstimmung aufgefordert hat, vom Gemeinsamen Vertreter geleitet.

(6) *Stimmrecht.* An Abstimmungen der Gläubiger nimmt jeder Gläubiger nach Maßgabe des Nennwerts oder des rechnerischen Anteils seiner Berechtigung an den ausstehenden Schuldverschreibungen teil.

(7) *Gemeinsamer Vertreter.*

[*Falls kein gemeinsamer Vertreter in den Anleihebedingungen bestellt wird, ist folgendes anwendbar:*

Die Gläubiger können durch Mehrheitsbeschluss zur Wahrnehmung ihrer Rechte einen gemeinsamen Vertreter für alle Gläubiger bestellen (der "**Gemeinsame Vertreter**").**]**

[*Im Fall der Bestellung des gemeinsamen Vertreters in den Anleihebedingungen, ist folgendes anwendbar:*

Gemeinsamer Vertreter (der "**Gemeinsame Vertreter**") ist **[●]**. Die Haftung des Gemeinsamen Vertreters ist auf das Zehnfache seiner jährlichen Vergütung beschränkt, es sei denn, dem Gemeinsamen Vertreter fällt Vorsatz oder grobe Fahrlässigkeit zur Last.**]**

Der Gemeinsame Vertreter hat die Aufgaben und Befugnisse, welche ihm durch Gesetz oder von den Gläubigern durch Mehrheitsbeschluss eingeräumt wurden. Er hat die Weisungen der Gläubiger zu befolgen. Soweit er zur Geltendmachung von Rechten der Gläubiger ermächtigt ist, sind die einzelnen Gläubiger zur selbständigen Geltendmachung dieser Rechte nicht befugt, es sei denn, der Mehrheitsbeschluss sieht dies ausdrücklich vor. Über seine Tätigkeit hat der Gemeinsame Vertreter den Gläubigern zu berichten. Für die Abberufung und die sonstigen Rechte und Pflichten des Gemeinsamen Vertreters gelten die Vorschriften des SchVG.

[*Im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:*

(8) *Änderung der Garantie.* Die oben aufgeführten auf die Schuldverschreibungen anwendbaren Bestimmungen gelten für die Garantie der Bayer AG entsprechend.**]**

(5) *Chair of the vote.* The vote will be chaired by a notary appointed by the Issuer or, if the Holders' Representative (as defined in subparagraph (7) below) has convened the vote, by the Holders' Representative.

(6) *Voting rights.* Each Holder participating in any vote shall cast votes in accordance with the nominal amount or the notional share of its entitlement to the outstanding Notes.

(7) *Holders' Representative.*

[*If no Holders' Representative is designated in the Conditions, the following applies:*

The Holders may by majority resolution appoint a common representative (the "**Holders' Representative**") to exercise the Holders' rights on behalf of each Holder.**]**

[*If the Holders' Representative is appointed in the Conditions, the following applies:*

The common representative (the "**Holders' Representative**") shall be **[●]**. The liability of the Holders' Representative shall be limited to ten times the amount of its annual remuneration, unless the Holders' Representative has acted willfully or with gross negligence.**]**

The Holders' Representative shall have the duties and powers provided by law or granted by majority resolution of the Holders. The Holders' Representative shall comply with the instructions of the Holders. To the extent that the Holders' Representative has been authorized to assert certain rights of the Holders, the Holders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Holders' Representative shall provide reports to the Holders on its activities. The regulations of the SchVG apply with regard to the recall and the other rights and obligations of the Holders' Representative.

[*in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:*

(8) *Amendment of the Guarantee.* The provisions set out above applicable to the Notes shall apply *mutatis mutandis* to the Guarantee of Bayer AG.**]**

§ 12
BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist jederzeit berechtigt, ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit den

§ 12
FURTHER ISSUES, PURCHASES AND CANCELLATION

(1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the

gleichen Bedingungen (gegebenenfalls mit Ausnahme des Tags der Begebung, des Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit den Schuldverschreibungen eine einheitliche Serie bilden.

Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.

(2) *Ankauf.* Die Emittentin ist berechtigt, jederzeit Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder bei der Emissionsstelle zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Rückkaufangebot erfolgen, muss dieses Angebot allen Gläubigern gleichermaßen gemacht werden.

(2) *Purchases.* The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Fiscal Agent for cancellation. If purchases are made by public tender, tenders for such Notes must be made available to all Holders of such Notes alike.

(3) *Entwertung.* Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

(3) *Cancellation.* All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

§ 13
MITTEILUNGEN

[*Im Fall von Schuldverschreibungen, die in der Offiziellen Liste der Luxemburger Börse notiert werden, ist folgendes anwendbar:*

(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen durch elektronische Publikation auf der Website der Luxemburger Börse (www.bourse.lu). Jede Mitteilung gilt am dritten Tag nach dem Tag der Veröffentlichung als wirksam erfolgt. **[Im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:** Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen (sofern erforderlich) zusätzlich durch Publikation im Bundesanzeiger.**]**

(2) *Mitteilungen an das Clearing System.* Solange Schuldverschreibungen an der Offiziellen Liste der Luxemburger Börse notiert sind, findet Absatz (1) Anwendung. Soweit die Regeln der Luxemburger Börse dies sonst zulassen, kann die Emittentin eine Veröffentlichung nach Absatz (1) durch eine Mitteilung an das Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.**]**

[*Im Fall von Schuldverschreibungen, die nicht an einer Börse notiert sind, ist folgendes anwendbar:*

Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearing System zur Weiterleitung an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.**]**

§ 13
NOTICES

[*In the case of Notes which are listed on the Official List of the Luxembourg Stock Exchange the following applies:*

(1) *Publication.* All notices concerning the Notes will be made by means of electronic publication on the internet website of the Luxembourg Stock Exchange (www.bourse.lu). Any notice so given will be deemed to have been validly given on the third day following the date of such publication. [**In the case of Notes issued by Bayer AG the following applies:** All notices concerning the Notes will in addition be published in the Federal Gazette (*Bundesanzeiger*) (to the extent required).**]**

(2) *Notification to Clearing System.* So long as any Notes are listed on the Official List of the Luxembourg Stock Exchange, subparagraph (1) shall apply. If the Rules of the Luxembourg Stock Exchange otherwise so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in subparagraph (1) above; any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.**]**

[*In case of Notes which are not listed the following applies:*

The Issuer shall deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.**]**

§ 14
ANWENDBARES RECHT, GERICHTSSTAND UND GERICHTLICHE GELTENDMACHUNG

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

(2) *Gerichtsstand.* Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstige Verfahren ("**Rechtsstreitigkeiten**") ist das Landgericht Frankfurt am Main.

[*Im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:*

(3) *Ernennung von Zustellungsbevollmächtigten.* Für etwaige Rechtsstreitigkeiten vor deutschen Gerichten bestellt die Emittentin die Bayer AG, FI Corporate Treasury, Kaiser-Wilhelm Allee 1, 51373 Leverkusen, Bundesrepublik Deutschland zu ihrer Zustellungsbevollmächtigten in Deutschland.**]**

[(4)**]** *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage wahrzunehmen oder geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems oder des Verwahrers des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing Systems. Unbeschadet des Vorstehenden kann jeder Gläubiger

§ 14
APPLICABLE LAW, PLACE OF JURISDICTION AND ENFORCEMENT

(1) *Applicable Law.* The Notes, as to form and content, and all rights and obligations of the Holders and the Issuers, shall be governed by German law.

(2) *Submission to Jurisdiction.* The District Court (*Landgericht*) in Frankfurt am Main shall have non-exclusive jurisdiction for any action or other legal proceedings ("**Proceedings**") arising out of or in connection with the Notes.

[*in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:*

(3) *Appointment of Authorized Agent.* For any legal disputes or other proceedings before German courts, the Issuer appoints Bayer AG, FI Corporate Treasury, Kaiser-Wilhelm Allee 1, 51373 Leverkusen, Germany as its authorized agent for service of process in Germany.**]**

[(4)**]** *Enforcement.* Any Holder of Notes may in any proceeding against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in its own name its rights arising under such Notes on the basis of (i) a statement issued by the Custodian (as defined below) with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global form certified as being a true copy by a duly authorized officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the global note representing the Notes. For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognised standing authorized to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce its rights under these Notes also in any other way which is admitted in the country of the Proceedings.

seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

§ 15
SPRACHE

[*Falls die Anleihebedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefaßt sind, ist folgendes anwendbar:*

Diese Bedingungen sind in deutscher Sprache abgefaßt. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.**]**

[*Falls die Anleihebedingungen in englischer Sprache mit einer Übersetzung in die deutsche Sprache abgefaßt sind, ist folgendes anwendbar:*

Diese Bedingungen sind in englischer Sprache abgefaßt. Eine Übersetzung in die deutsche Sprache ist beigefügt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.**]**

[*Falls die Anleihebedingungen ausschließlich in deutscher Sprache abgefaßt sind, ist folgendes anwendbar:*

Diese Bedingungen sind ausschließlich in deutscher Sprache abgefaßt.**]**

§ 15
LANGUAGE

[*If the Conditions are to be in the German language with an English language translation the following applies:*

These Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.**]**

[*If the Conditions are to be in the English language with a German language translation the following applies:*

These Conditions are written in the English language and provided with a German language translation. The English text shall be controlling and binding. The German language translation is provided for convenience only.**]**

[*If the Conditions are to be in the English language only the following applies:*

These Conditions are written in the English language only.**]**

OPTION II – Anleihebedingungen für Schuldverschreibungen mit variabler Verzinsung

§ 1
WÄHRUNG, STÜCKELUNG, FORM, BEGRIFFSBESTIMMUNGEN

(1) *Währung; Stückelung.* Diese Serie der Schuldverschreibungen (die "**Schuldverschreibungen**") der **[**Bayer Aktiengesellschaft**] [**Bayer Capital Corporation B.V.**] [**Bayer Holding Ltd.**] [**Bayer Nordic SE**]** (die "**Emittentin**") wird in **[festgelegte Währung]** (die "**festgelegte Währung**") im Gesamtnennbetrag **[falls die Globalurkunde eine NGN ist, ist folgendes anwendbar**: vorbehaltlich §1 Absatz 4**]** von **[Gesamtnennbetrag]** (in Worten: **[Gesamtnennbetrag in Worten]**) in Stückelungen von **[festgelegte Stückelungen]** (die "**festgelegte Stückelung**") begeben.

(2) *Form.* Die Schuldverschreibungen lauten auf den Inhaber.

(3) *Vorläufige Globalurkunde — Austausch.*

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die "**vorläufige Globalurkunde**") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird gegen Schuldverschreibungen in den festgelegten Stückelungen, die durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine verbrieft sind, ausgetauscht. Die vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die Unterschriften **[im Fall von durch Bayer AG begebenen Schuldverschreibungen, ist folgendes anwendbar:** zweier ordnungsgemäß bevollmächtigter Vertreter**] [im Fall von durch Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begebenen Schuldverschreibungen, ist folgendes anwendbar:** eines ordnungsgemäß bevollmächtigten Vertreters**]** der Emittentin und sind jeweils von der Emissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(b) Die vorläufige Globalurkunde wird frühestens an einem Tag (der "**Austauschtag**") gegen die Dauerglobalurkunde austauschbar, der 40 Tage nach dem Tag der Ausgabe der vorläufigen Globalurkunde liegt. Ein solcher Austausch soll nur nach Vorlage von Bescheinigungen gemäß U.S. Steuerrecht erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute

OPTION II – Terms and Conditions that apply to floating rate Notes

§ 1
CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS

(1) *Currency; Denomination.* This series of Notes (the "**Notes**") of **[**Bayer Aktiengesellschaft**] [**Bayer Capital Corporation B.V.**] [**Bayer Holding Ltd.**] [**Bayer Nordic SE**]** (the "**Issuer**") is being issued in **[Specified Currency]** (the "**Specified Currency**") in the aggregate principal amount **[in the case the global note is an NGN the following applies:** subject to §1(4)**]** of **[Aggregate Principal Amount]** (in words: **[Aggregate Principal Amount in words]**) in denominations of **[Specified Denomination]** (the "**Specified Denomination**").

(2) *Form.* The Notes are being issued in bearer form.

(3) *Temporary Global Note — Exchange.*

(a) The Notes are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons. The Temporary Global Note will be exchangeable for Notes in Specified Denominations represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by **[in the case of Notes issued by Bayer AG the following applies:** two authorized signatories**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** one authorized signatory**]** of the Issuer and shall each be authenticated by or on behalf of the Fiscal Agent. Definitive notes and interest coupons will not be issued.

(b) The Temporary Global Note shall be exchangeable for the Permanent Global Note from a date (the "**Exchange Date**") 40 days after the date of issue of the Temporary Global Note. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note are not U.S. persons (other than certain financial institutions or certain persons holding Notes through such financial institutions) as required

oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Zinszahlungen auf durch eine vorläufige Globalurkunde verbriefte Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der vorläufigen Globalurkunde eingeht, wird als ein Ersuchen behandelt, diese vorläufige Globalurkunde gemäß diesem Absatz (b) dieses § 1 Absatz 3 auszutauschen. Wertpapiere, die im Austausch für die vorläufige Globalurkunde geliefert werden, sind nur außerhalb der Vereinigten Staaten (wie in § 4 Absatz 3 definiert) zu liefern.

by U.S. tax law. Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this subparagraph (b) of this § 1(3). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 4(3)).

(4) *Clearing System.* Die Schuldverschreibungen verbriefende Globalurkunde wird von einem oder im Namen eines Clearing Systems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind. "**Clearing System**" bedeutet **[bei mehr als einem Clearing System ist folgendes anwendbar:** jeweils**]** folgendes: **[**Clearstream Banking AG, Neue Börsenstraße 1, 60487 Frankfurt am Main, Bundesrepublik Deutschland ("**CBF**")**] [**und**] [**Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, 1855 Luxemburg, Großherzogtum Luxemburg ("**CBL**") und Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgium ("**Euroclear**"), (CBL and Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**")**]**.

(4) *Clearing System.* Each global note representing the Notes will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means **[if more than one Clearing System the following applies:** each of**]** the following: **[**Clearstream Banking AG, Neue Börsenstraße 1, 60487 Frankfurt am Main, Bundesrepublik Deutschland ("**CBF**")**] [**and**] [**Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, 1855 Luxemburg, Großherzogtum Luxemburg ("**CBL**") and Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgium ("**Euroclear**"), (CBL and Euroclear each an "**ICSD**" and together the "**ICSDs**")**]**.

[*Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, und die Globalurkunde eine NGN ist, ist folgendes anwendbar:*

Die Schuldverschreibungen werden in Form einer *new global note* ("**NGN**") ausgegeben und von einem *common safekeeper* im Namen beider ICSDs verwahrt.

Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtnennbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind maßgeblicher Nachweis über den Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bescheinigung mit dem Betrag der so verbrieften Schuldverschreibungen ist ein maßgeblicher Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder einer Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften

[*In the case of Notes kept in custody on behalf of the ICSDs and the global note is an NGN the following applies:*

The Notes are issued in new global note ("**NGN**") form and are kept in custody by a common safekeeper on behalf of both ICSDs.

The aggregate principal amount of Notes represented by the global note shall be the aggregate amount as entered from time to time in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers and which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the global note and, for these purposes, a statement issued by an ICSD stating the amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

Upon any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the global note the Issuer shall procure that details of any redemption,

Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über Rückzahlung und Zinszahlung bzw. Kauf und Löschung bezüglich der Globalurkunde *pro rata* in die Unterlagen der ICSDs eingetragen werden, und dass, nach jeder Eintragung, vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtbetrag der zurückgezahlten bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.

Bei Austausch eines Anteils von ausschließlich durch eine vorläufige Globalurkunde verbriefter Schuldverschreibungen wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Register der ICSDs aufgenommen werden.**]**

[*Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden und die Globalurkunde eine CGN ist, ist folgendes anwendbar:*

Die Schuldverschreibungen werden in Form einer *classical global note* ("**CGN**") ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.**]**

(5) *Gläubiger von Schuldverschreibungen.* "**Gläubiger**" bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen treugeberischen oder eigenen Rechts an den Schuldverschreibungen.

(6) *In Bezug genommene Bedingungen.* Die Bestimmungen über Beschlüsse der Gläubiger vom 24. März 2017 (einsehbar unter www.bourse.lu), die überwiegend das für Gläubigerversammlungen oder Abstimmungen der Gläubiger ohne Versammlung zu wahrende Verfahren betreffen, sind in vollem Umfang durch diese Bedingungen in Bezug genommen.

§ 2
STATUS, NEGATIVVERPFLICHTUNG [im Fall von Schuldverschreibungen begeben von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic: , GARANTIE]

(1) *Status.* Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen gegenwärtigen und zukünftigen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit diesen Verbindlichkeiten nicht durch gesetzliche Bestimmungen ein Vorrang eingeräumt wird.

(2) *Negativverpflichtung.* Die Emittentin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, für andere, nachstehend definierte Wertpapieremissionen nach dem Tag der Begebung der Schuldverschreibungen kein

payment of interest or purchase and cancellation (as the case may be) in respect of the global note shall be entered *pro rata* in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the global note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled.

Upon the exchange of only a portion of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered *pro rata* in the records of the ICSDs.**]**

[*In the case of Notes kept in custody on behalf of the ICSDs and the global note is a CGN the following applies:*

The Notes are issued in classical global note ("**CGN**") form and are kept in custody by a common depositary on behalf of both ICSDs.**]**

(5) *Holder of Notes.* "**Holder**" means any holder of a proportionate co-ownership or other beneficial interest or right in the Notes.

(6) *Referenced Conditions.* The Conditions fully refer to the Provisions Regarding Resolutions of Holders dated March 24, 2017 (on display under www.bourse.lu) containing primarily the procedural provisions regarding resolutions of Holders which shall be fully incorporated into the Conditions.

§ 2
STATUS, NEGATIVE PLEDGE [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic: , GUARANTEE]

(1) *Status.* The obligations under the Notes constitute unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other present or future unsecured and unsubordinated obligations of the Issuer except for any obligations preferred by law.

(2) *Negative Pledge.* The Issuer undertakes, as long as Notes are outstanding but only up to the time all amounts of principal and interest have been provided to the Fiscal Agent, not to provide after the issue date of the Notes any security interest ("**Lien**") upon its domestic assets for other Security Issues (as defined below) without at the same time letting the Holders

Sicherungsrecht ("**Pfandrecht**") am eigenen inländischen Vermögen zu bestellen, ohne die Gläubiger zur gleichen Zeit und im gleichen Rang an einem solchen Pfandrecht teilhaben zu lassen, mit der Maßgabe, dass diese Verpflichtung keine Anwendung findet, falls die Emittentin Pfandrechte folgender Art bestellt, übernimmt oder bestehen lässt:

share *pari passu* in such Lien; provided, however, that this undertaking shall not be applicable in the event the Issuer shall create, assume or suffer to exist Liens of the following character:

(a) Pfandrechte, die auf einem Vermögensgegenstand zum Zeitpunkt des Erwerbs durch die Emittentin lasten;

(a) any Lien existing on property at the time of the acquisition thereof by the Issuer;

(b) Pfandrechte zur Besicherung von Verbindlichkeiten, die vor dem Erwerb, zum Zeitpunkt des Erwerbs oder innerhalb von 12 Monaten nach dem Erwerb eines Vermögensgegenstandes durch die Emittentin zum Zwecke der vollständigen oder teilweisen Kaufpreisfinanzierung eingegangen worden sind, sowie Pfandrechte, die zur Sicherung von über diesen Kaufpreis hinausgehenden Verbindlichkeiten dienen, vorausgesetzt, dass für deren Begleichung ausschließlich auf diesen Vermögensgegenstand zurückgegriffen werden kann;

(b) any Lien to secure any debt incurred prior to, at the time of, or within 12 months after the acquisition of property by the Issuer for the purpose of financing all or any part of the purchase price thereof and any Lien to the extent that it secures debt which is in excess of such purchase price and for the payment of which recourse may be had only against such property;

(c) Pfandrechte zur Besicherung von Verbindlichkeiten, die vor, zum Zeitpunkt, oder innerhalb von 12 Monaten nach der Fertigstellung einer Errichtung, Veränderung, Instandsetzung oder Verbesserung eines Vermögensgegenstandes der Emittentin zum Zwecke der vollständigen oder teilweisen Finanzierung der dabei entstehenden Kosten eingegangen worden sind, sowie Pfandrechte, die zur Sicherung von über diese Kosten hinausgehenden Verbindlichkeiten dienen, vorausgesetzt, dass für deren Begleichung ausschließlich auf diesen Vermögensgegenstand zurückgegriffen werden kann;

(c) any Lien to secure any debt incurred prior to, at the time of, or within 12 months after the completion of the construction, alteration, repair or improvement of property of the Issuer for the purpose of financing all or any part of the cost thereof and any Lien to the extent that it secures debt which is in excess of such cost and for the payment of which recourse may be had only against such property;

(d) jedwede vollständige oder teilweise Verlängerung, Erneuerung oder Ersetzung (oder wiederholte Verlängerungen, Erneuerungen oder Ersetzungen) eines der vorstehend in den Klauseln (a) bis (c) aufgeführten Pfandrechte, soweit der Nennbetrag der dadurch besicherten Verbindlichkeit den im Zeitpunkt einer solchen Verlängerung, Erneuerung oder Ersetzung besicherten Nennbetrag nicht übersteigt (mit der Ausnahme, dass zusätzliche Verbindlichkeiten sowie damit verbundene Finanzierungskosten durch das Pfandrecht besichert werden können, wenn diese zusätzlichen Verbindlichkeiten zur Mittelbeschaffung für die Fertigstellung eines bestimmten Vorhabens eingegangen werden), und soweit das Pfandrecht auf denselben Vermögensgegenstand, an welchem das verlängerte, erneuerte oder ersetzte Pfandrecht bestanden hat, beschränkt bleibt (einschließlich Wertverbesserungen des

(d) any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Lien referred to in clauses (a) through (c) above, so long as the principal amount of debt so secured does not exceed the principal amount secured at the time of extension, renewal or replacement (except that, where an additional principal amount of debt is incurred to provide funds for the completion of a specific project, the additional principal amount and any related financial costs, may be secured by the Lien as well) and the Lien is limited to the same property subject to the Lien so extended, renewed or replaced (plus improvements on the property);

Vermögensgegenstandes);

(e) Pfandrechte, die kraft Gesetzes entstehen;

(f) Pfandrechte, die aus oder in Verbindung mit der Veräußerung oder der Vermietung von Vermögensgegenständen an Leasinggesellschaften entstehen, die den Gesamtbetrag von €1.000.000.000 pro Jahr oder den Gegenwert in anderen Währungen nicht übersteigen (seit dem Tag der Begebung der Schuldverschreibungen); und

(g) Pfandrechte, die Verbindlichkeiten besichern, deren Betrag €250.000.000 (aggregiert mit dem Betrag von anderen Verbindlichkeiten, die ein Pfandrecht besitzen, welches nach den vorstehenden Unterabsätzen nicht erlaubt ist) oder den Gegenwert in anderen Währungen zu jeder Zeit nicht übersteigt.

In Bezug auf von der Emittentin begebene asset-backed Emissionen, schließen die im ersten Satz dieses Abschnittes (2) benutzten Worte "Vermögen" und "Wertpapieremission" nicht Vermögensgegenstände und Wertpapieremissionen der Emmittentin ein, solange das Vermögen, das derartige Emissionen deckt zusammen €2.000.000.000 nicht übersteigt.

"**Wertpapieremission**" bedeutet jede Zahlungsverpflichtung aus der Aufnahme von Geld in der Form von oder verbrieft durch Schuldverschreibungen oder ähnliche(n) Wertpapiere(n) mit einer ursprünglichen Laufzeit von mehr als einem Jahr, die an einer Wertpapierbörse oder in einem over-the-counter Wertpapiermarkt notiert, eingeführt oder gehandelt werden oder die anderweitig öffentlich gehandelt werden oder gehandelt werden sollen.

**[*Im Fall von Schuldverschreibungen begeben von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic, ist folgendes anwendbar:*

(3) *Garantie und Negativverpflichtung der Garantin.* Bayer AG (die "**Garantin**") hat eine unbedingte und unwiderrufliche Garantie (die "**Garantie**") vom 19. März 2014 für die ordnungsgemäße Zahlung von Kapital und Zinsen und sonstiger auf die Schuldverschreibungen zahlbarer Beträge übernommen.

Die Garantin übernimmt außerdem eine Negativverpflichtung (die "**Negativverpflichtung**"), solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, für andere, vorstehend definierte Wertpapieremissionen nach dem Tag der Begebung der Schuldverschreibungen kein Pfandrecht, wie vorstehend definiert, am eigenen inländischen Vermögen zu bestellen, ohne die Gläubiger zur gleichen Zeit und im gleichen Rang an einem solchen

(e) any Lien arising by operation of law;

(f) any Lien arising from or related to a disposal or lease-out of assets to any person whose core business is the leasing business (*Leasinggesellschaften*) that does not exceed an aggregate of €1,000,000,000 per year or the equivalent in other currencies (as from the issue date of the Notes); and

(g) any Lien securing indebtedness the amount of which (when aggregated with the amount of any other indebtedness which has the benefit of a Lien not allowed under the preceding sub-paragraphs) does not exceed €250,000,000 or its equivalent in other currencies at any time.

In respect of asset-backed securitizations originated by the Issuer, the expressions "assets" and "Security Issue" as used in the first sentence of this subparagraph (2) do not include assets and Security Issues of the Issuer if the assets backing such securitizations do not in aggregate exceed €2,000,000,000.

"**Security Issue**" shall mean any obligation for the payment of borrowed money represented by bonds, notes, debentures or any similar securities which are quoted, listed or traded on any stock exchange or over-the-counter securities market or which are otherwise publicly traded or intended to be publicly traded, having an original maturity of more than one year.

**[*In the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:*

(3) *Guarantee and Negative Pledge of the Guarantor.* Bayer AG (the "**Guarantor**") has given its unconditional and irrevocable guarantee (the "**Guarantee**") dated March 19, 2014 for the due and punctual payment of principal of, and interest on, and any other amounts payable under any Note

The Guarantor has further undertaken in a negative pledge (the "**Negative Pledge**"), as long as Notes are outstanding but only up to the time all amounts of principal and interest have been provided to the Fiscal Agent, not to provide after the issue date of the Notes any Lien (as defined above) upon its domestic assets for other Security Issues (as defined above) without at the same time letting the Holders share *pari passu* in such Lien; provided, however, that this undertaking shall not be applicable in the event the Guarantor shall create, assume or suffer to exist Liens

Pfandrecht teilhaben zu lassen, mit der Maßgabe, dass diese Verpflichtung keine Anwendung findet, falls die Garantin Pfandrechte folgender Art bestellt, übernimmt oder bestehen lässt:

of the following character:

(a) Pfandrechte, die auf einem Vermögensgegenstand zum Zeitpunkt des Erwerbs durch die Garantin lasten;

(a) any Lien existing on property at the time of the acquisition thereof by the Guarantor;

(b) Pfandrechte zur Besicherung von Verbindlichkeiten, die vor dem Erwerb, zum Zeitpunkt des Erwerbs oder innerhalb von 12 Monaten nach dem Erwerb eines Vermögensgegenstandes durch die Garantin zum Zwecke der vollständigen oder teilweisen Kaufpreisfinanzierung eingegangen worden sind, sowie Pfandrechte, die zur Sicherung von über diesen Kaufpreis hinausgehenden Verbindlichkeiten dienen, vorausgesetzt, dass für deren Begleichung ausschließlich auf diesen Vermögensgegenstand zurückgegriffen werden kann;

(b) any Lien to secure any debt incurred prior to, at the time of, or within 12 months after the acquisition of property by the Guarantor for the purpose of financing all or any part of the purchase price thereof and any Lien to the extent that it secures debt which is in excess of such purchase price and for the payment of which recourse may be had only against such property;

(c) Pfandrechte zur Besicherung von Verbindlichkeiten, die vor, zum Zeitpunkt, oder innerhalb von 12 Monaten nach der Fertigstellung einer Errichtung, Veränderung, Instandsetzung oder Verbesserung eines Vermögensgegenstandes der Garantin zum Zwecke der vollständigen oder teilweisen Finanzierung der dabei entstehenden Kosten eingegangen worden sind, sowie Pfandrechte, die zur Sicherung von über diese Kosten hinausgehenden Verbindlichkeiten dienen, vorausgesetzt, dass für deren Begleichung ausschließlich auf diesen Vermögensgegenstand zurückgegriffen werden kann;

(c) any Lien to secure any debt incurred prior to, at the time of, or within 12 months after the completion of the construction, alteration, repair or improvement of property of the Guarantor for the purpose of financing all or any part of the cost thereof and any Lien to the extent that it secures debt which is in excess of such cost and for the payment of which recourse may be had only against such property;

(d) jedwede vollständige oder teilweise Verlängerung, Erneuerung oder Ersetzung (oder wiederholte Verlängerungen, Erneuerungen oder Ersetzungen) eines der vorstehend in den Klauseln (a) bis (c) aufgeführten Pfandrechte, soweit der Nennbetrag der dadurch besicherten Verbindlichkeit den im Zeitpunkt einer solchen Verlängerung, Erneuerung oder Ersetzung besicherten Nennbetrag nicht übersteigt (mit der Ausnahme, dass zusätzliche Verbindlichkeiten sowie damit verbundene Finanzierungskosten durch das Pfandrecht besichert werden können, wenn diese zusätzlichen Verbindlichkeiten zur Mittelbeschaffung für die Fertigstellung eines bestimmten Vorhabens eingegangen werden), und soweit das Pfandrecht auf denselben Vermögensgegenstand, an welchem das verlängerte, erneuerte oder ersetzte Pfandrecht bestanden hat, beschränkt bleibt (einschließlich Wertverbesserungen des Vermögensgegenstandes);

(d) any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Lien referred to in clauses (a) through (c) above, so long as the principal amount of debt so secured does not exceed the principal amount secured at the time of extension, renewal or replacement (except that, where an additional principal amount of debt is incurred to provide funds for the completion of a specific project, the additional principal amount and any related financial costs, may be secured by the Lien as well) and the Lien is limited to the same property subject to the Lien so extended, renewed or replaced (plus improvements on the property);

(e) Pfandrechte, die kraft Gesetzes entstehen;

(e) any Lien arising by operation of law;

(f) Pfandrechte, die aus oder in Verbindung mit der Veräußerung oder der Vermietung von Vermögensgegenständen an Leasinggesellschaften entstehen, die den Gesamtbetrag von €1.000.000.000 pro Jahr oder den Gegenwert in anderen Währungen nicht übersteigen (seit dem Tag der Begebung der Schuldverschreibungen); und

(g) Pfandrechte, die Verbindlichkeiten besichern, deren Betrag €250.000.000 (aggregiert mit dem Betrag von anderen Verbindlichkeiten, die ein Pfandrecht besitzen welches nach den vorstehenden Unterabsätzen nicht erlaubt ist) oder den Gegenwert in anderen Währungen zu jeder Zeit nicht übersteigt.

In Bezug auf von der Garantin begebene asset-backed Emissionen, schließen die im ersten Satz des zweiten Absatzes dieses Abschnittes (3) benutzten Worte "Vermögen" und "Wertpapieremission" nicht Vermögensgegenstände und Wertpapieremissionen der Garantin ein, solange das Vermögen, das derartige Emissionen deckt, zusammen €2.000.000.000 nicht übersteigt.

Die Garantie und die Negativverpflichtung stellen einen Vertrag zugunsten eines jeden Gläubigers als begünstigtem Dritten gemäß § 328 Absatz 1 BGB dar, welcher das Recht eines jeden Gläubigers begründet, Erfüllung aus der Garantie und der Negativverpflichtung unmittelbar von der Garantin zu verlangen und die Garantie und die Negativverpflichtung unmittelbar gegenüber der Garantin durchzusetzen.**]**

(f) any Lien arising from or related to a disposal or lease-out of assets to any person whose core business is the leasing business *(Leasinggesellschaften)* that does not exceed an aggregate of €1,000,000,000 per year or the equivalent in other currencies (as from the issue date of the Notes); and

(g) any Lien securing indebtedness the amount of which (when aggregated with the amount of any other indebtedness which has the benefit of a Lien not allowed under the preceding sub-paragraphs) does not exceed €250,000,000 or its equivalent in other currencies at any time.

In respect of asset-backed securitizations originated by the Guarantor, the expressions "assets" and "Security Issue" as used in the first sentence of the second paragraph of this subparagraph (3) do not include assets and Security Issues of the Guarantor if the assets backing such securitizations do not in aggregate exceed €2,000,000,000.

The Guarantee and Negative Pledge constitute a contract for the benefit of the Holders from time to time as third party beneficiaries in accordance with § 328 subparagraph 1 *BGB* (German Civil Code), giving rise to the right of each Holder to require performance of the Guarantee and the Negative Pledge directly from the Guarantor and to enforce the Guarantee and the Negative Pledge directly against the Guarantor.**]**

§ 3
ZINSEN

(1) *Zinszahlungstage.*

(a) Die Schuldverschreibungen werden bezogen auf ihren Nennbetrag vom **[Verzinsungsbeginn]** an (der "**Verzinsungsbeginn**") (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und danach von jedem Zinszahlungstag (einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich) verzinst. Zinsen auf die Schuldverschreibungen sind an jedem Zinszahlungstag zahlbar.

(b) "**Zinszahlungstag**" bedeutet jeder **[festgelegte Zinszahlungstage]**.

(c) Fällt ein Zinszahlungstag auf einen Tag, der kein Geschäftstag (wie nachstehend definiert) ist, so wird der Zinszahlungstag

[*Bei Anwendung der Modified Following Business Day Convention ist folgendes anwendbar:*

auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem

§ 3
INTEREST

(1) *Interest Payment Dates.*

(a) The Notes shall bear interest on their principal amount from **[Interest Commencement Date]** (the "**Interest Commencement Date**") (inclusive) to the first Interest Payment Date (exclusive) and thereafter from each Interest Payment Date (inclusive) to the next following Interest Payment Date (exclusive). Interest on the Notes shall be payable on each Interest Payment Date.

(b) "**Interest Payment Date**" means each **[Specified Interest Payment Dates]**.

(c) If any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), it shall be:

[*If Modified Following Business Day Convention the following applies:*

postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the payment

Fall wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.**]**

[*Bei Anwendung der FRN Convention ist folgendes anwendbar:*

auf den nächstfolgenden Geschäftstag verschoben, es sei denn, jener würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen und (ii) ist jeder nachfolgende Zinszahlungstag der jeweils letzte Geschäftstag des Monats, der **[[Zahl]** Monate**] [andere festgelegte Zeiträume]** nach dem vorhergehenden anwendbaren Zinszahlungstag liegt.**]**

[*Bei Anwendung der Following Business Day Convention ist folgendes anwendbar:*

auf den nächstfolgenden Geschäftstag verschoben.**]**

[*Bei Anwendung der Preceding Business Day Convention ist folgendes anwendbar*

auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.**]**

(d) "**Geschäftstag**" bedeutet

[*Falls die festgelegte Währung nicht EUR ist, ist folgendes anwendbar:*

einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken und Devisenmärkte in **[sämtliche relevanten Finanzzentren]** Zahlungen abwickeln**][**.**][**und**]]**

[*Falls das Clearing System und TARGET offen sein müssen, ist folgendes anwendbar:*

einen Tag (außer einem Samstag oder Sonntag), an dem das Clearing System sowie alle betroffenen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer Systems 2 ("**TARGET**") offen sind, um Zahlungen abzuwickeln.**]**

[*Falls der Angebotssatz für Einlagen in der festgelegten Währung EURIBOR ist, ist folgendes anwendbar:*

(2) *Zinssatz.* Der Zinssatz (der "**Zinssatz**") für jede Zinsperiode (wie nachstehend definiert) ist, sofern nachstehend nichts abweichendes bestimmt wird der Angebotssatz (ausgedrückt als Prozentsatz *per annum*) für Einlagen in der festgelegten Währung für die jeweilige Zinsperiode, der auf der Bildschirmseite am Zinsfestlegungstag (wie nachstehend definiert) gegen 11.00 Uhr (Brüsseler Ortszeit) angezeigt wird **[[**zuzüglich**] [**abzüglich**]** der Marge (wie nachstehend definiert)**]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

date shall be the immediately preceding Business Day.**]**

[*If FRN Convention the following applies:*

postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the payment date shall be the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls **[[number]** months**] [other specified periods]** after the preceding applicable payment date.**]**

[*If Following Business Day Convention the following applies:*

postponed to the next day which is a Business Day.**]**

[*If Preceding Business Day Convention the following applies:*

the immediately preceding Business Day.**]**

(d) "**Business Day**" means

[*In the case the Specified Currency is not EUR the following applies:*

a day which is day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in **[relevant financial centre(s)][**.**][**and**]]**

[*In the case the Clearing System and TARGET shall be open the following applies:*

a day (other than a Saturday or a Sunday) on which the Clearing System as well as all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("**TARGET**") are open to effect payments.**]**

[*In the case the offered quotation for deposits in the Specified Currency is EURIBOR the following applies:*

(2) *Rate of Interest.* The rate of interest (the "**Rate of Interest**") for each Interest Period (as defined below) will, except as provided below, be the offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for that Interest Period which appears on the Screen Page as of 11:00 a.m. (Brussels time) on the Interest Determination Date (as defined below) **[[**plus**] [**minus**]** the Margin (as defined below)**]**, all as determined by the Calculation Agent.

"**Zinsperiode**" bezeichnet den Zeitraum von dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Zinszahlungstag (ausschließlich).

"**Zinsfestlegungstag**" bezeichnet den zweiten TARGET Geschäftstag vor Beginn der jeweiligen Zinsperiode. "**TARGET-Geschäftstag**" bezeichnet einen Tag, an dem alle betroffenen Bereiche des Trans-European Automated Real-time Gross Settlement Express Transfer Systems 2 ("**TARGET**") offen sind, um Zahlungen abzuwickeln.

[Die "**Marge**" beträgt **[•]**% *per annum*.**]**

"**Bildschirmseite**" bedeutet Reuters Bildschirmseite EURIBOR01 oder jede Nachfolgeseite.

Sollte zu der genannten Zeit die maßgebliche Bildschirmseite nicht zur Verfügung stehen oder kein Angebotssatz angezeigt werden, wird die Berechnungsstelle von den Referenzbanken (wie nachstehend definiert) deren jeweilige Angebotssätze (jeweils als Prozentsatz *per annum* ausgedrückt) für Einlagen in der festgelegten Währung für die betreffende Zinsperiode gegenüber führenden Banken Interbanken-Markt um ca. 11.00 Uhr (Brüsseler Ortszeit) am Zinsfestlegungstag anfordern. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Zinssatz für die betreffende Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Tausendstel Prozent, wobei 0,0005 aufgerundet wird) dieser Angebotssätze **[**zuzüglich**] [**abzüglich**]** der Marge**]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

Falls an einem Zinsfestlegungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Zinssatz für die betreffende Zinsperiode der Satz *per annum*, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Tausendstel Prozent, wobei 0,0005 aufgerundet wird) der Angebotssätze ermittelt, die die Referenzbanken bzw. zwei oder mehrere von ihnen der Berechnungsstelle auf deren Anfrage als den jeweiligen Satz nennen, zu dem ihnen um ca. 11.00 Uhr (Brüsseler Ortszeit) an dem betreffenden Zinsfestlegungstag Einlagen in der festgelegten Währung für die betreffende Zinsperiode von führenden Banken im Interbanken-Markt in der Euro-Zone angeboten werden **[**zuzüglich**] [**abzüglich**]** der Marge**]**; falls weniger als zwei der Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, dann soll der Zinssatz für die betreffende Zinsperiode der Angebotssatz für Einlagen in der festgelegten Währung für die betreffende Zinsperiode oder das arithmetische Mittel (gerundet wie oben beschrieben) der Angebotssätze für Einlagen in der festgelegten

"**Interest Period**" means each period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and from (and including) each Interest Payment Date to (but excluding) the following Interest Payment Date.

"**Interest Determination Date**" means the second TARGET Business Day prior to the commencement of the relevant Interest Period. "**TARGET Business Day**" means a day on which all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("**TARGET**") are open to effect payments.

["**Margin**" means **[•]** percent *per annum*.**]**

"**Screen Page**" means Reuters screen page EURIBOR01 or any successor page.

If the Screen Page is not available or if no such quotation appears as at such time, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for the relevant Interest Period to leading banks in the interbank market of the Euro-Zone at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of such offered quotations **[**[plus] **[**minus**]** the Margin**]**, all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate *per annum* which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one thousandth of a percentage point, with 0.0005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such rates were offered, as at 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, for deposits in the Specified Currency for the relevant Interest Period by leading banks in the interbank market of the Euro-Zone **[**[plus] **[**minus**]** the Margin**]** or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Interest Period, at

Währung für die betreffende Zinsperiode sein, den bzw. die eine oder mehrere Banken (die nach Ansicht der Berechnungsstelle und der Emittentin für diesen Zweck geeignet sind) der Berechnungsstelle als Sätze bekannt geben, die sie an dem betreffenden Zinsfestlegungstag gegenüber führenden Banken am Interbanken-Markt in der Euro-Zone nennen (bzw. den diese Banken gegenüber der Berechnungsstelle nennen) **[**[zuzüglich**]** **[**abzüglich**]** der Marge**]**. Für den Fall, dass der Zinssatz nicht gemäß den vorstehenden Bestimmungen dieses Absatzes ermittelt werden kann, ist der Zinssatz der Angebotssatz oder das arithmetische Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfestlegungstag, an dem diese Angebotssätze angezeigt wurden **[**[zuzüglich**]** **[**abzüglich**]** der Marge (wobei jedoch, falls für die relevante Zinsperiode eine andere Marge als für die unmittelbar vorhergehende Zinsperiode gilt, die relevante Marge an die Stelle der Marge für die vorhergehende Zinsperiode tritt)**]**.

which, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent and the Issuer suitable for such purpose) inform(s) the Calculation Agent it is or they are quoting to leading banks in the interbank market of the Euro-Zone (or, as the case may be, the quotations of such bank or banks to the Calculation Agent) **[**[plus**]** **[**minus**]** the Margin**]**. If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered **[**[plus**]** **[**minus**]** the Margin (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

"**Referenzbanken**" bezeichnen diejenigen Niederlassungen von vier derjenigen Banken, deren Angebotssätze zur Ermittlung des maßgeblichen Angebotssatzes zu dem Zeitpunkt benutzt wurden, als solch ein Angebot letztmals auf der maßgeblichen Bildschirmseite angezeigt wurde.

As used herein, "**Reference Banks**" means those offices of four such banks whose offered rates were used to determine such quotation when such quotation last appeared on the Screen Page.

"**Euro-Zone**" bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die gemäß dem Vertrag über die Gründung der Europäischen Gemeinschaft (unterzeichnet in Rom am 25. März 1957), geändert durch den Vertrag über die Europäische Union (unterzeichnet in Maastricht am 7. Februar 1992), den Amsterdamer Vertrag vom 2. Oktober 1997 und den Vertrag von Lissabon vom 13. Dezember 2007, in seiner jeweiligen Fassung, eine einheitliche Währung eingeführt haben oder jeweils eingeführt haben werden.**]**

"**Euro-Zone**" means the region comprised of those Member States of the European Union that have adopted, or will have adopted from time to time, the single currency in accordance with the Treaty establishing the European Community (signed in Rome on March 25, 1957), as amended by the Treaty on European Union (signed in Maastricht on February 7, 1992), the Amsterdam Treaty of 2 October 1997 and the Treaty of Lisbon of December 13, 2007, as further amended from time to time.**]**

[*Falls der Angebotssatz für Einlagen in der festgelegten Währung LIBOR ist, ist folgendes anwendbar:*

[*In the case the offered quotation for deposits in the Specified Currency is LIBOR the following applies:*

(2) *Zinssatz.* Der Zinssatz (der "**Zinssatz**") für jede Zinsperiode (wie nachstehend definiert) ist, sofern nachstehend nichts abweichendes bestimmt wird der Angebotssatz (ausgedrückt als Prozentsatz *per annum*) für Einlagen in der festgelegten Währung für die jeweilige Zinsperiode, der auf der Bildschirmseite am Zinsfestlegungstag (wie nachstehend definiert) gegen 11.00 Uhr (Londoner Ortszeit) angezeigt wird **[**[zuzüglich**]** **[**abzüglich**]** der Marge (wie nachstehend definiert)**]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

(2) *Rate of Interest.* The rate of interest (the "**Rate of Interest**") for each Interest Period (as defined below) will, except as provided below, be the offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for that Interest Period which appears on the Screen Page as of 11:00 a.m. (London time) on the Interest Determination Date (as defined below) **[**[plus**]** **[**minus**]** the Margin (as defined below)**]**, all as determined by the Calculation Agent.

"**Zinsperiode**" bezeichnet den Zeitraum von dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils

"**Interest Period**" means each period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and from (and including) each Interest Payment Date to (but

darauffolgenden Zinszahlungstag (ausschließlich).

"**Zinsfestlegungstag**" bezeichnet den **[**ersten**]** **[**zweiten**]** **[relevante(s) Finanzzentrum(en)]** Geschäftstag vor Beginn der jeweiligen Zinsperiode. "**[relevante(s) Finanzzentrum(en)] Geschäftstag**" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem Geschäftsbanken in **[relevante(s) Finanzzentrum(en)]** für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind.

[Die "**Marge**" beträgt **[•]**% *per annum*.**]**

"**Bildschirmseite**" bedeutet Reuters Bildschirmseite LIBOR01 oder jede Nachfolgeseite.

Sollte zu der genannten Zeit die maßgebliche Bildschirmseite nicht zur Verfügung stehen oder kein Angebotssatz angezeigt werden, wird die Berechnungsstelle von den Referenzbanken (wie nachstehend definiert) deren jeweilige Angebotssätze (jeweils als Prozentsatz *per annum* ausgedrückt) für Einlagen in der festgelegten Währung für die betreffende Zinsperiode gegenüber führenden Banken im Londoner Interbanken-Marktum ca. 11.00 Uhr (Londoner Ortszeit) am Zinsfestlegungstag anfordern. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Zinssatz für die betreffende Zinsperiode das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Hunderttausendstel Prozent, wobei 0,000005 aufgerundet wird) dieser Angebotssätze **[[**zuzüglich**]** **[**abzüglich**]** der Marge**]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

Falls an einem Zinsfestlegungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Zinssatz für die betreffende Zinsperiode der Satz *per annum*, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste ein Hunderttausendstel Prozent, wobei 0,000005 aufgerundet wird) der Angebotssätze ermittelt, die die Referenzbanken bzw. zwei oder mehrere von ihnen der Berechnungsstelle auf deren Anfrage als den jeweiligen Satz nennen, zu dem ihnen um ca. 11.00 Uhr (Londoner Ortszeit) an dem betreffenden Zinsfestlegungstag Einlagen in der festgelegten Währung für die betreffende Zinsperiode von führenden Banken im Londoner Interbanken-Markt angeboten werden **[**zuzüglich**]** **[**abzüglich**]** der Marge**]**; falls weniger als zwei der Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, dann soll der Zinssatz für die betreffende Zinsperiode der Angebotssatz für Einlagen in der festgelegten Währung für die betreffende Zinsperiode oder das arithmetische Mittel (gerundet wie oben beschrieben) der Angebotssätze für Einlagen in der festgelegten Währung für die betreffende Zinsperiode sein, den bzw. die eine oder mehrere Banken (die nach Ansicht

excluding) the following Interest Payment Date.

"**Interest Determination Date**" means the **[**first**]** **[**second**]** **[relevant financial centre(s)]** Business Day prior to the commencement of the relevant Interest Period. "**[relevant financial centre(s)] Business Day**" means a day which is a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in **[relevant financial centre(s)]**.

["**Margin**" means **[•]** percent *per annum*.**]**

"**Screen Page**" means Reuters screen page LIBOR01 or any successor page.

If the Screen Page is not available or if no such quotation appears as at such time, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for the relevant Interest Period to leading banks in the London interbank market at approximately 11.00 a.m. (London time) on the Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards) of such offered quotations **[[**plus**]** **[**minus**]** the Margin**]**, all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate *per annum* which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such rates were offered, as at 11.00 a.m. (London time) on the relevant Interest Determination Date, for deposits in the Specified Currency for the relevant Interest Period by leading banks in the London interbank market **[[**plus**]** **[**minus**]** the Margin**]** or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Interest Period, at which, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the

der Berechnungsstelle und der Emittentin für diesen Zweck geeignet sind) der Berechnungsstelle als Sätze bekannt geben, die sie an dem betreffenden Zinsfestlegungstag gegenüber führenden Banken am Londoner Interbanken-Markt nennen (bzw. den diese Banken gegenüber der Berechnungsstelle nennen) **[[**zuzüglich**]** **[**abzüglich**]** der Marge**]**. Für den Fall, dass der Zinssatz nicht gemäß den vorstehenden Bestimmungen dieses Absatzes ermittelt werden kann, ist der Zinssatz der Angebotssatz oder das arithmetische Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfestlegungstag, an dem diese Angebotssätze angezeigt wurden **[[**zuzüglich**]** **[**abzüglich**]** der Marge (wobei jedoch, falls für die relevante Zinsperiode eine andere Marge als für die unmittelbar vorhergehende Zinsperiode gilt, die relevante Marge an die Stelle der Marge für die vorhergehende Zinsperiode tritt)**]**.

"**Referenzbanken**" bezeichnen diejenigen Niederlassungen von vier derjenigen Banken, deren Angebotssätze zur Ermittlung des maßgeblichen Angebotssatzes zu dem Zeitpunkt benutzt wurden, als solch ein Angebot letztmals auf der maßgeblichen Bildschirmseite angezeigt wurde.**]**

[*Falls ein Mindestzinssatz gilt ist folgendes anwendbar:*

(3) *Mindestzinssatz.* Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz niedriger ist als **[Mindestzinssatz]**, so ist der Zinssatz für diese Zinsperiode **[Mindestzinssatz]**.**]**

[*Falls ein Höchstzinssatz gilt ist folgendes anwendbar:*

[(4)] *Höchstzinssatz.* Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz höher ist als **[Höchstzinssatz]**, so ist der Zinssatz für diese Zinsperiode **[Höchstzinssatz]**.**]**

[(5)**]** *Zinsbetrag*. Die Berechnungsstelle wird zu oder baldmöglichst nach jedem Zeitpunkt, an dem der Zinssatz zu bestimmen ist, den Zinssatz bestimmen und den auf die Schuldverschreibungen zahlbaren Zinsbetrag in Bezug auf die festgelegte Stückelung (der "**Zinsbetrag**") für die entsprechende Zinsperiode berechnen. Der Zinsbetrag wird ermittelt, indem der Zinssatz und der Zinstagequotient (wie nachstehend definiert) auf jede festgelegte Stückelung angewendet werden, wobei der resultierende Betrag auf die kleinste Einheit der festgelegten Währung auf- oder abgerundet wird, wobei 0,5 solcher Einheiten aufgerundet werden.

[(6)**]** *Mitteilung von Zinssatz und Zinsbetrag*. Die Berechnungsstelle wird veranlassen, dass der Zinssatz, der Zinsbetrag für die jeweilige Zinsperiode, die jeweilige Zinsperiode und der relevante

opinion of the Calculation Agent and the Issuer suitable for such purpose) inform(s) the Calculation Agent it is or they are quoting to leading banks in the London interbank market (or, as the case may be, the quotations of such bank or banks to the Calculation Agent) **[[**plus**]** **[**minus**]** the Margin**]**. If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered **[[**plus**]** **[**minus**]** the Margin (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

As used herein, "**Reference Banks**" means those offices of four such banks whose offered rates were used to determine such quotation when such quotation last appeared on the Screen Page.**]**

[*In the case of a Minimum Rate of Interest the following applies:*

(3) *Minimum Rate of Interest.* If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is less than **[Minimum Rate of Interest]**, the Rate of Interest for such Interest Period shall be **[Minimum Rate of Interest]**.**]**

[*In the case of a Maximum Rate of Interest the following applies:*

[(4)] *Maximum Rate of Interest.* If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is greater than **[Maximum Rate of Interest]**, the Rate of Interest for such Interest Period shall be **[Maximum Rate of Interest]**.**]**

[(5)**]** *Interest Amount.* The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the amount of interest (the "**Interest Amount**") payable on the Notes in respect of the Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest and the Day Count Fraction (as defined below) to the Specified Denomination and rounding the resultant figure, with 0.5 of such unit being rounded upwards.

[(6)**]** *Notification of Rate of Interest and Interest Amount.* The Calculation Agent will cause the Rate of Interest, each Interest Amount for each Interest Period, each Interest Period and the relevant Interest

Zinszahlungstag der Emittentin und den Gläubigern gemäß § 13 baldmöglichst, aber keinesfalls später als am vierten auf die Berechnung jeweils folgenden **[**TARGET-**]** **[relevante(s) Finanzzentrum(en)]** Geschäftstag (wie in § 3 Absatz 2 definiert) sowie jeder Börse, an der die betreffenden Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, baldmöglichst, aber keinesfalls später als zu Beginn der jeweiligen Zinsperiode mitgeteilt werden. Im Fall einer Verlängerung oder Verkürzung der Zinsperiode können der mitgeteilte Zinsbetrag und Zinszahlungstag ohne Vorankündigung nachträglich angepaßt (oder andere geeignete Anpassungsregelungen getroffen) werden. Jede solche Anpassung wird umgehend allen Börsen, an denen die Schuldverschreibungen zu diesem Zeitpunkt notiert sind, sowie den Gläubigern gemäß § 13 mitgeteilt.

Payment Date to be notified to the Issuer and to the Holders in accordance with § 13 as soon as possible after their determination, but in no event later than the fourth **[**TARGET**]** **[relevant financial centre(s)]** Business Day (as defined in § 3(2)) thereafter, and, if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange, as soon as possible after their determination, but in no event later than the first day of the relevant Interest Period. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to any stock exchange on which the Notes are then listed and to the Holders in accordance with § 13.

[(7)**]** *Verbindlichkeit der Festsetzungen*. Alle Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses § 3 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, die Emissionsstelle und die Gläubiger bindend.

[(7)**]** *Determinations Binding.* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 3 by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, the Fiscal Agent and the Holders.

[(8)**]** *Auflaufende Zinsen*. Der Zinslauf der Schuldverschreibungen endet mit Ablauf des Tages, der dem Tag vorangeht, an dem sie zur Rückzahlung fällig werden. Sollte die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlösen, fallen auf den ausstehenden Nennbetrag der Schuldverschreibungen ab dem Fälligkeitstag (einschließlich) bis zum Tag der tatsächlichen Rückzahlung (ausschließlich) Zinsen zum gesetzlich festgelegten Satz für Verzugszinsen an.[1]

[(8)**]** *Accrual of Interest.* The Notes shall cease to bear interest from the expiry of the day preceding the day on which they are due for redemption. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding principal amount of the Notes beyond the due date (including) until the date of the actual redemption of the Notes (excluding) at the default rate of interest established by law.[(1)]

[(9)**]** *Zinstagequotient.* "**Zinstagequotient**" bezeichnet im Hinblick auf die Berechnung des Zinsbetrages auf eine Schuldverschreibung für einen beliebigen Zeitraum (der "**Zinsberechnungszeitraum**"):

[(9)**]** *Day Count Fraction.* "**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (the "**Calculation Period**"):

[*im Fall von Actual/365 (Fixed) ist folgendes anwendbar:*

die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 365.**]**

[*if Actual/365 (Fixed) the following applies:*

the actual number of days in the Calculation Period divided by 365.**]**

[*im Fall von Actual/360 ist folgendes anwendbar:*

die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 360.**]**

[*if Actual/360 the following applies:*

the actual number of days in the Calculation Period divided by 360.**]**

§ 4
ZAHLUNGEN

(1) (a) *Zahlungen auf Kapital.* Zahlungen auf Kapital in bezug auf die Schuldverschreibungen erfolgen nach

§ 4
PAYMENTS

(1) (a) *Payment of Principal.* Payment of principal in respect of Notes shall be made, subject to subparagraph (2) below, to the Clearing

[1] Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutsche Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 Absatz 1 BGB.

[1] The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288(1), 247 German Civil Code (BGB).

Maßgabe des nachstehenden Absatzes 2 an das Clearing System oder gegebenenfalls dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems gegen Vorlage und, soweit es sich nicht um eine Teilzahlung handelt) Übergabe der Globalurkunde, mit der die Schuldverschreibungen verbrieft werden, zum Zeitpunkt der Zahlung in der bezeichneten Geschäftsstelle der Emissionsstelle außerhalb der Vereinigten Staaten.

System or (if applicable) to its order for credit to the accounts of the relevant account holders of the Clearing System upon presentation and (except in the case of partial payment) surrender of the global note representing the Notes at the time of payment at the specified office of the Fiscal Agent outside the United States.

(b) *Zahlung von Zinsen.* Die Zahlung von Zinsen auf Schuldverschreibungen erfolgt nach Maßgabe von Absatz 2 an das Clearing System oder gegebenenfalls dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.

Die Zahlung von Zinsen auf Schuldverschreibungen, die durch die vorläufige Globalurkunde verbrieft sind, erfolgt nach Maßgabe von Absatz 2 an das Clearing System oder gegebenenfalls dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz 3(b).

(b) *Payment of Interest.* Payment of interest on Notes shall be made, subject to subparagraph (2), to the Clearing System or (if applicable) to its order for credit to the relevant account holders of the Clearing System.

Payment of interest on Notes represented by the Temporary Global Note shall be made, subject to subparagraph (2), to the Clearing System or (if applicable) to its order for credit to the relevant account holders of the Clearing System, upon due certification as provided in § 1(3) (b).

(2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in der festgelegten Währung.

(2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

(3) *Vereinigte Staaten.* Für die Zwecke des § 1 Absatz 3 und des Absatzes 1 dieses § 4 bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

(3) *United States.* For purposes of § 1(3) and subparagraph (1) of this § 4, "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

(4) *Erfüllung.* Die Emittentin **[Im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** bzw. die Garantin**]** wird durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.

(4) *Discharge.* The Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or, as the case may be, the Guarantor**]** shall be discharged by payment to, or to the order of, the Clearing System.

(5) *Zahltag.* Fällt der Fälligkeitstag einer Zahlung in bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, dann hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächsten Zahltag am jeweiligen Geschäftsort. Der Gläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.

(5) *Payment Business Day.* If the date for payment of any amount in respect of any Note is not a Payment Business Day then the Holder shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

Für diese Zwecke bezeichnet "**Zahltag**" einen Tag, der ein Geschäftstag ist.

For these purposes, "**Payment Business Day**" means any day which is a Business Day.

(6) *Bezugnahmen auf Kapital und Zinsen.* Bezugnahmen in diesen Bedingungen auf einen Kapitalbetrag der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Rückzahlungsbetrag der Schuldverschreibungen; sowie jeden Aufschlag sowie sonstige auf oder in bezug auf die Schuldverschreibungen zahlbaren Beträge. Bezugnahmen in diesen Bedingungen auf Zinsen auf die Schuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 7 zahlbaren zusätzlichen Beträge einschließen.

(6) *References to Principal and Interest.* Reference in these Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the Final Redemption Amount of the Notes; and any premium and any other amounts which may be payable under or in respect of the Notes. Reference in these Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable under § 7.

(7) *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht Frankfurt am Main Zins- oder Kapitalbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem Fälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rücknahme verzichtet wird, erlöschen die Ansprüche der Gläubiger gegen die Emittentin.

(7) *Deposit of Principal and Interest.* The Issuer may deposit with the *Amtsgericht* in Frankfurt am Main principal or interest not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

§ 5
RÜCKZAHLUNG

(1) *Rückzahlung bei Endfälligkeit.*

Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag am in den **[Rückzahlungsmonat und -jahr]** fallenden Zinszahlungstag (der "**Fälligkeitstag**") zurückgezahlt. Der "**Rückzahlungsbetrag**" in Bezug auf jede Schuldverschreibung entspricht dem Nennbetrag der Schuldverschreibungen.

(2) *Vorzeitige Rückzahlung aus steuerlichen Gründen.* Sollte die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** und/oder die Garantin**]** zur Zahlung von zusätzlichen Beträgen (wie in § 7 dieser Bedingungen definiert) aufgrund einer Änderung des Steuerrechts (wie nachstehend definiert) am nächstfolgenden Zinszahlungstag (wie in § 3 Absatz 1 definiert) verpflichtet sein und kann diese Verpflichtung nicht durch das Ergreifen angemessener, der Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** und/oder der Garantin**]** zur Verfügung stehender Maßnahmen vermieden werden, können die Schuldverschreibungen insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** und/oder der Garantin**]** mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber

§ 5
REDEMPTION

(1) *Redemption at Maturity.*

Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Final Redemption Amount on the Interest Payment Date falling in **[Redemption Month and Year]** (the "**Maturity Date**"). The "**Final Redemption Amount**" in respect of each Note shall be its principal amount.

(2) *Early Redemption for Reasons of Taxation.* If as a result of any Tax Law Change (as hereinafter defined) the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** and/or the Guarantor**]** is required to pay additional amounts (as defined in § 7 herein) on the next succeeding Interest Payment Date (as defined in § 3(1)) and this obligation cannot be avoided by the use of reasonable measures available to the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** and/or the Guarantor**]**, the Notes may be redeemed, in whole but not in part, at the option of the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** and/or the Guarantor**]**, upon not more than 60 days' nor less than 30 days' prior notice of redemption given to the Fiscal Agent and, in accordance with § 13 to the Holders, at their Final Redemption Amount, together with interest (if any) accrued to but excluding the date fixed for redemption. A "**Tax Law Change**" is (i) any change

der Emissionsstelle und gemäß § 13 gegenüber den Gläubigern vorzeitig gekündigt und zu ihrem Rückzahlungsbetrag zuzüglich bis zu dem Beginn des für die Rückzahlung festgesetzten Tags (ausschließlich) aufgelaufener Zinsen zurückgezahlt werden. Eine "**Änderung des Steuerrechts**" ist (i) eine Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften der Bundesrepublik Deutschland **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp begeben werden, ist folgendes anwendbar:** oder der Niederlande **[im Fall von Schuldverschreibungen, die von Bayer Holding Ltd. begeben werden, ist folgendes anwendbar:** oder Japans **[im Fall von Schuldverschreibungen, die von Bayer Nordic begeben werden, ist folgendes anwendbar:** , Finnlands oder der Niederlande**]** oder deren politischen Untergliederungen oder Steuerbehörden, die die Besteuerung oder die Verpflichtung steuerliche Gebühren jeglicher Art zu zahlen beeinflussen, (ii) die Folge einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften, (iii) jede von den Steuerbehörden oder der zuständigen Gerichtsbarkeit in der Bundesrepublik Deutschland **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp begeben werden, ist folgendes anwendbar:** oder der Niederlande**] [im Fall von Schuldverschreibungen, die von Bayer Holding Ltd. begeben werden, ist folgendes anwendbar:** oder Japan**] [im Fall von Schuldverschreibungen, die von Bayer Nordic begeben werden, ist folgendes anwendbar:** , Finnland oder der Niederlande**]** oder deren politischen Untergliederungen oder Steuerbehörden getroffene Maßnahme/Entscheidung, unabhängig davon, ob eine derartige Maßnahme in Zusammenhang mit der Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder der Garantin**]** stehen, oder (iv) jede Änderung, jede Ergänzung, jede Neufassung, Anwendung, Auslegung oder Durchsetzung der Gesetze der Bundesrepublik Deutschland **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp begeben werden, ist folgendes anwendbar:** oder der Niederlande**] [im Fall von Schuldverschreibungen, die von Bayer Holding Ltd. begeben werden, ist folgendes anwendbar:** oder Japans**] [im Fall von Schuldverschreibungen, die von Bayer Nordic begeben werden, ist folgendes anwendbar:** , Finnlands oder der Niederlande**]** (oder jeder dazu ergangenen Verordnung oder Regelung), der oder die offiziell vorgeschlagen wurde (vorausgesetzt, diese Änderung, diese Ergänzung, diese Neufassung, Anwendung, Auslegung oder Durchsetzung würde am oder nach dem Tag, an dem die letzte Tranche dieser Serie von Schuldverschreibungen begeben wird, wirksam werden).

in, or amendment to, the laws or regulations of Germany**] [in the case of Notes issued by Bayer Capital Corp the following applies:** or The Netherlands**] [in the case of Notes issued by Bayer Holding Ltd. the following applies:** or Japan**] [in the case of Notes issued by Bayer Nordic the following applies:** , Finland or The Netherlands**]** or any political subdivision or taxing authority thereof or therein affecting taxation or the obligation to pay duties of any kind, (ii) any change in, or amendment to, an official interpretation, administrative guidance or application of such laws or regulations, (iii) any action and/or decision which shall have been taken by any taxing authority, or any court of competent jurisdiction of Germany **[in the case of Notes issued by Bayer Capital Corp the following applies:** or The Netherlands**] [in the case of Notes issued by Bayer Holding Ltd. the following applies:** or Japan**] [in the case of Notes issued by Bayer Nordic the following applies:** , Finland or The Netherlands**]** or any political subdivision or taxing authority thereof or therein, whether or not such action was taken or brought with respect to the Issuer **[in the case of Notes issued by BayerCapital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or the Guarantor**]**, or (iv) any change, amendment, application, interpretation or execution of the laws of Germany **[in the case of Notes issued by Bayer Capital Corp the following applies:** or The Netherlands**] [in the case of Notes issued by Bayer Holding Ltd. the following applies:** or Japan**] [in the case of Notes issued by Bayer Nordic the following applies:** , Finland or The Netherlands**]** (or any regulations or ruling promulgated thereunder), which change, amendment, action, application, interpretation or execution is officially proposed and would have effect on or after the date on which the last tranche of this series of Notes was issued.

Eine solche Kündigung darf allerdings nicht (i) früher

However, no such notice of redemption may be given

als 90 Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** und/oder die Garantin**]** verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, falls eine Zahlung auf die Schuldverschreibungen dann fällig sein würde, oder (ii) erfolgen, wenn zu dem Zeitpunkt, zu dem die Kündigung erfolgt, die Verpflichtung zur Zahlung von zusätzlichen Beträgen nicht mehr wirksam ist. Der für die Rückzahlung festgelegte Termin muss ein Zinszahlungstag sein.

(i) earlier than 90 days prior to the earliest date on which the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** and/or the Guarantor**]** would be obligated to pay such additional amounts where a payment in respect of the Notes then due, or (ii) if at the time such notice is given, such obligation to pay such additional amounts or make such deduction or withholding does not remain in effect. The date fixed for redemption must be an Interest Payment Date.

Eine solche Kündigung hat gemäß § 13 zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** und/oder der Garantin**]** begründenden Umständen darlegt.

Any such notice shall be given in accordance with § 13. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** and/or the Guarantor**]** so to redeem.

[*Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen, ist folgendes anwendbar:*

[*If Notes are subject to Early Redemption at the Option of the Issuer the following applies:*

(3) *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

(3) *Early Redemption at the Option of the Issuer.*

(a) Die Emittentin kann, nachdem sie gemäß Absatz (b) gekündigt hat, die Schuldverschreibungen insgesamt oder teilweise am **[Zahl]** Jahre nach dem Verzinsungsbeginn folgenden Zinszahlungstag und danach an jedem darauf folgenden Zinszahlungstag (jeder ein "**Wahl-Rückzahlungstag (Call)**") zum Rückzahlungsbetrag nebst etwaigen bis zum jeweiligen Wahl- Rückzahlungstag (Call) aufgelaufenen Zinsen zurückzahlen.

(a) The Issuer may, upon notice given in accordance with clause (b), redeem all or some only of the Notes on the Interest Payment Date following **[number]** years after the Interest Commencement Date and on each Interest Payment Date thereafter (each a "**Call Redemption Date**") at the Final Redemption Amount together with accrued interest, if any, to the respective Call Redemption Date (exclusive).

(b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 13 bekanntzugeben. Sie beinhaltet die folgenden Angaben:

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 13. Such notice shall specify:

(i) die zurückzuzahlende Serie von Schuldverschreibungen;

(i) the Series of Notes subject to redemption;

(ii) eine Erklärung, ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden Schuldverschreibungen; und

(ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Notes which are to be redeemed; and

(iii) den Wahl-Rückzahlungstag (Call), der nicht weniger als 30 und nicht mehr als 60 Tage nach dem Tag der Kündigung durch die Emittentin gegenüber den Gläubigern liegen darf.

(iii) the Call Redemption Date, which shall begin not less than 30 nor more than 60 days after the date on which notice is given by the Issuer to the Holders.

(c) Wenn die Schuldverschreibungen nur teilweise zurückgezahlt werden, werden die

(c) In the case of a partial redemption of Notes, Notes to be redeemed shall be selected in

zurückzuzahlenden Schuldverschreibungen in Übereinstimmung mit den Regeln des betreffenden Clearing Systems ausgewählt. **[Falls die Schuldverschreibungen in Form einer NGN begeben werden, ist folgendes anwendbar:** Die teilweise Rückzahlung wird in den Registern von CBL und Euroclear nach deren Ermessen entweder als Pool-Faktor oder als Reduzierung des Nennbetrags wiedergegeben.**]]**

accordance with the rules of the relevant Clearing System. **[In the case of Notes in NGN form the following applies:** Such partial redemption shall be reflected in the records of CBL and Euroclear as either a pool factor or a reduction in principal amount, at the discretion of CBL and Euroclear.**]]**

[*Falls vorzeitige Rückzahlung bei geringem ausstehenden Nennbetrag anwendbar ist, ist folgendes anwendbar:*

(4) *Rückkauf; Vorzeitige Rückzahlung nach Wahl der Emittentin bei geringem ausstehendem Nennbetrag.* Die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:**, oder die Garantin**]** oder eine Tochtergesellschaft **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** der Garantin**]** können jederzeit Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis kaufen. Derartig erworbene Schuldverschreibungen können entwertet, gehalten oder wieder veräußert werden. Falls die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:**, oder die Garantin**]** oder eine Tochtergesellschaft **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** der Garantin**]** Schuldverschreibungen in einem Gesamtnennbetrag von 75% oder mehr des ursprünglich begebenen Gesamtnennbetrages der Schuldverschreibungen erworben hat, und der Gesamtnennbetrag der Schuldverschreibungen in der Globalurkunde um diesen Prozentsatz reduziert wurde, kann die Emittentin die verbleibenden Schuldverschreibungen (insgesamt, jedoch nicht teilweise) kündigen und zum Rückzahlungsbetrag nebst etwaiger bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurückzahlen.**]**

[*In the case Early Redemption for Reason of Minimal Outstanding Amount is applicable the following applies:*

(4) *Purchase; Early Redemption for Reason of Minimal Outstanding Amount.* The Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:**, or the Guarantor**]** or any subsidiary **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** of the Guarantor**]** may at any time purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold. In the event that the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:**, or the Guarantor**]** or any subsidiary **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** of the Guarantor**]** has purchased Notes equal to or in excess of 75 percent of the aggregate principal amount of the Notes initially issued and the aggregate principal amount of the Notes is reduced by this percentage in the global note accordingly, the Issuer may call and redeem the remaining Notes (in whole but not in part) at the Final Redemption Amount plus accrued interest until the date of redemption (exclusive).**]**

[*Falls die Schuldverschreibungen im Fall eines Kontrollwechsels vorzeitig kündbar sind, ist folgendes anwendbar:*

[(5)**]** *Kontrollwechsel.* Tritt ein Kontrollwechsel ein und kommt es innerhalb des Kontrollwechselzeitraums zu einer Absenkung des Ratings auf Grund des eingetretenen Kontrollwechsels (zusammen, ein "**Rückzahlungsereignis**"), hat jeder Gläubiger das Recht (sofern nicht die Emittentin, bevor die nachstehend beschriebene Rückzahlungsmitteilung gemacht wird, die Rückzahlung der

[*If the Notes are subject to Early Redemption as a result of a Change of Control the following applies:*

[(5)**]** *Change of Control.* If there occurs a Change of Control and within the Change of Control Period a Rating Downgrade in respect of that Change of Control occurs (together called a "**Put Event**"), each Holder will have the option (unless, prior to the giving of the Put Event Notice referred to below, the Issuer gives notice to redeem the Notes in accordance with § 5(2) **[**or (3)**]**) to require the Issuer to redeem

Schuldverschreibungen nach § 5 Absatz 2 [oder Absatz 3] angezeigt hat), die Rückzahlung seiner Schuldverschreibungen durch die Emittentin zum Nennbetrag, zuzüglich aufgelaufener Zinsen bis zum Rückzahlungstag (ausschließlich), zu verlangen.

that Note on the Optional Redemption Date at its principal amount together with interest accrued to but excluding the Optional Redemption Date.

Für Zwecke dieses Wahlrechts:

For the purposes of such option:

Bedeutet "**Rating Agentur**" jede Ratingagentur von Standard and Poor's Rating Services, eine Abteilung von The McGraw-Hill Companies, Inc. ("**S&P**") und Moody's Investors Services ("**Moody's**") oder eine ihrer jeweiligen Nachfolgegesellschaften oder jede andere Rating Agentur vergleichbaren internationalen Ansehens, wie von Zeit zu Zeit durch die **[im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:** Emittentin**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** Garantin] bestimmt;

"**Rating Agency**" means each of the rating agencies of Standard and Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. ("**S&P**") and Moody's Investors Services ("**Moody's**") or any of their respective successors or any other rating agency of equivalent international standing specified from time to time by **[in the case of Notes issued by Bayer AG the following applies:** the Issuer**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor];

Gilt eine "**Absenkung des Ratings**" in Bezug auf einen Kontrollwechsel als eingetreten, wenn (a) innerhalb des Kontrollwechselzeitraums ein vorher für die **[im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:** Emittentin**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** Garantin] oder die Schuldverschreibungen vergebenes Rating einer Rating Agentur (i) zurückgezogen oder (ii) von einem Investment Grade Rating (BBB- von S&P/Baa3 von Moody's oder jeweils gleichwertig, oder besser) in ein non-Investment Grade Rating (BB+ von S&P/Ba1 von Moody's oder jeweils gleichwertig, oder schlechter) geändert oder (iii) (falls das für die Schuldverschreibungen vergebene Rating einer Rating Agentur unterhalb des Investment Grade Ratings liegt) um einen ganzen Punkt (von BB+ nach BB von S&P oder Ba1 nach Ba2 von Moody's oder eine ähnliche Absenkung eines gleichwertigen Ratings) abgesenkt wird oder (b) zur Zeit des Kontrollwechsels kein Rating für die Schuldverschreibungen oder die **[im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:** Emittentin**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** Garantin] vergeben ist und keine Rating Agentur während des Kontrollwechselzeitraums ein Investment Grade Rating für die Schuldverschreibungen vergibt (es sei denn, die **[im Fall von Schuldverschreibungen, die von Bayer AG begeben werden:** Emittentin**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** Garantin] ist trotz zumutbarer Anstrengungen innerhalb dieses Zeitraums nicht in der Lage, ein

A "**Rating Downgrade**" shall be deemed to have occurred in respect of a Change of Control (a) if within the Change of Control Period any rating previously assigned to **[in the case of Notes issued by Bayer AG the following applies:** the Issuer**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor] or the Notes by any Rating Agency is (i) withdrawn or (ii) changed from an investment grade rating (BBB- by S&P/Baa3 by Moody's, or its equivalent for the time being, or better) to a non-investment grade rating (BB+ by S&P/Ba1 by Moody's, or its equivalent for the time being, or worse) or (iii) (if the rating assigned to the Notes by any Rating Agency shall be below an investment grade rating) lowered one full rating notch (from BB+ to BB by S&P or Ba1 to Ba2 by Moody's or such similar lower of equivalent rating) or (b) if at the time of the Change of Control, there is no rating assigned to the Notes or **[in the case of Notes issued by Bayer AG the following applies:** the Issuer**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor] and no Rating Agency assigns during the Change of Control Period an investment grade credit rating to the Notes (unless **[in the case of Notes issued by Bayer AG the following applies:** the Issuer**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor] is unable to obtain such a rating within such period having used all reasonable endeavours to do so and such failure is unconnected with the occurrence of the Change of Control);

solches Rating zu erhalten, ohne dass dies seine Ursache im Kontrollwechsel hat);

Gilt ein "**Kontrollwechsel**" jedes Mal als eingetreten, wenn eine Person oder mehrere Personen (die "**relevante(n) Person(en)**"), die abgestimmt handeln, oder einer oder mehrere Dritte, die im Auftrag der relevanten Person(en) handeln, zu irgendeiner Zeit mittelbar oder unmittelbar (unabhängig davon, ob der Vorstand oder der Aufsichtsrat der **[im Fall von Schuldverschreibungen, die von Bayer AG begeben werden:** Emittentin**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** Garantin**]** seine Zustimmung erteilt hat) (i) mehr als 50% des ausstehenden Grundkapitals der **[im Fall von Schuldverschreibungen, die von Bayer AG begeben werden:** Emittentin**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** Garantin**]** oder (ii) eine solche Anzahl von Aktien der **[im Fall von Schuldverschreibungen, die von Bayer AG begeben werden:** Emittentin**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** Garantin**]** hält bzw. halten oder erworben hat bzw. haben, auf die mehr als 50% der Stimmrechte entfallen;

A "**Change of Control**" shall be deemed to have occurred at each time (whether or not approved by the Management Board or Supervisory Board of **[in the case of Notes issued by Bayer AG the following applies:** the Issuer**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor**]**) that any person or persons ("**Relevant Person(s)**") acting in concert or any person or persons acting on behalf of any such Relevant Person(s), at any time directly or indirectly acquire(s) or come(s) to own (i) more than 50 percent of the issued ordinary share capital of **[in the case of Notes issued by Bayer AG the following applies:** the Issuer**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor**]** or (ii) such number of the shares in the capital of **[in the case of Notes issued by Bayer AG the following applies:** the Issuer**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor**]** carrying more than 50 percent of the voting rights;

Ist der "**Kontrollwechselzeitraum**" der Zeitraum, der 120 Tage nach dem Eintritt eines Kontrollwechsels endet; und

"**Change of Control Period**" means the period ending 120 days after the occurrence of the Change of Control; and

Ist der "**Rückzahlungstag**" der siebte Tag nach dem letzten Tag des Rückzahlungszeitraums.

The "**Optional Redemption Date**" is the seventh day after the last day of the Put Period.

Sofort nachdem die Emittentin von einem Rückzahlungsereignis Kenntnis erlangt, wird die Emittentin den Gläubigern gemäß § 13 Mitteilung vom Rückzahlungsereignis machen (eine "**Rückzahlungsmitteilung**"), in der die Umstände des Rückzahlungsereignisses sowie das Verfahren für die Ausübung des in diesem § 5 Absatz **[**5**]** genannten Wahlrechts angegeben sind.

Promptly upon the Issuer becoming aware that a Put Event has occurred, the Issuer shall give notice (a "**Put Event Notice**") to the Holders in accordance with § 13 specifying the nature of the Put Event and the circumstances giving rise to it and the procedure for exercising the option set out in this § 5**[**(5)**]**.

Zur Ausübung dieses Wahlrechts muss der Gläubiger während der normalen Geschäftsstunden innerhalb eines Zeitraums (der "**Rückzahlungszeitraum**") von 45 Tagen, nachdem die Rückzahlungsmitteilung veröffentlicht ist, eine ordnungsgemäß ausgefüllte und unterzeichnete Ausübungserklärung bei der angegebenen Niederlassung der Emissionsstelle einreichen (die "**Ausübungserklärung**"), die in ihrer jeweils maßgeblichen Form bei der angegebenen Niederlassung der Emissionsstelle erhältlich ist. Ein so ausgeübtes Wahlrecht kann nicht ohne vorherige Zustimmung der Emittentin widerrufen oder zurückgezogen werden.**]**

In order to exercise such option, the Holder must submit during normal business hours at the specified office of the Fiscal Agent a duly completed option exercise notice ("**Exercise Notice**") in the form available from the specified office of the Fiscal Agent within the period (the "**Put Period**") of 45 days after a Put Event Notice is given. No option so exercised may be revoked or withdrawn without the prior consent of the Issuer.**]**

[Falls die Emittentin ein Wahlrecht hat, die Schuldverschreibungen bei Eintritt eines Transaktions-Ereignisses vorzeitig zurückzuzahlen, ist folgendes anwendbar:

[(6)] *Vorzeitige Rückzahlung nach Wahl der Emittentin bei Eintritt eines Transaktions-Ereignisses.*

(a) Die Emittentin kann, nachdem ein Transaktions-Ereignis eingetreten ist und sie gemäß Absatz (b) [***Im Fall eines Transaktions-Stichtages, einfügen***: bis zum [***Transaktions-Stichtag***]] gekündigt hat, die Schuldverschreibungen insgesamt am Wahl-Rückzahlungstag (Trigger Event) zum Wahl-Rückzahlungsbetrag (Trigger Event), wie nachstehend angegeben, nebst etwaigen bis zum Wahl-Rückzahlungstag (Trigger Event) (ausschließlich) aufgelaufenen Zinsen zurückzahlen.

(b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 13 bekanntzugeben. Sie muss die folgenden Angaben enthalten:

(i) die zurückzuzahlende Serie von Schuldverschreibungen;

(ii) den Wahl-Rückzahlungstag (Trigger Event), der nicht weniger als 30 Tage und nicht mehr als 60 Tage nach dem Tag der Mitteilung des Eintritts eines Transaktions-Ereignisses durch die Emittentin gegenüber den Gläubigern liegen darf; und

(iii) den Wahl-Rückzahlungsbetrag (Trigger Event), zu dem die Schuldverschreibungen zurückgezahlt werden.

(c) Dabei gilt:

"**Wahl-Rückzahlungsbetrag (Trigger Event)**" bezeichnet [den Nennbetrag der Schuldverschreibung] [[***Währung und Rückzahlungsbetrag***] pro Schuldverschreibung].

"**Wahl-Rückzahlungstag (Trigger Event)**" bezeichnet den Tag, der für die Rückzahlung der Schuldverschreibungen gemäß § 5[(6)](b) festgesetzt wurde.

"**Transaktion**" bezeichnet [***Beschreibung der geplanten Transaktion für deren Finanzierung die Schuldverschreibungen begeben werden***].

"**Transaktions-Ereignis**" bezeichnet die Mitteilung der Emittentin an die Gläubiger gemäß § 13, dass die Transaktion vor ihrem Abschluss abgebrochen wurde.**]**

[If the Notes are subject to Early Redemption at the Option of the Issuer upon the occurrence of a Transaction Trigger Event, the following applies:

[(6)] *Early Redemption at the Option of the Issuer upon the occurrence of a Transaction Trigger Event.*

(a) Upon the occurrence of a Transaction Trigger Event, the Issuer may, upon notice given [***in case of a Transaction Trigger Cut-off Date insert:*** no later than [***Transaction Trigger Cut-off Date***]] in accordance with clause (b), redeem all of the Notes on the Call Redemption Date (Trigger Event) at the Call Redemption Amount (Trigger Event) together with accrued interest, if any, to (but excluding) the Call Redemption Date (Trigger Event).

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 13. Such notice shall specify:

(i) the Series of Notes subject to redemption;

(ii) the Call Redemption Date (Trigger Event), which shall be not less than 30 days nor more than 60 days after the date on which notice of the occurrence of the Transaction Trigger Event is given by the Issuer to the Holders; and

(iii) the Call Redemption Amount (Trigger Event) at which such Notes are to be redeemed.

(c) Whereby:

"**Call Redemption Amount (Trigger Event)**" means [the principal amount per Note] [[***insert currency and redemption amount***] per Note].

"**Call Redemption Date (Trigger Event)**" means the date fixed for redemption of the Notes pursuant to § 5[(6)](b).

"**Transaction**" means [***insert description of envisaged transaction for which the Notes are intended to be issued for refinancing purposes***].

"**Transaction Trigger Event**" means a notice given by the Issuer to the Holders in accordance with § 13 that the Transaction has been terminated prior to completion.**]**

§ 6
VERWALTUNGSSTELLEN

(1) *Bestellung; bezeichnete Geschäftsstelle.* Die anfänglich bestellte Emissionsstelle und die Zahlstelle und die anfänglich bestellte Berechnungsstelle und ihre bezeichneten Geschäftsstellen lauten wie folgt:

Emissionsstelle und Zahlstelle:

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Bundesrepublik Deutschland

Berechnungsstelle:

[●]

Die Emissionsstelle, die Zahlstelle und die Berechnungsstelle behalten sich das Recht vor, jederzeit ihre bezeichneten Geschäftsstellen durch eine andere bezeichnete Geschäftsstelle in der Bundesrepublik Deutschland zu ersetzen.

(2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Emissionsstelle oder einer Zahlstelle oder der Berechnungsstelle zu ändern oder zu beenden und eine andere Emissionsstelle oder zusätzliche oder andere Zahlstellen oder eine andere Berechnungsstelle zu bestellen. Die Emittentin wird zu jedem Zeitpunkt (i) eine Emissionsstelle unterhalten **[im Fall von Zahlungen in US-Dollar ist folgendes anwendbar:** , (ii) falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten (wie in § 4 definiert) aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in US-Dollar widerrechtlich oder tatsächlich ausgeschlossen werden, eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City**]** und **[**(iii)**]** eine Berechnungsstelle unterhalten. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 13 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

(3) *Beauftragte der Emittentin.* Die Emissionsstelle, die Zahlstelle und die Berechnungsstelle handeln ausschließlich als Beauftragte der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

§ 6
AGENTS

(1) *Appointment; Specified Offices.* The initial Fiscal Agent, Paying Agent and Calculation Agent and their respective initial specified offices are:

Fiscal Agent and Paying Agent:

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Germany

Calculation Agent:

[●]

The Fiscal Agent, Paying Agent and Calculation Agent reserve the right at any time to change their respective specified office**[**s**]** to some other specified office**[**s**]** in Germany.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent or the Calculation Agent and to appoint another Fiscal Agent or additional or other Paying Agents or another Calculation Agent. The Issuer shall at all times maintain (i) a Fiscal Agent **[in the case of payments in U.S. dollars the following applies:** , (ii) if payments at or through the offices of all Paying Agents outside the United States (as defined in § 4 hereof) become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in United States dollars, a Paying Agent with a specified office in New York City**]** and **[**(iii)**]** a Calculation Agent. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 13.

(3) *Agents of the Issuer.* The Fiscal Agent, Paying Agent and the Calculation Agent act solely as agents of the Issuer and do not have any obligations towards or relationship of agency or trust to any Holder.

§ 7
STEUERN

Sämtliche auf die Schuldverschreibungen zu zahlenden

§ 7
TAXATION

All amounts payable in respect of the Notes shall be

Beträge sind an der Quelle ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtig oder zukünftig bestehenden Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland **[im Fall von Schuldverschreibungen begeben von Bayer Capital Corp, ist folgendes anwendbar:** oder der Niederlande**] [im Fall von Schuldverschreibungen begeben von Bayer Holding Ltd., ist folgendes anwendbar:** oder Japan**] [im Fall von Schuldverschreibungen begeben von Bayer Nordic, ist folgendes anwendbar:** , Finnland oder der Niederlande**]** oder für deren Rechnung oder von oder für Rechnung einer mit dem Recht zur Steuererhebung versehenen politischen Untergliederung oder Behörde der Vorgenannten auferlegt oder erhoben werden (zusammen "**Quellensteuer**"), es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin diejenigen zusätzlichen Beträge (die "**zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen an Kapital und Zinsen entsprechen, die ohne einen solchen Abzug oder Einbehalt von den Gläubigern empfangen worden wären. Die Verpflichtung zur Zahlung solcher zusätzlicher Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:

payable without deduction or withholding for or on account of any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by or on behalf of Germany **[in the case of Notes issued by Bayer Capital Corp the following applies:** or The Netherlands**] [in the case of Notes issued by Bayer Holding Ltd. the following applies:** or Japan**] [in the case of Notes issued by Bayer Nordic the following applies:** , Finland or The Netherlands**]** or by or on behalf of any political subdivision or authority thereof having power to tax (together "**Withholding Taxes**"), unless such deduction or withholding is required by law. In such event, the Issuer shall pay such additional amounts (the "**additional amounts**") of principal and interest as may be necessary in order that the net amounts received by the Holders after such deduction or withholding shall equal the respective amounts of principal and interest which would have been receivable had no such deduction or withholding been required. No such additional amounts shall, however, be payable on account of any taxes, duties or governmental charges which:

[*Im Fall von Schuldverschreibungen begeben von Bayer AG, Bayer Capital Corp oder Bayer Nordic, ist folgendes anwendbar:*

(a) anders als durch Einbehalt oder Abzug von Zahlungen zu entrichten sind, die die Emittentin an den Gläubiger leistet; oder

(b) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person abgezogen oder einbehalten werden oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder

(c) von einer Zahlstelle abgezogen oder einbehalten werden, wenn eine andere Zahlstelle die Zahlung ohne einen solchen Abzug oder Einbehalt hätte leisten können; oder

(d) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der die Bundesrepublik Deutschland **[im Fall von Schuldverschreibungen begeben von Bayer Capital Corp, ist folgendes anwendbar:** oder die Niederlande] **[im Fall von Schuldverschreibungen begeben von Bayer Nordic, ist folgendes anwendbar:** , Finnland oder die Niederlande] oder die Europäische

[*in the case of Notes issued by Bayer AG, Bayer Capital Corp or Bayer Nordic the following applies:*

(a) are payable otherwise than by withholding or deduction from payments made by the Issuer to the Holder, or

(b) are deducted or withheld by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise payable in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it; or

(c) are deducted or withheld by a Paying Agent from a payment if the payment could have been made by another paying agent without such deduction or withholding; or

(d) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of savings, or (ii) any international treaty or understanding relating to such taxation and to which Germany **[in the case of Notes issued by Bayer Capital Corp the following applies:** or The Netherlands**] [in the case of Notes issued by Bayer Nordic the following applies:** , Finland or The Netherlands**]** or the European Union is a party/are parties or (iii) any provision of law implementing, or complying with, or

Union beteiligt ist/sind, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder

introduced to conform with, such Directive, Regulation, treaty or understanding; or

(e) aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge wirksam wird; oder

(e) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for, whichever occurs later; or

(f) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers **[im Fall von durch Bayer AG begebenen Schuldverschreibungen ist folgendes anwendbar:** zur Bundesrepublik Deutschland**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp begeben werden, ist folgendes anwendbar:** zu den Niederlanden oder weil der Gläubiger in den Niederlanden wohnhaft ist bzw. für Zwecke der Besteuerung so behandelt wird oder weil der Gläubiger gewünscht hat, so behandelt zu werden oder weil der Gläubiger einen dauerhaften Wohnsitz in den Niederlanden hat (oder so behandelt wird)**] [im Fall von durch Bayer Nordic begebenen Schuldverschreibungen ist folgendes anwendbar:** zu Finnland oder den Niederlanden oder weil der Gläubiger in Finnland oder in den Niederlanden wohnhaft ist bzw. für Zwecke der Besteuerung so behandelt wird oder weil der Gläubiger gewünscht hat, so behandelt zu werden oder weil der Gläubiger einen dauerhaften Wohnsitz in Finnland oder in den Niederlanden hat (oder so behandelt wird)**]** oder zu einem anderen Mitgliedstaat der Europäischen Union zu zahlen sind. Dies gilt jedoch nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in **[im Fall von durch Bayer AG begebenen Schuldverschreibungen ist folgendes anwendbar:** der Bundesrepublik Deutschland**] [im Fall von Schuldverschreibungen, die von Bayer Capital Corp begeben werden, ist folgendes anwendbar:** den Niederlanden**] [im Fall von durch Bayer Nordic begebenen Schuldverschreibungen ist folgendes anwendbar:** Finnland oder den Niederlanden**]** stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind.**]**

(f) are payable by reason of the Holder having, or having had, some personal or business connection with **[in the case of Notes issued by Bayer AG, the following applies:** Germany**] [in the case of Notes issued by Bayer Capital Corp the following applies:** The Netherlands or being a (deemed) resident of The Netherlands or is treated for tax purposes as a resident of The Netherlands or has elected to be taxed as a resident of The Netherlands or the Holder having a (deemed) permanent establishment in The Netherlands**] [in the case of Notes issued by Bayer Nordic the following applies:** Finland or The Netherlands or being a (deemed) resident of Finland or The Netherlands or is treated for tax purposes as a resident of Finland or The Netherlands or has elected to be taxed as a resident of Finland or The Netherlands or the Holder having a (deemed) permanent establishment in Finland or The Netherlands**]** or another member state of the European Union and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, **[in the case of Notes issued by Bayer AG, the following applies:** Germany**] [in the case of Notes issued by Bayer Capital Corp the following applies:** The Netherlands**] [in the case of Notes issued by Bayer Nordic the following applies:** Finland or The Netherlands**]**.

[*Im Fall von Schuldverschreibungen begeben von Bayer Holding Ltd., ist folgendes anwendbar:*

[*in the case of Notes issued by Bayer Holding Ltd. the following applies:*

(a) durch oder für einen Gläubiger zu entrichten sind, der in Japan keinen Wohnsitz hat oder bei dem es sich um eine nichtjapanische Kapitalgesellschaft handelt und der oder die in

(a) are payable by or on behalf of a Holder who is an individual non-resident of Japan or a non-Japanese corporation and is liable for the Withholding Taxes in respect of such Note by

bezug auf die Schuldverschreibung (a) aufgrund irgendeiner Verbindung mit Japan mit Ausnahme der bloßen Innehabung der Schuldverschreibung oder (b) aufgrund der Tatsache, dass er oder sie eine Person ist, die eine besondere Beziehung zu der Emittentin wie in Artikel 6 Absatz 4 des japanischen Gesetzes über besondere Besteuerungsmaßnahmen (Gesetz Nr. 26 von 1957) in seiner jeweils gültigen Fassung (das "**Gesetz über besondere Besteuerungsmaßnahmen**") ("**eine Person mit einer besonderen Beziehung zur Emittentin**") Quellensteuer schuldet;

reason of its (a) having some connection with Japan other than the mere holding of such Note or (b) being a person having a special relationship with the Issuer as described in Article 6, paragraph 4 of the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957) (as amended) (the "**Act on Special Measures Concerning Taxation**") (a "**specially-related person of the Issuer**");

(b) durch oder für einen Gläubiger zu entrichten sind, der ansonsten von einem Abzug an der Quelle oder sonstigem Abzug befreit wäre, der jedoch die jeweiligen Anforderungen an die Zurverfügungstellung von Zinsempfängerinformationen (wie untenstehend definiert) nicht erfüllt, oder dessen Zinsempfängerinformation nicht ordnungsgemäß durch den Teilnehmer (wie untenstehend definiert) und das entsprechende internationale Clearing System der Zahlstelle mitgeteilt wird;

(b) are payable by or on behalf of a Holder who would otherwise be exempt from any such withholding or deduction but who fails to comply with any applicable requirement to provide Interest Recipient Information (as defined below), or whose Interest Recipient Information is not duly communicated through the Participant (as defined below) and the relevant international clearing organisation to such Paying Agent;

(c) durch oder für einen Gläubiger zu entrichten sind, der für Zwecke der japanischen Besteuerung so behandelt wird, als habe er in Japan einen Wohnsitz bzw. als handele es sich um eine japanische Kapitalgesellschaft (außer (A) eine bestimmte Finanzeinrichtung (wie untenstehend definiert), die die Pflicht zur Zurverfügungstellung von Zinsempfängerinformationen erfüllt und (B) eine Person mit Wohnsitz in Japan bzw. eine japanische Kapitalgesellschaft, die die zuständige Zahlstelle ordnungsgemäß darüber informiert, dass sie von der durch die Emittentin zurückzubehaltenden oder abzuziehenden Quellensteuer befreit ist, weil sie Zinsen auf die entsprechende Schuldverschreibung durch einen von ihr ernannten Zahlungsvermittler erhält); oder

(c) are payable by or on behalf of a Holder who is for Japanese tax purposes treated as an individual resident of Japan or a Japanese corporation (except for (A) a Designated Financial Institution (as defined below) who complies with the requirement to provide Interest Recipient Information and (B) an individual resident of Japan or a Japanese corporation who duly notifies the relevant Paying Agent of its status as not being subject to Withholding Taxes to be withheld or deducted by the Issuer by reason of such an individual resident of Japan or Japanese corporation receiving interest on the relevant Note through a payment handling agent in Japan appointed by it); or

(d) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der die Bundesrepublik Deutschland oder die Europäische Union beteiligt ist/sind, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind.

(d) are deducted or withheld pursuant to (i) any European Union Directive or Regulation pursuant to the taxation of savings, or (ii) any international treaty or understanding relating to such taxation and to which Germany or the European Union is a party/are parties or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding.

Für die Zwecke der obigen Absätze (b) und (c) gilt:

For the purpose of subparagraphs (b) and (c) above:

um Zahlungen ohne Einbehalt oder Abzug für Zwecke der Quellensteuer durch die Emittentin zu erhalten, soweit eine Schuldverschreibung

where a Note is held through a certain participant of an international clearing organisation or a certain financial intermediary

durch einen bestimmten Teilnehmer an einem internationalen Clearing System oder einem bestimmten Finanzdienstleister (jeweils ein "**Teilnehmer**") gehalten wird und der jeweilige Gläubiger in Übereinstimmung mit dem Gesetz (A) keinen Wohnsitz in Japan hat bzw. eine nichtjapanische Kapitalgesellschaft (ausser eine Person mit einer besonderen Beziehung zur Emittentin) ist oder (B) eine japanische Finanzeinrichtung gemäß bestimmten durch das Gesetz über besondere Besteuerungsmaßnahmen und die dazu ergangene Kabinettsverfügung in der jeweils gültigen Fassung (zusammen mit der dazu ergangenen ministeriellen Verfügung und anderen Verordnungen, das "**Gesetz**") geregelten Kategorien ist (eine "**bestimmte Finanzeinrichtung**"), hat dieser Gläubiger zu dem Zeitpunkt, zu dem er den Teilnehmer mit der Verwahrung der jeweiligen Schuldverschreibung beauftragt, bestimmte durch das Gesetz vorgeschriebene Informationen zur Verfügung zu stellen, um dem Teilnehmer die Darlegung zu ermöglichen, dass dieser Gläubiger von der Verpflichtung, dass Quellensteuer einbehalten oder abgezogen wird, befreit ist (die "**Zinsempfängerinformation**"). Zudem soll der Gläubiger den Teilnehmer darüber informieren, falls er nicht mehr in dieser Weise befreit ist (einschließlich des Falles, dass der Gläubiger, der keinen Wohnsitz in Japan hat oder eine nichtjapanische Kapitalgesellschaft eine Person mit einer besonderen Beziehung zur Emittentin wird).

(each, a "**Participant**"), in order to receive payments free of withholding or deduction by the Issuer for or on account of Withholding Taxes, if the relevant Holder is (A) an individual non-resident of Japan or a non-Japanese corporation (other than a specially-related person of the Issuer) or (B) a Japanese financial institution falling under certain categories prescribed by the Act on Special Measures Concerning Taxation and the Cabinet Order thereunder (as amended) (together with the ministerial ordinance and other regulations thereunder, the "**Law**") (a "**Designated Financial Institution**"), all in accordance with the Law, such Holder shall, at the time of entrusting a Participant with the custody of the relevant Note, provide certain information prescribed by the Law to enable the Participant to establish that such Holder is exempted from the requirement for Withholding Taxes to be withheld or deducted (the "**Interest Recipient Information**") and advise the Participant if the Holder ceases to be so exempted (including the case where the Holder who is an individual non-resident of Japan or a non-Japanese corporation became a specially-related person of the Issuer).

Jede Bezugnahme in dieser Schuldverschreibung oder der in der Schuldverschreibung genannten Garantie auf den Nennbetrag oder Zinsen versteht sich auch als Bezugnahme auf zusätzliche Beträge, die durch die Emittentin gemäß § 7 dieser Anleihebedingungen zahlbar sein können.]

Any reference in this Note or the guarantee referred to in the Note to principal or interest shall be deemed also to refer to any additional amount to be paid as above by the Issuer which may be payable under this § 7.]

Ungeachtet sonstiger hierin enthaltener Bestimmungen, darf die Emittentin Beträge, die gemäß einer beschriebenen Vereinbarung in Section 1471 (b) des U.S. Revenue Code von 1986 (der **"Code"**) erforderlich sind oder die anderweitig aufgrund der Sections 1471 bis 1474 des Codes (oder jeder Änderung oder Nachfolgeregelung), der Regelungen oder Verträge darunter, der offiziellen Auslegungen davon oder jeglicher rechtsausführender und zwischenstaatlicher Zusammenarbeit dazu beruhen, einbehalten oder abziehen (**"FATCA Quellensteuer"**). Die Emittentin ist aufgrund einer durch die Emittentin, eine Zahlstelle oder eine andere Partei abgezogenen oder einbehaltenen FATCA Quellensteuer nicht zur Zahlung zusätzlicher Beträge oder anderweitig zur Entschädigung eines Investors verpflichtet.

Notwithstanding any other provisions contained herein, the Issuer shall be permitted to withhold or deduct any amounts required pursuant to an agreement described in Section 1471 (b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any amended or successor provisions), any regulations or agreements thereunder, official interpretations thereof, or any law implementing and intergovernmental approach thereto ("**FATCA withholding**"). The Issuer will have no obligation to pay additional amounts or otherwise indemnify an investor for any such FATCA withholding deducted or withheld by the Issuer, the paying agent or any other party.

§ 8
VORLEGUNGSFRIST

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

§ 8
PRESENTATION PERIOD

The presentation period provided in § 801 subparagraph 1, sentence 1 *BGB* (German Civil Code) is reduced to ten years for the Notes.

§ 9
KÜNDIGUNG

(1) *Kündigungsgründe.* Jeder Gläubiger ist berechtigt, seine Schuldverschreibung zu kündigen und deren sofortige Rückzahlung zu ihrem Rückzahlungsbetrag (wie in §5 definiert), zuzüglich etwaiger bis zum Tage der Rückzahlung (ausschließlich) aufgelaufener Zinsen zu verlangen, falls:

(a) die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder die Garantin**]** Kapital oder Zinsen nicht innerhalb von 30 aufeinanderfolgenden Tagen nach dem betreffenden Fälligkeitstag zahlt; oder

(b) die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder die Garantin**]** die ordnungsgemäße Erfüllung irgendeiner anderen wesentlichen Verpflichtung aus den Schuldverschreibungen für einen ununterbrochenen Zeitraum von 30 Tagen unterlässt, nachdem die Emissionsstelle schriftlich mitteilt, dass sie hierüber eine Benachrichtigung von einem Gläubiger erhalten hat, mit der Erfüllung bzw. die Beachtung anderer wesentlicher Verpflichtungen aus diesen Bedingungen verlangt wird; oder

(c) ein am Sitz der Emittentin zuständiges Gericht in einem zwangsweisen Verfahren gemäß gegenwärtig oder künftig anwendbaren Konkurs-, Insolvenz- oder ähnlichem Recht eine Entscheidung oder Zahlungsaussetzung erlässt oder ein Konkursverwalter, Abwickler, Rechtsnachfolger, Vermögensverwalter, Treuhänder, Zwangsverwalter oder ein ähnlicher Funktionsträger für die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder die Garantin**]** oder für einen wesentlichen Teil des Vermögens der Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder der Garantin**]** bestellt wird oder die Auflösung oder der Liquidation der Geschäfte der Emittentin **[im Fall von**

§ 9
EVENTS OF DEFAULT

(1) *Events of Default.* Each Holder shall be entitled to declare its Notes due and demand immediate redemption thereof at the Final Redemption Amount (as described in § 5), together with accrued interest (if any) to the date of repayment (exclusive), in the event that

(a) the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or the Guarantor**]** is in default for a continuous period of 30 days in the payment of principal or interest on the Notes after the same shall become due and payable, or

(b) the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or the Guarantor**]** is in default for a continuous period of 30 days after written notice from the Fiscal Agent that the Fiscal Agent has received notice thereof from a Holder requesting performance or observance of any other material obligation of these Conditions, or

(c) a decree or order for relief is entered by a court having jurisdiction in the premises in respect to the Issuer in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or a receiver, liquidator, assignee, custodian, trustee, sequestrator or other similar official of the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or the Guarantor**]** or for any substantial part of the property of the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or of the Guarantor**]** is ordered, or the winding up or liquidation of the affairs of the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or of the Guarantor**]** is ordered and any such decree or

Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar: oder der Garantin**]** angeordnet wird, und eine solche Entscheidung oder Anordnung für einen Zeitraum von 90 aufeinanderfolgenden Tagen nicht ausgesetzt wird und wirksam bleibt; oder

order continues unstayed and in effect for a period of 90 consecutive days, or

(d) die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder die Garantin**]** (i) von sich aus ein Verfahren gemäß gegenwärtig oder künftig anwendbaren Konkurs-, Insolvenz- oder ähnlichem Recht einleitet oder (ii) dem Erlaß einer gemäß solchem Recht zwangsweise ergangenen Zahlungsaussetzung zustimmt oder der Bestellung eines, oder Inbesitznahme durch einen, Konkursverwalter(s), Abwickler(s), Rechtsnachfolger(s), Vermögensverwalter(s), Treuhänder(s), Zwangsverwalter(s), oder ähnlichen Funktionsträger(s) für die Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder die Garantin**]** oder eines wesentlichen Teils des Vermögens der Emittentin **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** oder die Garantin**]** zustimmt oder (iii) allgemein die Bezahlung ihrer Verbindlichkeiten bei Fälligkeit einstellt oder (iv) irgendwelche Maßnahmen zur Förderung einer der vorgenannten Fälle trifft**[**; oder**]** **[**.**]**

(d) the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or the Guarantor**]** (i) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or (ii) consents to the entry of an order for relief in an involuntary case under any such law or consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or other similar official of the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or the Guarantor**]** or for any substantial part of the property of the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** or the Guarantor**]**, or (iii) fails generally to pay its debts as they become due, or (iv) takes any corporate action in furtherance of any of the foregoing**[**, or**]** **[**.**]**

[*Im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:*

(e) falls die Garantie nicht länger rechtswirksam und bindend ist oder die Garantin ihre Verpflichtungen aus der Garantie nicht erfüllt.**]**

[*in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:*

(e) the Guarantee ceases to be legally valid and binding or the Guarantor fails to fulfil its obligations under the Guarantee.**]**

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

(2) *Quorum.* In den Fällen der Absätze 1 (a) bis **[Im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:** (d)**] [Im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** (e)**]** wird eine Kündigung erst wirksam, wenn bei der Emissionsstelle Kündigungserklärungen von Gläubigern von Schuldverschreibungen im Nennbetrag von mindestens 25% der dann ausstehenden Schuldverschreibungen eingegangen sind. Die

(2) *Quorum.* In the events specified in subparagraphs (1) (a) - **[in the case of Notes issued by Bayer AG the following applies:** (d)**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** (e)**]**, any notice declaring Notes due shall become effective only when the Fiscal Agent has received such notices from the Holders of at least 25 percent in principal amount of Notes then outstanding. Any such termination shall become ineffective if within three months the majority of the Holders so resolve. The

Wirkung einer solchen Kündigung entfällt, wenn die Gläubiger dies binnen drei Monaten mit Mehrheit beschließen. Für den Beschluss über die Unwirksamkeit der Kündigung genügt die einfache Mehrheit der Stimmrechte, es müssen aber in jedem Fall mehr Gläubiger zustimmen als gekündigt haben.

(3) *Bekanntmachung.* Eine Benachrichtigung, einschließlich einer Kündigung der Schuldverschreibungen gemäß vorstehendem Absatz 1 ist schriftlich in deutscher oder englischer Sprache gegenüber der Emissionsstelle zu erklären und persönlich oder per Einschreiben an deren bezeichnete Geschäftsstelle zu übermitteln. Der Benachrichtigung ist ein Nachweis beizufügen, aus dem sich ergibt, dass der betreffende Gläubiger zum Zeitpunkt der Abgabe der Benachrichtigung Inhaber der betreffenden Schuldverschreibung ist. Der Nachweis kann durch eine Bescheinigung der Depotbank (wie in § 14 Absatz **[Im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:** 3**] [Im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** 4**]** definiert) oder auf andere geeignete Weise erbracht werden.

resolution in relation to the ineffectiveness of a termination may be passed by simple majority of the voting rights, provided, however, that in each case there must be more Holders consenting to such resolution than Holders having terminated the Notes.

(3) *Notice.* Any notice, including any notice declaring Notes due, in accordance with subparagraph (1) shall be made by means of a written declaration in the German or English language delivered by hand or registered mail to the specified office of the Fiscal Agent together with proof that such Holder at the time of such notice is a holder of the relevant Notes by means of a certificate of its Custodian (as defined in § 14 **[in the case of Notes issued by Bayer AG the following applies:** (3)**] [in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** (4)**]**) or in other appropriate manner.

§ 10
ERSETZUNG

(1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** die Garantin oder**]** jede andere Gesellschaft, deren stimmberechtigte Anteile zu mehr als 90% direkt oder indirekt von **[im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:** der Garantin**] [im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:** der Emittentin**]** gehalten werden, an Stelle der Emittentin als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit dieser Emission einzusetzen, vorausgesetzt, dass:

(a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in bezug auf die Schuldverschreibungen übernimmt;

(b) die Nachfolgeschuldnerin alle erforderlichen Genehmigungen erhalten hat und berechtigt ist, an die Emissionsstelle die zur Erfüllung der Zahlungsverpflichtungen aus den Schuldverschreibungen zahlbaren Beträge in der hierin festgelegten Währung zu zahlen, ohne verpflichtet zu sein, jeweils in dem Land, in dem die Nachfolgeschuldnerin oder die Emittentin

§ 10
SUBSTITUTION

(1) *Substitution.* The Issuer may, without the consent of the Holders, if no payment of principal of or interest on any of the Notes is in default, at any time substitute for the Issuer **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor or**]** any other company more than 90 percent of the voting share or other equity interests of which are directly or indirectly owned by **[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:** the Guarantor**] [in the case of Notes issued by Bayer AG the following applies:** the Issuer**]** as principal debtor in respect of all obligations arising from or in connection with the Notes (the "**Substitute Debtor**") provided that:

(a) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;

(b) the Issuer and the Substitute Debtor have obtained all necessary authorisations and may transfer to the Fiscal Agent in the currency required hereunder and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts

ihren Sitz oder Steuersitz haben, erhobene Steuern oder andere Abgaben jeder Art abzuziehen oder einzubehalten;

(c) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Gläubiger hinsichtlich solcher Quellensteuern, Abgaben oder behördlichen Lasten freizustellen, die einem Gläubiger bezüglich der Ersetzung auferlegt werden;

[*Im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:*

(d) die Emittentin unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge garantiert. Diese Garantie muss den Bedingungen der Garantie und Negativverpflichtung entsprechen, wie im Basisprospekt im Zusammenhang mit dem €15.000.000.000 Bayer Programm zur Begebung von Schuldverschreibungen vom 24. März 2017 enthalten; und**]**

[*Im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:*

(d) die Garantin unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen garantiert, die den Bedingungen der Garantie entsprechen; und**]**

(e) der Emissionsstelle jeweils ein Rechtsgutachten bezüglich der betroffenen Rechtsordnungen von anerkannten Rechtsanwälten vorgelegt werden, die bestätigen, dass die Bestimmungen in den vorstehenden Unterabsätzen (a), (b), (c) und (d) erfüllt wurden.

(2) *Bekanntmachung.* Jede Ersetzung ist gemäß § 13 bekanntzumachen.

(3) *Änderung von Bezugnahmen.* Im Fall einer Ersetzung gilt jede Bezugnahme in diesen Bedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin und jede Bezugnahme auf das Land, in dem die Emittentin ihren Sitz oder Steuersitz hat, gilt ab diesem Zeitpunkt als Bezugnahme auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat.

Außerdem gilt im Falle der Ersetzung folgendes:

[(a)**]** in § 7 und § 5 Absatz 2 gilt eine alternative Bezugnahme auf **[im Fall von durch Bayer AG begebenen Schuldverschreibungen ist folgendes anwendbar:** die Bundesrepublik Deutschland**] [im Fall von**

required for the fulfilment of the payment obligations arising under the Notes;

(c) the Substitute Debtor has agreed to indemnify and hold harmless each Holder against any withholding tax, duty, assessment or governmental charge imposed on such Holder in respect of such substitution;

[*in the case of Notes issued by Bayer AG the following applies:*

(d) the Issuer irrevocably and unconditionally guarantees in favour of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes. This guarantee shall be equivalent to the terms of the Guarantee and Negative Pledge as contained in the base prospectus relating to the €15,000,000,000 Bayer Programme for the Issuance of Debt Instruments dated March 24, 2017; and**]**

[*in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:*

(d) the Guarantor irrevocably and unconditionally guarantees in favour of each Holder the payment of all sums payable by the Substitute Debtor in respect of the Notes on terms equivalent to the terms of the Guarantee; and**]**

(e) there shall have been delivered to the Fiscal Agent an opinion or opinions of lawyers of recognised standing to the effect that subparagraphs (a), (b), (c) and (d) above have been satisfied.

(2) *Notice.* Notice of any such substitution shall be published in accordance with § 13.

(3) *Change of References.* In the event of any such substitution, any reference in these Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Debtor.

Furthermore, in the event of such substitution the following shall apply:

[(a)**]** in § 7 and § 5(2) an alternative reference to **[in the case of Notes issued by Bayer AG the following applies:** Germany**] [in the case of Notes issued by Bayer Capital Corp the following applies:** The Netherlands**] [in the**

Schuldverschreibungen begeben von Bayer Capital Corp ist folgendes anwendbar: die Niederlande**] [im Fall von Schuldverschreibungen begeben von Bayer Holding Ltd. ist folgendes anwendbar:** Japan**] [im Fall von Schuldverschreibungen begeben von Bayer Nordic ist folgendes anwendbar:** Finnland und die Niederlande**]** als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat)**[.] [im Fall von Schuldverschreibungen begeben von Bayer AG, ist folgendes anwendbar:** ; und

case of Notes issued by Bayer Holding Ltd. the following applies: Japan**] [in the case of Notes issued by Bayer Nordic the following applies:** Finland and The Netherlands**]** shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the Substitute Debtor**[.] [in the case of Notes issued by Bayer AG the following applies:** ; and

(b) in § 9 Absatz 1(a) bis (d) gilt eine alternative Bezugnahme auf die Emittentin in ihrer Eigenschaft als Garantin als aufgenommen (zusätzlich zu der Bezugnahme auf die Nachfolgeschuldnerin).**]**

(b) in § 9(1) (a) to (d) an alternative reference to the Issuer in its capacity as Guarantor shall be deemed to have been included in addition to the reference to the Substitute Debtor.**]**

Die Emittentin ist berechtigt, die Globalurkunde und die Anleihebedingungen ohne Zustimmung der Gläubiger anzupassen, soweit dies erforderlich ist, um die Wirkungen der Ersetzung nachzuvollziehen. Entsprechend angepasste Globalurkunden oder Anleihebedingungen werden bei dem oder für das Clearing System hinterlegt.

The Issuer is authorized to adapt the Global Note and the Conditions of Issue without the consent of the Holders to the extent necessary to reflect the changes resulting from the substitution. Appropriately adjusted Global Notes or Conditions of Issue will be deposited with or on behalf of the Clearing System.

§ 11
ÄNDERUNG DER BEDINGUNGEN, GEMEINSAMER VERTRETER**[im Fall von Schuldverschreibungen begeben von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic:,** ÄNDERUNG DER GARANTIE**]**

(1) *Änderung der Bedingungen.* Die Emittentin kann mit Zustimmung der Gläubiger entsprechend den Bestimmungen des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz – "**SchVG**") die Bedingungen hinsichtlich eines nach dem SchVG zugelassenen Gegenstands ändern. Die Gläubiger entscheiden über ihre Zustimmung durch einen Beschluß mit der in Absatz 2 bestimmten Mehrheit. Die Mehrheitsbeschlüsse der Gläubiger sind für alle Gläubiger gleichermaßen verbindlich. Ein Mehrheitsbeschluss der Gläubiger, der nicht gleiche Bedingungen für alle Gläubiger vorsieht, ist unwirksam, es sei denn, die benachteiligten Gläubiger stimmen ihrer Benachteiligung ausdrücklich zu.

(2) *Mehrheitserfordernisse.* Die Gläubiger entscheiden mit einer Mehrheit von 75 % der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Bedingungen nicht geändert wird, und die keinen Gegenstand des § 5 (3) Nr. 1 bis Nr. 8 und (soweit § 10 dieser Bedingungen keine andere Regelung vorsieht) Nr. 9 des SchVG betreffen, bedürfen zu ihrer Wirksamkeit einer einfachen Mehrheit der an der Abstimmung teilnehmenden

§ 11
AMENDMENT OF THE CONDITIONS, HOLDERS' REPRESENTATIVE**[in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic:,** AMENDMENT OF THE GUARANTEE**]**

(1) *Amendment of the Conditions.* In accordance with the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz* – "**SchVG**")) the Issuer may, with the consent of the Holders, amend the Conditions with regard to matters permitted by the SchVG. The Holders' consent to such amendments is given by resolution with the majority specified in paragraph (2). Majority resolutions shall be binding on all Holders. Resolutions which do not provide for identical conditions for all Holders are void, unless Holders who are disadvantaged have expressly consented to their being treated disadvantageously.

(2) *Majority.* Resolutions shall be passed by a majority of not less than 75 percent of the votes cast. Resolutions relating to amendments of the Conditions which are not material and which do not relate to the matters listed in § 5(3) No. 1 – 8 and (if § 10 of these Conditions does not provide otherwise) No. 9 of the SchVG require a simple majority of the votes cast.

Stimmrechte.

(3) *Abstimmung ohne Versammlung*. Alle Abstimmungen werden, vorbehaltlich des nächsten Satzes, ausschließlich im Wege der Abstimmung ohne Versammlung durchgeführt. Eine Gläubigerversammlung und eine Übernahme der Kosten für eine solche Versammlung durch die Emittentin findet ausschließlich im Fall des § 18 (4) Satz 2 SchVG statt. Die Gegenstände und Vorschläge zur Beschlussfassung sowie nähere Angaben zu den Abstimmungsmodalitäten werden den Gläubigern mit der Aufforderung zur Stimmabgabe bekannt gemacht. Die Ausübung der Stimmrechte ist von einer vorherigen Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Aufforderung zur Stimmabgabe mitgeteilten Adresse spätestens am dritten Tag vor Beginn des Abstimmungszeitraums zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 14(3)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum letzten Tag des Abstimmungszeitraums (einschließlich) nicht übertragbar sind, nachweisen.

(3) *Vote without a meeting*. All votes will be taken, subject to the next sentence, exclusively by vote taken without a meeting. A meeting of Holders and the assumption of the fees by the Issuer for such a meeting will only take place in the circumstances of § 18(4) sentence 2 of the SchVG. The subject matter of the vote as well as the proposed resolutions and further information on voting procedures shall be notified to the Holders together with the request for voting. The exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the request for voting no later than the third day preceding the beginning of the voting period. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 14(3)(i)(a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the day the voting period ends.

(4) *Zweite Versammlung*. Wird für die Abstimmung ohne Versammlung gemäß § 11(3) die mangelnde Beschlussfähigkeit festgestellt, kann der Abstimmungsleiter eine zweite Versammlung im Sinne von § 15 Abs. 3 Satz 3 SchVG einberufen. Die Teilnahme an der zweiten Versammlung und die Ausübung der Stimmrechte sind von einer vorherigen Anmeldung der Gläubiger abhängig. Die Anmeldung muss unter der in der Bekanntmachung der Einberufung mitgeteilten Adresse spätestens am dritten Tag vor der zweiten Versammlung zugehen. Mit der Anmeldung müssen die Gläubiger ihre Berechtigung zur Teilnahme an der Abstimmung durch einen in Textform erstellten besonderen Nachweis der Depotbank gemäß § 14(3)(i)(a) und (b) und durch Vorlage eines Sperrvermerks der Depotbank, aus dem hervorgeht, dass die betreffenden Schuldverschreibungen ab dem Tag der Absendung der Anmeldung (einschließlich) bis zum angegebenen Ende der Versammlung (einschließlich) nicht übertragbar sind, nachweisen.

(4) *Second Meeting*. If it is ascertained that no qurom exists for the vote without a meeting pursuant to § 11(3), the scrutineer (*Abstimmungsleiter*) may convene a second meeting within the meaning of section 15 paragraph 3 sentence 3 of the SchVG. Attendance at the second meeting and exercise of voting rights is subject to the Holders' registration. The registration must be received at the address stated in the convening notice no later than the third day preceding the second meeting. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of the Custodian in accordance with § 14(3)(i)(a) and (b) hereof in text form and by submission of a blocking instruction by the Custodian stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the stated end of the meeting.

(5) *Leitung der Abstimmung*. Die Abstimmung wird von einem von der Emittentin beauftragten Notar oder, falls der Gemeinsame Vertreter (wie in § 11(7) definiert) zur Abstimmung aufgefordert hat, vom Gemeinsamen Vertreter geleitet.

(5) *Chair of the vote*. The vote will be chaired by a notary appointed by the Issuer or, if the Holders' Representative (as defined in subparagraph (7) below) has convened the vote, by the Holders' Representative.

(6) *Stimmrecht.* An Abstimmungen der Gläubiger nimmt jeder Gläubiger nach Maßgabe des Nennwerts oder des rechnerischen Anteils seiner Berechtigung an den ausstehenden Schuldverschreibungen teil.

(6) *Voting rights.* Each Holder participating in any vote shall cast votes in accordance with the nominal amount or the notional share of its entitlement to the outstanding Notes.

(7) *Gemeinsamer Vertreter.*

**[*Falls kein gemeinsamer Vertreter in den Anleihebedingungen bestellt wird, ist folgendes anwendbar:*

Die Gläubiger können durch Mehrheitsbeschluss zur Wahrnehmung ihrer Rechte einen gemeinsamen Vertreter für alle Gläubiger bestellen (der "**Gemeinsame Vertreter**").**]**

**[*Im Fall der Bestellung des gemeinsamen Vertreters in den Anleihebedingungen, ist folgendes anwendbar:*

Gemeinsamer Vertreter (der "**Gemeinsame Vertreter**") ist **[●]**. Die Haftung des Gemeinsamen Vertreters ist auf das Zehnfache seiner jährlichen Vergütung beschränkt, es sei denn, dem Gemeinsamen Vertreter fällt Vorsatz oder grobe Fahrlässigkeit zur Last.**]**

Der Gemeinsame Vertreter hat die Aufgaben und Befugnisse, welche ihm durch Gesetz oder von den Gläubigern durch Mehrheitsbeschluss eingeräumt wurden. Er hat die Weisungen der Gläubiger zu befolgen. Soweit er zur Geltendmachung von Rechten der Gläubiger ermächtigt ist, sind die einzelnen Gläubiger zur selbständigen Geltendmachung dieser Rechte nicht befugt, es sei denn, der Mehrheitsbeschluss sieht dies ausdrücklich vor. Über seine Tätigkeit hat der Gemeinsame Vertreter den Gläubigern zu berichten. Für die Abberufung und die sonstigen Rechte und Pflichten des Gemeinsamen Vertreters gelten die Vorschriften des SchVG.

**[*Im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:*

(8) *Änderung der Garantie.* Die oben aufgeführten auf die Schuldverschreibungen anwendbaren Bestimmungen gelten für die Garantie der Bayer AG entsprechend.**]**

(7) *Holders' Representative.*

**[*If no Holders' Representative is designated in the Conditions, the following applies:*

The Holders may by majority resolution appoint a common representative (the "**Holders' Representative**") to exercise the Holders' rights on behalf of each Holder.**]**

**[*If the Holders' Representative is appointed in the Conditions, the following applies:*

The common representative (the "**Holders' Representative**") shall be **[●]**. The liability of the Holders' Representative shall be limited to ten times the amount of its annual remuneration, unless the Holders' Representative has acted willfully or with gross negligence.**]**

The Holders' Representative shall have the duties and powers provided by law or granted by majority resolution of the Holders. The Holders' Representative shall comply with the instructions of the Holders. To the extent that the Holders' Representative has been authorized to assert certain rights of the Holders, the Holders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Holders' Representative shall provide reports to the Holders on its activities. The regulations of the SchVG apply with regard to the recall and the other rights and obligations of the Holders' Representative.

**[*in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:*

(8) *Amendment of the Guarantee.* The provisions set out above applicable to the Notes shall apply *mutatis mutandis* to the Guarantee of Bayer AG.**]**

§ 12
BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist jederzeit berechtigt, ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit den gleichen Bedingungen (gegebenenfalls mit Ausnahme des Tags der Begebung, des Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit den Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist berechtigt, jederzeit Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten,

§ 12
FURTHER ISSUES, PURCHASES AND CANCELLATION

(1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.

(2) *Purchases.* The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Fiscal Agent for cancellation. If purchases are

weiterverkauft oder bei der Emissionsstelle zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Rückkaufangebot erfolgen, muss dieses Angebot allen Gläubigern gleichermaßen gemacht werden.

made by public tender, tenders for such Notes must be made available to all Holders of such Notes alike.

(3) *Entwertung.* Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

(3) *Cancellation.* All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

§ 13
MITTEILUNGEN

[*Im Fall von Schuldverschreibungen, die in der Offiziellen Liste der Luxemburger Börse notiert werden, ist folgendes anwendbar:*

(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen durch elektronische Publikation auf der Website der Luxemburger Börse (www.bourse.lu). Jede Mitteilung gilt am dritten Tag nach dem Tag der Veröffentlichung als wirksam erfolgt. **[Im Fall von Schuldverschreibungen, die von Bayer AG begeben werden, ist folgendes anwendbar:** Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen (sofern erforderlich) zusätzlich durch Publikation im Bundesanzeiger.**]**

(2) *Mitteilungen an das Clearing System.* Solange Schuldverschreibungen an der Offiziellen Liste der Luxemburger Börse notiert sind, findet Absatz (1) Anwendung. Soweit die Mitteilung den Zinssatz von variabel verzinslichen Schuldverschreibungen betrifft oder die Regeln der Luxemburger Börse dies sonst zulassen, kann die Emittentin eine Veröffentlichung nach Absatz (1) durch eine Mitteilung an das Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.**]**

[*Im Fall von Schuldverschreibungen, die nicht an einer Börse notiert sind, ist folgendes anwendbar:*

Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearing System zur Weiterleitung an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.**]**

§ 13
NOTICES

[*In the case of Notes which are listed on the Official List of the Luxembourg Stock Exchange the following applies:*

(1) *Publication.* All notices concerning the Notes will be made by means of electronic publication on the internet website of the Luxembourg Stock Exchange (www.bourse.lu). Any notice so given will be deemed to have been validly given on the third day following the date of such publication. **[In the case of Notes issued by Bayer AG the following applies:** All notices concerning the Notes will in addition be published in the Federal Gazette (*Bundesanzeiger*) (to the extent required).**]**

(2) *Notification to Clearing System.* So long as any Notes are listed on the Official List of the Luxembourg Stock Exchange, subparagraph (1) shall apply. In the case of notices regarding the Rate of Interest of floating rate notes or, if the Rules of the Luxembourg Stock Exchange otherwise so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in subparagraph (1) above; any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.**]**

[*In case of Notes which are not listed the following applies:*

The Issuer shall deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.**]**

§ 14
ANWENDBARES RECHT, GERICHTSSTAND UND GERICHTLICHE GELTENDMACHUNG

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

§ 14
APPLICABLE LAW, PLACE OF JURISDICTION AND ENFORCEMENT

(1) *Applicable Law.* The Notes, as to form and content, and all rights and obligations of the Holders and the Issuers, shall be governed by German law.

(2) *Gerichtsstand.* Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstige Verfahren ("**Rechtsstreitigkeiten**") ist das Landgericht Frankfurt am Main.

[*Im Fall von Schuldverschreibungen, die von Bayer Capital Corp, Bayer Holding Ltd. oder Bayer Nordic begeben werden, ist folgendes anwendbar:*

(3) *Ernennung von Zustellungsbevollmächtigten.* Für etwaige Rechtsstreitigkeiten vor deutschen Gerichten bestellt die Emittentin die Bayer AG, FI Corporate Treasury, Kaiser-Wilhelm Allee 1, 51373 Leverkusen, Bundesrepublik Deutschland zu ihrer Zustellungsbevollmächtigten in Deutschland.**]**

[(4)**]** *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage wahrzunehmen oder geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems oder des Verwahrers des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing Systems. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

(2) *Submission to Jurisdiction.* The District Court (*Landgericht*) in Frankfurt am Main shall have non-exclusive jurisdiction for any action or other legal proceedings ("**Proceedings**") arising out of or in connection with the Notes.

[*in the case of Notes issued by Bayer Capital Corp, Bayer Holding Ltd. or Bayer Nordic the following applies:*

(3) *Appointment of Authorized Agent.* For any legal disputes or other proceedings before German courts, the Issuer appoints Bayer AG, FI Corporate Treasury, Kaiser-Wilhelm Allee 1, 51373 Leverkusen, Germany as its authorized agent for service of process in Germany.**]**

[(4)**]** *Enforcement.* Any Holder of Notes may in any proceeding against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in its own name its rights arising under such Notes on the basis of (i) a statement issued by the Custodian (as defined below) with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global form certified as being a true copy by a duly authorized officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the global note representing the Notes. For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognised standing authorized to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce its rights under these Notes also in any other way which is admitted in the country of the Proceedings.

§ 15
SPRACHE

[*Falls die Anleihebedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefaßt sind, ist folgendes anwendbar:*

Diese Bedingungen sind in deutscher Sprache abgefaßt. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.**]**

[*Falls die Anleihebedingungen in englischer Sprache mit einer Übersetzung in die deutsche Sprache abgefaßt sind, ist folgendes anwendbar:*

Diese Bedingungen sind in englischer Sprache abgefaßt. Eine Übersetzung in die deutsche Sprache ist beigefügt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.**]**

[*Falls die Anleihebedingungen ausschließlich in deutscher Sprache abgefaßt sind, ist folgendes anwendbar:*

Diese Bedingungen sind ausschließlich in deutscher Sprache abgefaßt.**]**

§ 15
LANGUAGE

[*If the Conditions are to be in the German language with an English language translation the following applies:*

These Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.**]**

[*If the Conditions are to be in the English language with a German language translation the following applies:*

These Conditions are written in the English language and provided with a German language translation. The English text shall be controlling and binding. The German language translation is provided for convenience only.**]**

[*If the Conditions are to be in the English language only the following applies:*

These Conditions are written in the English language only.**]**

DESCRIPTION OF RULES REGARDING RESOLUTIONS OF HOLDERS

The Terms and Conditions pertaining to a certain issue of Notes provide that the Holders may agree to amendments or decide on other matters relating to the Notes by way of a resolution to be passed by taking votes without a meeting, or in exceptional circumstances at meetings of the Holders. Any such resolution duly adopted by the Holders shall be binding on each Holder of the respective issue of Notes, irrespective of whether such Holder took part in the vote and whether such Holder voted in favor of or against such resolution.

In addition to the provisions included in the Terms and Conditions of a particular issue of Notes, the rules regarding resolutions of Holders are substantially set out in the Provisions Regarding Resolutions of Holders dated March 24, 2017 in the German language together with an English translation (on display under www.bourse.lu). If the Notes are represented by global notes throughout their life, the Terms and Conditions of such Notes fully refer to the rules pertaining to resolutions of Holders which are incorporated into the Terms and Conditions of such Notes by reference to the Provisions Regarding Resolutions of Holders dated March 24, 2017. Under the German Act on Issues of Debt Securities (*Schuldverschreibungsgesetz* – "**SchVG**"), these rules are largely mandatory, although they permit supplementary provisions to be set out in or incorporated into the Terms and Conditions in certain circumstances.

The following is a brief summary of some of the rules regarding the taking of votes without meetings and the convening and conduct of meetings of Holders, the passing and publication of resolutions, their implementation and the filing of actions to challenge resolutions before German courts.

Specific Rules regarding Votes without Meeting

The voting shall be conducted by the chairman of the meeting. Such chairman shall be (i) a notary public appointed by the Issuer, (ii) where a common representative of the Holders (the "**Holders' Representative**") has been appointed and has solicited the vote, the Holders' Representative or (iii) a person appointed by the competent court.

The notice soliciting the Holders' votes shall state the period within which votes may be cast. During such voting period, the Holders may cast their votes to the person presiding over the taking of votes. Such notice shall also set out in detail the conditions to be met for the votes to be valid.

The person presiding over the taking of votes shall ascertain each Holder's entitlement to cast a vote based on evidence provided by such Holder and shall prepare a list of the Holders entitled to vote. If it is established that no quorum exists, the person presiding over the taking of votes may convene a meeting of the Holders. Within one year following the end of the voting period, each Holder participating in the vote may request a copy of the minutes of such vote and any annexes thereto from the Issuer.

Each Holder participating in the vote may object in writing to the result of the vote within two weeks following the publication of the resolutions passed. The objection shall be decided upon by the person presiding over the taking of votes. If the person presiding over the taking of votes remedies the objection, such person shall promptly publish the result. If the person presiding over the taking of votes does not remedy the objection, such person shall promptly inform the objecting Holder in writing.

The Issuer shall bear the costs of the vote and, if the court has convened, the costs of such proceedings.

Rules regarding Holders' Meetings applicable to Votes without Meeting

In addition, the statutory rules applicable to the convening and conduct of Holders' meetings will apply *mutatis mutandis* to any vote without a meeting. Some of these rules are summarised below.

Meetings of Holders may be convened by the Issuer or the Holders' Representative, if any. Meetings of Holders must be convened if one or more Holders holding five percent or more of the outstanding Notes so require for specified reasons permitted by statute.

Meetings may be convened not less than 14 days prior to the date of the meeting. Holders must register in advance in order to attend the meeting and exercise voting rights. The convening notice will specify what

form of identification shall be required for the Holder to be admitted to, and to vote at, the meeting. The place of the meeting in respect of a German issuer is the place of the issuer's registered office, provided, however, that where the relevant Notes are listed on a stock exchange within the European Union or the European Economic Area, the meeting may be held at the place of such stock exchange.

The convening notice shall be made publicly available together with the agenda of the meeting setting out the proposals for resolution.

Each Holder may be represented by a proxy. Holders representing not less than 50 percent of the outstanding Notes by value shall constitute a quorum at the meeting or when a vote is taken without a meeting. If the quorum of 50 percent of the outstanding aggregate principal amount of the Notes is not met, the scrutineer or the chairman, as the case may be, may convene a (second) physical meeting of the Holders at which no quorum will be required, provided that where a resolution may only be adopted by a qualified majority, a majority of at least 75 percent of the votes participating in the vote, a quorum requires the presence of at least 25 percent, of the outstanding Notes. For such (second) physical meeting the provisions set out above apply mutatis mutandis.

All resolutions adopted must be properly published. In the case of Notes represented by one or more global notes, resolutions which amend or supplement the Terms and Conditions have to be implemented by supplementing or amending the relevant global note(s).

In insolvency proceedings instituted in Germany against an Issuer, a Holders' Representative, if appointed, is obliged and exclusively entitled to assert the Holders' rights under the Notes. Any resolutions passed by the Holders are subject to the provisions of the Insolvency Code (*Insolvenzordnung*).

If a resolution constitutes a breach of the statute or the Terms and Conditions, Holders may bring an action to set aside such resolution. Such action must be filed with the competent court within one month following the publication of the resolution.

GUARANTEE AND NEGATIVE PLEDGE

Non-binding English language translation of the Guarantee and Negative Pledge:

GUARANTEE AND NEGATIVE PLEDGE
of

Bayer Aktiengesellschaft,
Leverkusen, Federal Republic of Germany,

for the benefit of the holders of Notes (the "**Notes**")

issued by

Bayer Capital Corporation B.V.
(incorporated as a private company with limited liability incorporated under the laws of The Netherlands)

or

Bayer Holding Ltd.
(incorporated as a limited liability company under the laws of Japan)

or

Bayer Nordic SE
(incorporated under the laws of Finland)

under the €15,000,000,000 Programme for the Issuance of Debt Instruments (the "**Programme**") established on October 20, 2000, as amended, replenished or restated from time to time

WHEREAS:

(A) Bayer Capital Corporation B.V. ("**Bayer Capital Corp**"), Bayer Holding Ltd. ("**Bayer Holding Ltd.**"), which was formerly named Bayer Holding Japan LLC, and Bayer Nordic SE ("**Bayer Nordic**") intend to issue Notes under the Programme from time to time.

(B) Bayer AG (the "**Guarantor**") wishes to guarantee the due payment of principal and interest and any other amounts payable in respect of any and all Notes that may be issued by Bayer Capital Corp, Bayer Holding Ltd. and Bayer Nordic under the Programme.

(C) The Guarantor wishes to enter into a negative pledge for the benefit of each Holder (as defined below) of a Note that may be issued by Bayer Capital Corp, Bayer Holding Ltd. and Bayer Nordic under the Programme.

IT IS AGREED AS FOLLOWS:

(1) (a) The Guarantor unconditionally and irrevocably guarantees to the holder of each Note (which expression shall include any Temporary Global Note and Permanent Global Note representing Notes) (each a "**Holder**") issued by Bayer Capital Corp, Bayer Holding Ltd. and Bayer Nordic now or at any time hereafter under the Programme, the due and punctual payment of the principal of, and interest on, the Notes and any other amounts which may be expressed to be payable under any Note as and when the same shall become due, in accordance with the Terms and Conditions of the Notes, as completed by the applicable Final Terms.

(b) This Guarantee constitutes an unconditional, unsecured and unsubordinated obligation of the Guarantor and ranks *pari passu* with all other present or future unsecured and unsubordinated obligations of the Guarantor outstanding from time to time, subject to any obligations preferred by law.

(c) All payments under this Guarantee shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied at source by or on behalf of the Federal Republic of Germany or any political subdivision thereof or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Guarantor shall pay such additional amounts as shall be necessary in order that the net amounts received by the Holders pursuant to this Guarantee, after such withholding or deduction, shall equal the respective amounts of principal and interest which would otherwise have been receivable in the absence of such withholding or deduction. No such additional amounts shall be payable on account of any taxes or duties which:

(i) are payable otherwise than by withholding or deduction from payments made by the Issuer/Guarantor to the Holder; or

(ii) are deducted or withheld by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise payable in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it; or

(iii) are deducted or withheld by a Paying Agent from a payment if the payment could have been made by another paying agent without such deduction or withholding; or

(iv) are deducted or withheld pursuant to (i) any European Union Directive or Regulation pursuant to the taxation of savings, or (ii) any international treaty or understanding relating to such taxation and to which the Federal Republic of Germany or the European Union is a party or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding; or

(v) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for, whichever occurs later; or

(vi) are payable by reason of the Holder having, or having had, some personal or business connection with the Federal Republic of Germany or another member state of the European Union and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the Federal Republic of Germany.

Notwithstanding any other provisions contained in this Guarantee, the Guarantor shall be permitted to withhold or deduct any amounts required pursuant to an agreement described in Section 1471 (b) of the U.S. Internal Revenue Code of 1986 (the "**Code"**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any amended or successor provisions), any regulations or agreements thereunder, official interpretations thereof, or any law implementing and intergovernmental approach thereto ("**FATCA withholding**"). The Guarantor will have no obligation to pay additional amounts or otherwise indemnify an investor for any such FATCA withholding deducted or withheld by the Issuer, the Guarantor, the paying agent or any other party.

(d) The obligations of the Guarantor under this guarantee (i) shall be separate and independent from the obligations of the respective Issuer under the Notes, (ii) shall exist irrespective of the legality, validity and binding effect or enforceability of the Notes, and (iii) shall not be affected by any event, condition or circumstance of whatever nature, whether factual or legal, save the full, definitive and irrevocable satisfaction of any and all payment obligations expressed to be assumed under the Notes.

(2) The Guarantor undertakes towards each Holder, as long as Notes are outstanding but only up to the time all amounts of principal and interest have been provided to the Fiscal Agent, not to provide after the issue date of the Notes any Lien upon its domestic assets for other Security Issues (as defined below) without at the same time letting the Holders share *pari passu* in such Lien; provided, however, that this Undertaking shall not be applicable in the event the Guarantor shall create, assume or suffer to exist Liens of the following character:

(a) any Lien existing on property at the time of the acquisition thereof by the Guarantor;

(b) any Lien to secure any debt incurred prior to, at the time of, or within 12 months after the acquisition of property by the Guarantor for the purpose of financing all or any part of the purchase price thereof and any

Lien to the extent that it secures debt which is in excess of such purchase price and for the payment of which recourse may be had only against such property;

(c) any Lien to secure any debt incurred prior to, at the time of, or within 12 months after the completion of the construction, alteration, repair or improvement of property of the Guarantor for the purpose of financing all or any part of the cost thereof and any Lien to the extent that it secures debt which is in excess of such cost and for the payment of which recourse may be had only against such property;

(d) any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Lien referred to in clauses (a) through (c) above, so long as the principal amount of debt so secured does not exceed the principal amount secured at the time of extension, renewal or replacement (except that, where an additional principal amount of debt is incurred to provide funds for the completion of a specific project, the additional principal amount and any related financial costs may be secured by the Lien as well) and the Lien is limited to the same property subject to the Lien so extended, renewed or replaced (plus improvements on the property);

(e) any Lien arising by operation of law;

(f) any Lien arising from or related to a disposal or lease-out of assets to any person whose core business is the leasing business (*Leasinggesellschaften*) that does not exceed an aggregate of €1,000,000,000 per year or the equivalent in other currencies (as from the issue date of the Notes); and

(g) any Lien securing indebtedness the amount of which (when aggregated with the amount of any other indebtedness which has the benefit of a Lien not allowed under the preceding sub-paragraphs) does not exceed €250,000,000 or its equivalent in other currencies at any time.

In respect of asset-backed securitizations originated by the Guarantor, the expressions "assets" and "Security Issue" as used in the first sentence of this subparagraph (2) do not include assets and Security Issues of the Guarantor if the assets backing such securitizations do not in aggregate exceed €2,000,000,000.

"**Security Issue**" shall mean any obligation for the payment of borrowed money represented by bonds, notes, debentures or any similar securities which are quoted, listed or traded on any stock exchange or over-the-counter securities market or which are otherwise publicly traded or intended to be publicly traded, having an original maturity of more than one year.

(3) This Agreement and all undertakings contained herein constitute a contract for the benefit of the Holders as third party beneficiaries pursuant to § 328 (1) *BGB* (German Civil Code)[1]. They entitle each such Holder to directly require the Guarantor to perform the obligations undertaken herein and to directly enforce such obligations against the Guarantor.

(4) Terms used in this Agreement and not otherwise defined herein shall have the meaning attributed to them in the Terms and Conditions of the Notes, a copy of which is attached hereto.

(5) If Notes provide that the provisions regarding the Amendment of the Terms and Conditions and the Holders' Representative apply to such Notes, such provisions shall also apply *mutatis mutandis* to this Guarantee.

(6) This Agreement shall be governed by, and construed in accordance with, German law.

(7) This Agreement is written in the German language. A non-binding English translation is attached hereto.

(8) The place of performance shall be Leverkusen.

(9) The place of jurisdiction for all legal proceedings arising out of or in connection with this Agreement shall be Frankfurt am Main. Each Holder may, however, also pursue its claims before any other court of competent jurisdiction.

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[1] The English translation of § 328 (1) *BGB* (German Civil Code) reads as follows: "A contract may stipulate performance for the benefit of a third party and give such third party the right to directly demand performance."

(10) On the basis of a copy of this Agreement certified as being a true copy by a duly authorized officer of the Fiscal Agent, each Holder may protect and enforce in its own name its rights arising under this Agreement in any legal proceedings against the Guarantor or to which such Holder and the Guarantor are parties, without the need for production of this Agreement in such proceedings.

Leverkusen, March 19, 2014

Bayer Aktiengesellschaft

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The Guarantor and Deutsche Bank Aktiengesellschaft agree that Deutsche Bank Aktiengesellschaft is not acting as trustee or in a similar capacity for the Holders. Deutsche Bank Aktiengesellschaft undertakes to hold the original copy of the Guarantee until all obligations under the Notes and Guarantee have been fulfilled.

We hereby accept the above declaration without recourse, warranty or liability on us.

Frankfurt am Main, March 19, 2014

Deutsche Bank Aktiengesellschaft

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GUARANTEE AND NEGATIVE PLEDGE
Binding German Language Version

GARANTIE UND NEGATIVVERPFLICHTUNG
der
Bayer Aktiengesellschaft,
Leverkusen, Bundesrepublik Deutschland,

zugunsten der Gläubiger von Schuldverschreibungen
(die "**Schuldverschreibungen**"),

die von der

Bayer Capital Corporation B.V.
(einer mit beschränkter Haftung nach dem Recht der Niederlande errichteten Gesellschaft)

oder der

Bayer Holding Ltd.
(einer mit beschränkter Haftung nach dem Recht Japans errichteten Gesellschaft)

oder der

Bayer Nordic SE
(einer nach dem Recht Finnlands errichteten Gesellschaft)

im Rahmen des €15.000.000.000 Programme for the Issuance of Debt Instruments (das "**Programm**")
(aufgelegt am 20. Oktober 2000, wie jeweils abgeändert, ergänzt oder neu gefaßt) begeben werden

IM HINBLICK DARAUF, DASS:

(A) Bayer Capital Corporation B.V. ("**Bayer Capital Corp**"), Bayer Holding Ltd. ("**Bayer Holding Ltd.**"), vormals unter der Bezeichnung Bayer Holding Japan LLC geführt, und Bayer Nordic SE ("**Bayer Nordic**") beabsichtigen, von Zeit zu Zeit Schuldverschreibungen im Rahmen des Programms zu begeben;

(B) Bayer AG (die "**Garantin**") die ordnungsgemäße Zahlung von Kapital und Zinsen sowie von allen sonstigen Beträgen, die aufgrund der von Bayer Capital Corp, Bayer Holding Ltd. und Bayer Nordic im Rahmen des Programms begebenen Schuldverschreibungen zu zahlen sind, garantieren möchte;

(C) die Garantin zugunsten jeden Gläubigers (wie nachfolgend definiert) der von Bayer Capital Corp, Bayer Holding Ltd. und Bayer Nordic im Rahmen des Programms begebenen Schuldverschreibungen eine Negativverpflichtung eingehen möchte;

WIRD FOLGENDES VEREINBART:

(1) (a) Die Garantin übernimmt gegenüber jedem Gläubiger (jeweils ein "**Gläubiger**") der Schuldverschreibungen (wobei dieser Begriff jede vorläufige oder Dauerglobalurkunde, die Schuldverschreibungen verbrieft, einschließt), welche jetzt oder zu irgendeinem Zeitpunkt nach dem Datum dieser Garantie von Bayer Capital Corp, Bayer Holding Ltd. und Bayer Nordic im Rahmen des Programms begeben werden, die unbedingte und unwiderrufliche Garantie für die ordnungsgemäße und pünktliche Zahlung bei Fälligkeit von Kapital und Zinsen auf die Schuldverschreibungen sowie von allen sonstigen Beträgen, die gemäß den Anleihebedingungen (in der durch die anwendbaren Endgültigen Bedingungen vervollständigten Fassung) auf Schuldverschreibungen zahlbar sind.

(b) Diese Garantie begründet eine unbedingte, unbesicherte und nicht nachrangige Verbindlichkeit der Garantin, die vorbehaltlich solcher Verbindlichkeiten, die aufgrund Gesetz vorrangig sind, mit allen anderen jeweils bestehenden, nicht besicherten und nicht nachrangigen Verbindlichkeiten der Garantin gleichrangig ist.

(c) Sämtliche Zahlungen aufgrund dieser Garantie sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtig oder zukünftig bestehenden Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder in der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Behörde der Bundesrepublik Deutschland an der Quelle auferlegt oder erhoben werden, es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In diesem Fall hat die Garantin diejenigen zusätzlichen Beträge zu zahlen, die erforderlich sind, damit die den Gläubigern aufgrund dieser Garantie zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen an Kapital und Zinsen entsprechen, die ohne einen solchen Abzug oder Einbehalt von den Gläubigern empfangen worden wären. Die Verpflichtung zur Zahlung solcher zusätzlichen Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:

(i) anders als durch Einbehalt oder Abzug oder Einbehalt auf Zahlungen zu entrichten sind, die die Emittentin/ Garantin an den Gläubiger leistet; oder

(ii) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person abgezogen oder einbehalten werden oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder

(iii) von einer Zahlstelle abgezogen oder einbehalten werden, wenn eine andere Zahlstelle die Zahlung ohne einen solchen Abzug oder Einbehalt hätte leisten können; oder

(iv) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der die Bundesrepublik Deutschland oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder

(v) aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge wirksam wird; oder

(vi) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zur Bundesrepublik Deutschland oder einem anderen Mitgliedstaat der Europäischen Union zu zahlen sind, jedoch nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in der Bundesrepublik Deutschland stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind.

Ungeachtet sonstiger Bestimmungen dieser Garantie, darf die Garantin Beträge, die gemäß einer beschriebenen Vereinbarung in Section 1471 (b) des U.S. Revenue Code von 1986 (der **"Code"**) erforderlich sind oder die anderweitig aufgrund der Sections 1471 bis 1474 des Codes (oder jeder Änderung oder Nachfolgeregelung), der Regelungen oder Verträge darunter, der offiziellen Auslegungen davon oder jeglicher rechtsausführender und zwischenstaatlicher Zusammenarbeit dazu beruhen, einbehalten oder abziehen ("**FATCA Quellensteuer**"). Die Garantin ist aufgrund einer durch die Emittentin, die Garantin, eine Zahlstelle oder eine andere Partei abgezogenen oder einbehaltenen FATCA Quellensteuer nicht zur Zahlung zusätzlicher Beträge oder anderweitig zur Entschädigung eines Investors verpflichtet.

(d) Die Verpflichtungen der Garantin aus dieser Garantie (i) sind selbständig und unabhängig von den Verpflichtungen der Emittentin aus den Schuldverschreibungen, (ii) bestehen unabhängig von der Rechtmäßigkeit, Gültigkeit, Verbindlichkeit oder Durchsetzbarkeit der Schuldverschreibungen und (iii) werden nicht durch Ereignisse, Bedingungen oder Umstände tatsächlicher oder rechtlicher Art berührt, außer durch die vollständige, endgültige und unwiderrufliche Erfüllung sämtlicher in den Schuldverschreibungen eingegangenen Zahlungsverpflichtungen.

(2) Die Garantin verpflichtet sich gegenüber jedem Gläubiger, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, für andere, nachstehend definierte Wertpapieremissionen nach dem Tag der Begebung der Schuldverschreibungen kein Sicherungsrecht ("**Pfandrecht**") am eigenen inländischen

Vermögen zu bestellen, ohne die Gläubiger zur gleichen Zeit und im gleichen Rang an einem solchen Pfandrecht teilhaben zu lassen, mit der Maßgabe, daß diese Verpflichtung keine Anwendung findet, falls die Garantin Pfandrechte folgender Art bestellt, übernimmt oder bestehen läßt:

(a) Pfandrechte, die auf einem Vermögensgegenstand zum Zeitpunkt des Erwerbs durch die Garantin lasten;

(b) Pfandrechte zur Besicherung von Verbindlichkeiten, die vor dem Erwerb, zum Zeitpunkt des Erwerbs oder innerhalb von 12 Monaten nach dem Erwerb eines Vermögensgegenstandes durch die Garantin zum Zwecke der vollständigen oder teilweisen Kaufpreisfinanzierung eingegangen worden sind, sowie Pfandrechte, die zur Sicherung von über diesen Kaufpreis hinausgehenden Verbindlichkeiten dienen, vorausgesetzt, daß für deren Begleichung ausschließlich auf diesen Vermögensgegenstand zurückgegriffen werden kann;

(c) Pfandrechte zur Besicherung von Verbindlichkeiten, die vor, zum Zeitpunkt, oder innerhalb von 12 Monaten nach der Fertigstellung einer Errichtung, Veränderung, Instandsetzung oder Verbesserung eines Vermögensgegenstandes der Garantin zum Zwecke der vollständigen oder teilweisen Finanzierung der dabei entstehenden Kosten eingegangen worden sind, sowie Pfandrechte, die zur Sicherung von über diese Kosten hinausgehenden Verbindlichkeiten dienen, vorausgesetzt, daß für deren Begleichung ausschließlich auf diesen Vermögensgegenstand zurückgegriffen werden kann;

(d) jedwede vollständige oder teilweise Verlängerung, Erneuerung oder Ersetzung (oder wiederholte Verlängerungen, Erneuerungen oder Ersetzungen) eines der vorstehend in den Klauseln (a) bis (c) aufgeführten Pfandrechte, soweit der Nennbetrag der dadurch besicherten Verbindlichkeit den im Zeitpunkt einer solchen Verlängerung, Erneuerung oder Ersetzung besicherten Nennbetrag nicht übersteigt (mit der Ausnahme, daß zusätzliche Verbindlichkeiten sowie damit verbundene Finanzierungskosten durch das Pfandrecht besichert werden können, wenn diese zusätzlichen Verbindlichkeiten zur Mittelbeschaffung für die Fertigstellung eines bestimmten Vorhabens eingegangen werden), und soweit das Pfandrecht auf denselben Vermögensgegenstand, an welchem das verlängerte, erneuerte oder ersetzte Pfandrecht bestanden hat, beschränkt bleibt (einschließlich Wertverbesserungen des Vermögensgegenstandes);

(e) Pfandrechte, die kraft Gesetzes entstehen;

(f) Pfandrechte, die aus oder in Verbindung mit der Veräußerung oder der Vermietung von Vermögensgegenständen an Leasinggesellschaften entstehen, die den Gesamtbetrag von €1.000.000.000 pro Jahr oder den Gegenwert in anderen Währungen nicht übersteigen (seit dem Tag der Begebung der Schuldverschreibungen); und

(g) Pfandrechte, die Verbindlichkeiten besichern, deren Betrag €250.000.000 (aggregiert mit dem Betrag von anderen Verbindlichkeiten, die ein Pfandrecht besitzen, welches nach den vorstehenden Unterabsätzen nicht erlaubt ist) oder den Gegenwert in anderen Währungen zu jeder Zeit nicht übersteigt.

In Bezug auf von der Garantin begebene asset-backed Emissionen, schließen die im ersten Satz dieses Abschnittes (2) benutzten Worte "Vermögen" und "**Wertpapieremission**" nicht Vermögensgegenstände und Wertpapieremissionen der Garantin ein, solange das Vermögen, das derartigen Emissionen unterliegt, zusammen €2.000.000.000 nicht übersteigt.

"**Wertpapieremission**" bedeutet jede Zahlungsverpflichtung aus der Aufnahme von Geld in der Form von oder verbrieft durch Schuldverschreibungen oder ähnliche(n) Wertpapiere(n) mit einer ursprünglichen Laufzeit von mehr als einem Jahr, die an einer Wertpapierbörse oder in einem over-the-counter Wertpapiermarkt notiert, eingeführt oder gehandelt werden oder die anderweitig öffentlich gehandelt werden oder gehandelt werden sollen.

(3) Dieser Vertrag und alle darin enthaltenen Vereinbarungen stellen einen Vertrag zugunsten der Gläubiger als begünstigte Dritte gemäß § 328 Absatz 1 BGB dar. Sie begründen das Recht eines jeden Gläubigers, die Erfüllung der hierin eingegangenen Verpflichtungen unmittelbar von der Garantin zu fordern und diese Verpflichtungen unmittelbar gegenüber der Garantin durchzusetzen.

(4) Die in diesem Vertrag verwendeten und nicht anders definierten Begriffe haben die ihnen in den diesem Vertrag beigefügten Anleihebedingungen zugewiesene Bedeutung.

(5) Sofern auf Schuldverschreibungen die Bestimmungen über die Änderung der Anleihebedingungen und den Gemeinsamen Vertreter Anwendung finden, gelten diese Bestimmungen sinngemäß auch für diese Garantie.

(6) Dieser Vertrag unterliegt deutschem Recht.

(7) Dieser Vertrag ist in deutscher Sprache abgefaßt. Eine unverbindliche Übersetzung in die englische Sprache ist beigefügt.

(8) Erfüllungsort ist Leverkusen.

(9) Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit diesem Vertrag ist Frankfurt am Main. Jeder Gläubiger kann seine Ansprüche jedoch auch vor jedem anderen zuständigen Gericht geltend machen.

(10) Jeder Gläubiger kann in jedem Rechtsstreit gegen die Garantin und in jedem Rechtsstreit, in dem er und die Garantin Partei sind, seine Rechte aus diesem Vertrag auf der Grundlage einer von einer vertretungsberechtigten Person der Emissionsstelle beglaubigten Kopie dieses Vertrages ohne Vorlage des Originals im eigenen Namen wahrnehmen und durchsetzen.

Leverkusen, 19. März 2014

Bayer Aktiengesellschaft

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Die Garantin und die Deutsche Bank Aktiengesellschaft vereinbaren, dass die Deutsche Bank Aktiengesellschaft nicht als Treuhänder oder in einer ähnlichen Eigenschaft für die Gläubiger handelt. Die Deutsche Bank Aktiengesellschaft verpflichtet sich das Original der Garantie bis zur Erfüllung aller Verbindlichkeiten aus den Schuldverschreibungen und der Garantie zu halten.

Wir nehmen hiermit die vorstehende Erklärung ohne Obligo, Gewährleistung oder Haftung an.

Frankfurt am Main, 19. März 2014

Deutsche Bank Aktiengesellschaft

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FORM OF FINAL TERMS
(MUSTER — ENDGÜLTIGE BEDINGUNGEN)

[Date]
[Datum]

Final Terms
Endgültige Bedingungen

[Bayer Aktiengesellschaft] [Bayer Capital Corporation B.V.] [Bayer Holding Ltd.] [Bayer Nordic SE]

[Title of relevant Series of Notes**]** (the "**Notes**")
[*Bezeichnung der betreffenden Serie der Schuldverschreibungen****]*** *(die "****Schuldverschreibungen****")*

Series: **[●]**, Tranche **[●]**
Serien: ***[●]****, Tranche* ***[●]***

Issue Date: **[●]**[1]
Tag der Begebung: [●]

issued pursuant to the
begeben aufgrund des

€15,000,000,000
Programme for the Issuance of Debt Instruments

dated March 24, 2017
vom 24. *März 2017*

of
der

Bayer Aktiengesellschaft, Bayer Capital Corporation B.V.,
Bayer Holding Ltd. and Bayer Nordic SE

Issue Price: [●] percent
Ausgabepreis: [●]%

These are the Final Terms of an issue of instruments under the €15,000,000,000 Debt Issuance Programme of Bayer Aktiengesellschaft, Bayer Capital Corporation B.V., Bayer Holding Ltd., and Bayer Nordic SE ("**Programme**").

*Dies sind die Engültigen Bedingunen einer Emission von Schuldverschreibungen unter dem €15.000.000.000 Programm zur Begebung von Schuldverschreibungen der Bayer Aktiengesellschaft, Bayer Capital Corporation B.V., Bayer Holding Ltd., und Bayer Nordic SE ("****Programm****").*

Important Notice

These Final Terms have been prepared for the purpose of Article 5 (4) of the Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003, as amended by Directive 2010/73/EU of the European Parliament and of the Council of November 24, 2010, and must be read in conjunction with the Debt Issuance Programme Prospectus pertaining to the Programme dated March 24, 2017 (the "**Prospectus**") **[**and the supplement(s) dated [●]].The Prospectus and any supplement thereto are available for viewing in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu). Full information is only available on the basis of the combination of the Prospectus, any supplement and these Final Terms. **[**A summary of the

[1] The Issue Date is the date of payment and settlement of the Notes. In the case of free delivery, the Issue Date is the delivery date.
Der Tag der Begebung ist der Tag, an dem die Schuldverschreibungen begeben und bezahlt werden. Bei freier Lieferung ist der Tag der Begebung der Tag der Lieferung.

individual issue of the Notes is annexed to these Final Terms.][2]

Wichtiger Hinweis

*Diese Endgültigen Bedingungen wurden für die Zwecke des Artikels 5 Absatz 4 der Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003, in der durch die Richtlinie 2010/73/EU des Europäischen Parlaments und des Rates vom 24. November 2010 geänderten Fassung, abgefasst und sind in Verbindung mit dem Debt Issuance Programme Prospekt vom 24. März 2017 über das Programm (der "**Prospekt**") [und dem(den) Nachtrag(Nachträgen)* dazu vom [●]] zu *lesen. Der Prospekt sowie etwaige Nachträge können in elektronischer Form auf der Internetseite der Luxemburger Börse (www.bourse.lu) eingesehen werden. Um sämtliche Angaben zu erhalten, sind die Endgültigen Bedingungen, der Prospekt und etwaige Nachträge im Zusammenhang zu lesen. [Eine Zusammenfassung der einzelnen Emission der Schuldverschreibungen ist diesen Endgültigen Bedingungen angefügt.][2]*

Part I.: TERMS AND CONDITIONS
Teil I.: ANLEIHEBEDINGUNGEN

[A. In the case the options applicable to the relevant Tranche of Notes are to be determined by replicating the relevant provisions set forth in the Prospectus as Option I or Option II including certain further options contained therein, respectively, and completing the relevant placeholders, insert:[3]

A. Falls die für die betreffende Tranche von Schuldverschreibungen geltenden Optionen durch Wiederholung der betreffenden im Prospekt als Option I oder Option II aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt und die betreffenden Leerstellen vervollständigt werden, einfügen:[3]

The Terms and Conditions applicable to the Notes (the "**Conditions**") [and the **[**German**]** **[**English**]** language translation thereof,] are as set out below.

*Die für die Schuldverschreibungen geltenden Anleihebedingungen (die "**Bedingungen**") [sowie die [deutschsprachige][englischsprachige] Übersetzung] sind wie nachfolgend aufgeführt.*

[in the case of Notes with fixed interest rates replicate here the relevant provisions of Option I including relevant further options contained therein, and complete relevant placeholders**]**

[*im Fall von Schuldverschreibungen mit fester Verzinsung hier die betreffenden Angaben der Option I (einschließlich der betreffenden weiteren Optionen) wiederholen und betreffende Leerstellen vervollständigen***]**

[in the case of Notes with floating interest rates replicate here the relevant provisions of Option II including relevant further options contained therein, and complete relevant placeholders**]**

[*im Fall von Schuldverschreibungen mit variabler Verzinsung hier die betreffenden Angaben der Option II (einschließlich der betreffenden weiteren Optionen) wiederholen und betreffende Leerstellen vervollständigen***]]**

[B. In the case the options applicable to the relevant Tranche of Notes are to be determined by referring to the relevant provisions set forth in the Prospectus as Option I or Option II including certain further options contained therein, respectively, insert:

B. Falls die für die betreffende Tranche von Schuldverschreibungen geltenden Optionen, die durch Verweisung auf die betreffenden im Prospekt als Option I oder Option II aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt werden, einfügen:

This Part I. of the Final Terms is to be read in conjunction with the set of Terms and Conditions that apply to Notes with **[**fixed**]** **[**floating**]** interest rates (the "**Terms and Conditions**") set forth in the Prospectus as **[**Option I**]** [Option II]. Capitalised terms shall have the meanings specified in the Terms and Conditions.

*Dieser Teil I. der Endgültigen Bedingungen ist in Verbindung mit dem Satz der Anleihebedingungen, der auf Schuldverschreibungen mit [fester] [variabler] Verzinsung Anwendung findet (die "**Anleihebedingungen**"), zu*

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[2] Not applicable in the case of an issue of Notes with a minimum denomination of at least €100,000.
Nicht anwendbar im Fall einer Emission von Schuldverschreibungen mit einer Mindeststückelung in Höhe von mindestens €100.000.

[3] To be determined in consultation with the Issuer. Delete all references to B. Part I of the Final Terms including numbered paragraphs and subparagraphs of the Terms and Conditions.
In Abstimmung mit der Emittentin festzulegen. Alle Bezugnahmen auf B. Teil I der Endgültigen Bedingungen einschließlich der Paragraphen und Absätze der Anleihebedingungen entfernen.

lesen, der als [Option I] [Option II] im Prospekt enthalten ist. Begriffe, die in den Anleihebedingungen definiert sind, haben dieselbe Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.

All references in this Part I. of the Final Terms to numbered paragraphs and subparagraphs are to paragraphs and subparagraphs of the Terms and Conditions.

Bezugnahmen in diesem Teil I. der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Anleihebedingungen.

The blanks in the provisions of the Terms and Conditions, which are applicable to the Notes shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the blanks of such provisions. All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the Terms and Conditions applicable to the Notes (the "**Conditions**").

*Die Leerstellen in den auf die Schuldverschreibungen anwendbaren Bestimmungen der Anleihebedingungen gelten als durch die in den Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Leerstellen in den betreffenden Bestimmungen durch diese Angaben ausgefüllt wären. Sämtliche Bestimmungen der Anleihebedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen, die weder angekreuzt noch ausgefüllt oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Anleihebedingungen (die "**Bedingungen**") gestrichen.*

CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS (§ 1)
WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN (§ 1)

Currency and Denomination
Währung und Stückelung

Specified Currency *Festgelegte Währung*	**[●]**
Aggregate Principal Amount *Gesamtnennbetrag*	**[●]**
Specified Denomination(s) *Festgelegte Stückelung/Stückelungen*	**[●]**
Aggregate Principal Amount in words *Gesamtnennbetrag in Worten*	**[●]**

Clearing System
Clearing System

☐ Clearstream Banking AG

☐ Clearstream Banking, société anonyme, and Euroclear Bank SA/NV

Global Note
Globalurkunde

☐ Classical Global Note

☐ New Global Note

INTEREST (§ 3)
ZINSEN (§ 3)

☐ **Fixed Rate Notes (Option I)**
Festverzinsliche Schuldverschreibungen (Option I)

Rate of Interest *Zinssatz*	[●] percent *per annum* *[●]% per annum*
Interest Commencement Date *Verzinsungsbeginn*	[●]

Fixed Interest Date(s) [●]
Festzinstermin(e)

First Interest Payment Date [●]
Erster Zinszahlungstag

Initial Broken Amount per Specified Denomination [●]
Anfänglicher Bruchteilzinsbetrag je festgelegte Stückelung

Fixed Interest Date preceding the Maturity Date [●]
Festzinstermin, der dem Fälligkeitstag vorangeht

Final Broken Amount per Specified Denomination [●]
Abschließender Bruchteilzinsbetrag je festgelegte Stückelung)

☐ **Floating Rate Notes (Option II)**
Variabel verzinsliche Schuldverschreibungen (Option II)

Interest Payment Dates
Zinszahlungstage

Interest Commencement Date [●]
Verzinsungsbeginn

Specified Interest Payment Dates [●]
Festgelegte Zinszahlungstage

Business Day Convention
Geschäftstagskonvention

☐ Modified Following Business Day Convention
Modifizierte folgender Geschäftstag-Konvention

☐ FRN Convention (specify period(s)) [**number**] [months]
FRN Konvention (Zeitraum angeben) ***[Zahl]*** *[Monate]*

☐ Following Business Day Convention
Folgender Geschäftstag-Konvention

☐ Preceding Business Day Convention
Vorangegangener Geschäftstag-Konvention

Business Day
Geschäftstag

☐ Relevant financial centre(s) **[●]**
Relevante(s) Finanzzentrum(en)

☐ TARGET
TARGET

Rate of Interest
Zinssatz

☐ EURIBOR
EURIBOR

☐ LIBOR Interest Determination Date **[**first**]** [second**]** **[relevant financial centre(s)]** Business Day **[**prior to commencement**]** of Interest Period
LIBOR *Zinsfestlegungstag **[**erster**]** [zweiter**]** **[relevante(s) Finanzzentrum(en)]** Geschäftstag **[**vor Beginn**]** der jeweiligen Zinsperiode*

Margin [●] percent *per annum*
Marge *[●]% per annum*

☐ plus
plus

☐ minus
minus

Minimum and Maximum Rate of Interest
Mindest- und Höchstzinssatz

☐ Minimum Rate of Interest [●] percent *per annum*
Mindestzinssatz *[●]% per annum*

☐ Maximum Rate of Interest [●] percent *per annum*
Höchstzinssatz *[●]% per annum*

Day Count Fraction for Fixed Rate Notes (Option I)
Zinstagequotient für Schuldverschreibungen mit fester Verzinsung (Option I)

☐ Actual/Actual (ICMA)

☐ annual interest payment
jährliche Zinszahlung

☐ two or more constant interest periods within an interest year
zwei oder mehr gleichbleibende Zinsperioden innerhalb eines Zinsjahres

Deemed Interest Payment Date [●]
Fiktiver Zinszahlungstag

☐ 30/360 or 360/360 or Bond Basis

☐ 30E/360 or Eurobond Basis

Day Count Fraction for Floating Rate Notes (Option II)
Zinstagequotient für Schuldverschreibungen mit variabler Verzinsung (Option II)

☐ Actual/365 (Fixed)

☐ Actual/360

PAYMENTS (§ 4) [4]
ZAHLUNGEN (§ 4)

Payment Business Day
Zahlungstag

☐ Relevant financial centre(s) [●]
Relevante(s) Finanzzentrum(en)

☐ TARGET
TARGET

[4] Complete for fixed rate Notes.
Für fest verzinsliche Schuldverschreibungen auszufüllen.

REDEMPTION (§ 5)
RÜCKZAHLUNG (§ 5)

Final Redemption
Rückzahlung bei Endfälligkeit

Maturity Date[5] [●]
Fälligkeitstag

Redemption Month and Year[6]
Rückzahlungsmonat und -jahr

Early Redemption
Vorzeitige Rückzahlung

Early Redemption at the Option of the Issuer at Specified Call Redemption Amount(s)[7] **[**Yes/No**]**
Vorzeitige Rückzahlung nach Wahl der Emittentin zu festgelegten Wahlrückzahlungsbetrag/-beträgen (Call) *[Ja/Nein]*

Specified Call Redemption Period(s)
festgelegte(r) Wahl-Rückzahlungszeitraum(räume) (Call) **[●]**

Specifed Call Redemption Amount(s) **[●]**
festgelegte Wahlrückzahlungsbetrag/-beträge (Call)

Early Redemption at the Option of the Issuer at Final Redemption Amount[8] **[**Yes/No**]**
Vorzeitige Rückzahlung nach Wahl der Emittentin zum Rückzahlungsbetrag *[Ja/Nein]*

Interest payment date falling **[number]** years after the Interest Commencement Date and each Interest Payment Date thereafter
*Zinszahlungstag **[Zahl]** Jahre nach dem Verzinsungsbeginn und an jedem darauf folgenden Zinszahlungstag*

Early Redemption at the Option of a Holder[9] [Yes/No]
Vorzeitige Rückzahlung nach Wahl des Gläubigers *[Ja/Nein]*

Put Redemption Period(s) [●]
Wahlrückzahlungszeitraum (räume) (Put)

Put Redemption Amount(s) [●]
Wahlrückzahlungsbetrag/-beträge (Put)

Purchase; Early Redemption for Reason of Minimal Outstanding Amount [Yes/No]
Rückkauf; Vorzeitige Rückzahlung nach Wahl der Emittentin bei geringem ausstehendem Nennbetrag *[Ja/Nein]*

Early Redemption as a result of a Change of Control [Yes/No]
Vorzeitige Rückzahlung im Falle eines Kontrollwechsels *[Ja/Nein]*

Early Redemption at the Option of the Issuer upon the occurrence of a Transaction Trigger Event [Yes/No]
Vorzeitige Rückzahlung nach Wahl der Emittentin bei Eintritt eines Transaktions-Ereignisses [*Ja/Nein*]

□ Transaction Trigger Cut-Off Date **[●]**
Transaktions-Stichtag *[●]*

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[5] Complete for fixed rate Notes.
Für fest verzinsliche Schuldverschreibungen auszufüllen.

[6] Complete for floating rate Notes.
Für variabel verzinsliche Schuldverschreibungen auszufüllen.

[7] Complete for fixed rate Notes.
Für fest verzinzliche Schuldverschreibungen auszufüllen.

[8] Complete for floating rate Notes.
Für variabel verzinsliche Schuldverschreibungen auszufüllen.

[9] Complete for fixed rate Notes.
Für fest verzinsliche Schuldverschreibungen auszufüllen.

□ Call Redemption Amount (Trigger Event) **[●]**
Wahl-Rückzahlungsbetrag (Trigger Event) *[●]*

□ Transaction **[●]**
Transaktion *[●]*

AGENTS (§ 6)[10]
V*ERWALTUNGSSTELLEN (§ 6)*

Calculation Agent/specified office [Not applicable] [●]
Berechnungsstelle/bezeichnete Geschäftsstelle *[Nicht anwendbar] [●]*

AMENDMENT OF THE TERMS AND CONDITIONS; HOLDERS' REPRESENTATIVE (§ 11)
ÄNDERUNG DER ANLEIHEBEDINGUNGEN, GEMEINSAMER VERTRETER (§ 11)

☐ Appointment of a Holders' Representative by resolution passed by Holders and not in the Conditions
Bestellung eines gemeinsamen Vertreters der Gläubiger durch Beschluss der Gläubiger und nicht in den Bedingungen

☐ Appointment of a Holders' Representative in the Conditions
Bestellung eines gemeinsamen Vertreters der Gläubiger in den Bedingungen

Name and address of the Holders' Representative [specify details]
Name und Anschrift des gemeinsamen Vertreters *[Einzelheiten einfügen]*

NOTICES (§ 13)
MITTEILUNGEN (§ 13)

Place and medium of publication
Ort und Medium der Bekanntmachung

☐ Website of the Luxembourg Stock Exchange (www.bourse.lu)
Internetseite der Luxemburger Wertpapierbörse (www.bourse.lu)

☐ Federal Gazette
Bundesanzeiger

☐ Clearing System

Language of Conditions (§ 15) [11]
Sprache der Bedingungen (§ 15)

☐ German only
ausschließlich Deutsch

☐ English only
ausschließlich Englisch

☐ English and German (English controlling)
Englisch und Deutsch (englischer Text maßgeblich)

☐ German and English (German controlling)
*Deutsch und Englisch (deutscher Text maßgeblich)***]**

[10] Complete for floating rate Notes.
Für variabel verzinsliche Schuldverschreibungen auszufüllen.

[11] To be determined in consultation with the Issuer.
In Abstimmung mit der Emittentin festzulegen.

Part II.: ADDITIONAL INFORMATION[12]
Teil II.: ZUSÄTZLICHE INFORMATIONEN

A. Essential information
Grundlegende Angaben

Interests of natural and legal persons involved in the issue/offer
Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind

☐ So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer, except that certain Dealers and their affiliates may be customers of, and borrowers from the Issuer and its affiliates. In addition, certain Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business.
Nach Kenntnis der Emittentin bestehen bei den an der Emission beteiligten Personen keine Interessen, die für das Angebot bedeutsam sind, außer, dass bestimmte Platzeure und mit ihnen verbundene Unternehmen Kunden von und Kreditnehmer der Emittentin und mit ihr verbundener Unternehmen sein können. Außerdem sind bestimmte Platzeure an Investment Banking Transaktionen und/oder Commercial Banking Transaktionen mit der Emittentin beteiligt, oder könnten sich in Zukunft daran beteiligen, und könnten im gewöhnlichen Geschäftsverkehr Dienstleistungen für die Emittentin und mit ihr verbundene Unternehmen erbringen.

☐ Other interest (specify details)
Andere Interessen (Einzelheiten einfügen)

Reasons for the offer and use of proceeds[13] [specify reasons]
Gründe für das Angebot und Verwendung der Erträge *[Gründe einfügen]*

Estimated net proceeds[14] [●]
Geschätzter Nettobetrag der Erträge

Estimated total expenses of the issue [●]
Geschätzte Gesamtkosten der Emission

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[12] There is no obligation to complete Part II. of the Final Terms in its entirety in case of Notes with a Specified Denomination of at least €100,000 or its equivalent in any other currency, provided that such Notes will not be listed on any regulated market within the European Economic Area. To be completed in consultation with the Issuer.
Es besteht keine Verpflichtung, Teil II. der Endgültigen Bedingungen bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens €100.000 oder dem Gegenwert in einer anderen Währung vollständig auszufüllen, sofern diese Schuldverschreibungen nicht an einem geregelten Markt innerhalb des Europäischen Wirtschaftsraums zum Handel zugelassen werden. In Absprache mit der Emittentin auszufüllen.

[13] If reasons for the offer is different from general financing purposes of the Bayer Group include those reasons here. Not to be completed in case of Notes with a Specified Denomination of at least €100,000 .
Sofern die Gründe für das Angebot nicht in allgemeinen Finanzierungszwecken der Gesellschaft des Bayer-Konzerns bestehen, sind die Gründe hier anzugeben. Nicht auszufüllen bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens €100.000.

[14] If proceeds are intended for more than one use will need to split out and present in order of priority.
Sofern die Erträge für verschiedene Verwendungszwecke bestimmt sind, sind diese aufzuschlüsseln und nach der Priorität der Verwendungszwecke darzustellen.

B. Information concerning the securities to be offered /admitted to trading
Informationen über die anzubietenden bzw. zum Handel zuzulassenden Wertpapiere

Securities Identification Numbers
Wertpapier-Kenn-Nummern

Common Code *Common Code*	[●]
ISIN *ISIN*	[●]
German Securities Code *Deutsche Wertpapier-Kenn-Nummer (WKN)*	[●]
Any other securities number *Sonstige Wertpapierkennnummer*	[●]

Historic Interest Rates and further performance as well as volatility[15]
Zinssätze der Vergangenheit und künftige Entwicklungen sowie ihre Volatilität

Details of historic [EURIBOR][LIBOR] rates and the further performance as well as their volatility can be obtained from *Einzelheiten zu vergangenen [EURIBOR][LIBOR] Sätzen und Informationen über künftige Entwicklungen sowie ihre Volatilität können abgerufen werden unter*	Reuters [EURIBOR01][LIBOR01] *Reuters [EURIBOR01][LIBOR01]*
Yield[16] ***Rendite***	**[●]**
Representation of debt security holders including an identification of the organisation representing the investors and provisions applying to such representation. Indication of where the public may have access to the contracts relation to these forms of representation[17] *Vertretung der Schuldtitelinhaber unter Angabe der die Anleger vertretenden Organisation und der für diese Vertretung geltenden Bestimmungen. Angabe des Ortes, an dem die Öffentlichkeit die Verträge, die diese Repräsentationsformen regeln, einsehen kann*	[Not applicable] [Specify details] *[Nicht anwendbar] [Einzelheiten einfügen]*
Resolutions, authorisations and approvals by virtue of which the Notes will be created ***Beschlüsse, Ermächtigungen und Genehmigungen, welche die Grundlage für die Schaffung der Schuldverschreibungen bilden***	[Specify resolutions, authorisations and approvals] *[Beschlüsse, Ermächtigungen und Genehmigungen einfügen]*

[15] Only applicable for floating rate Notes. Not required for Notes with a Specified Denomination of at least €100,000.
Nur bei variabel verzinslichen Schuldverschreibungen anwendbar. Nicht anwendbar auf Schuldverschreibungen mit einer festgelegten Stückelung von mindestens €100.000.

[16] Only applicable for fixed rate Notes
Gilt nur für festverzinsliche Schuldverschreibungen

[17] Specify further details in the case a Holders' Representative will be appointed in § 11 of the Conditions.
Weitere Einzelheiten für den Fall einfügen, dass § 11 der Bedingungen einen Gemeinsamen Vertreter bestellt.

Eurosystem eligibility[18]
EZB-Fähigkeit

Intended to be held in a manner which would allow Eurosystem eligibility [Yes/No/Not applicable]
Soll in EZB-fähiger Weise gehalten werden *[Ja/Nein/Nicht anwendbar]*

[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with in the case of (i) a NGN one of the ICSDs as common safekeeper or (ii) a CGN Clearstream Banking AG, Frankfurt, and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper (and registered in the name of a nominee of one of the ICSDs acting as common safekeeper). Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[Ja. Es wird darauf hingewiesen, dass "ja" hier lediglich bedeutet, dass die Wertpapiere nach ihrer Begebung im Fall (i) einer NGN bei einem der ICSDs als gemeinsamen Verwahrer oder (ii) einer CGN bei Clearstream Banking AG, Frankfurt verwahrt werden und es bedeutet nicht notwendigerweise, dass die Schuldverschreibungen als geeignete Sicherheit im Sinne der Währungspolitik des Eurosystems und der taggleichen Überziehungen (intra-day credit operations) des Eurosystems entweder nach Begebung oder zu irgendeinem Zeitpunkt während ihrer Existenz anerkannt werden. Eine solche Anerkennung wird vom Urteil der EZB abhängen, dass die Eurosystemfähigkeitskriterien erfüllt werden.]

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[18] Select "Yes" if the Notes are in NGN form and are to be kept in custody by an ICSD as common safekeeper. Select "No" if the Notes are in NGN form and are to be kept in custody by the common service provider as common safekeeper. Select "Not applicable" if the Notes are in CGN form but not deposited with Clearstream Banking AG, Frankfurt.
"Ja" wählen, falls die Schuldverschreibungen in Form einer NGN begeben und von einem ICSD als common safekeeper gehalten werden sollen."Nein" wählen, falls die Schuldverschreibungen in Form einer NGN begeben und vom common service provider als common safekeeper gehalten werden sollen. "Nicht anwendbar" wählen, falls die Schuldverschreibungen in Form einer CGN begeben werden, aber nicht bei Clearstream Banking AG, Frankfurt verwahrt werden.

[Nein. Während die Bestimmung am Tag dieser Endgültigen Bedingungen mit "Nein" festgelegt wurde, können sich die Eurosystemfähigkeitskriterien für die Zukunft deart ändern, dass die Schuldverschreibungen fähig sein werden diese einzuhalten. Die Schuldverschreibungen können dann bei einer der ICSDs als gemeinsamer Verwahrer hinterlegt (und auf den Namen eines Nominees von einem der ICSDs als gemeinsamer Verwahrer eingetragen) werden. Es ist zu beachten, dass die Schuldverschreibungen selbst dann nicht notwendigerweise als geeignete Sicherheit im Sinne der Währungspolitik des Eurosystems und der taggleichen Überziehungen (intra-day credit operations) des Eurosystem zu irgendeinem Zeitpunkt während ihrer Existenz anerkannt werden. Eine solche Anerkennung wird vom Urteil der EZB abhängen, dass die Eurosystemfähigkeitskriterien erfüllt werden.]

C. Placing and underwriting
Platzierung und Emission

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer, to the extent known to the Issuer or the offeror, or the placers in the various countries where the offer takes place [●]
Name und Anschrift des Koordinator/der Koordinatoren des globalen Angebots oder einzelner Teile des Angebots – sofern der Emittentin oder dem Anbieter bekannt – in den einzelnen Ländern des Angebots

Method of distribution
Vertriebsmethode

☐ Non-syndicated
Nicht syndiziert

☐ Syndicated
Syndiziert

Subscription Agreement
Übernahmevertrag

Date of Subscription Agreement / General features of the Subscription Agreement [19]
Datum des Übernahmevertrags / Hauptmerkmale des Übernahmevertrages

Management Details including form of commitment [20]
Einzelheiten bezüglich des Bankenkonsortiums / des Platzeurs einschließlich der Art der Übernahme

Specify Management Group / Dealer [●]
Bankenkonsortium / Platzeur angeben

☐ Firm commitment [●]
Feste Zusage

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[19] Required only for Notes issued on a syndicated basis in the case of Notes with a Specified Denomination of less than €100,000.
Nur erforderlich bei auf syndizierter Basis angebotener Schuldverschreibungen mit einer festgelegten Stückelung von weniger als €100.000.

[20] Not required for Notes with a Specified Denomination of at least €100,000.
Nicht erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens €100.000.

☐ No firm commitment / best efforts arrangements [●]
Ohne feste Zusage / zu den bestmöglichen Bedingungen

Commissions
Provisionen

Management/Underwriting Commission (specify) [●]
Management- und Übernahmeprovision (angeben)

Selling Concession (specify) [●]
Verkaufsprovision (angeben)

Stabilizing Dealer/Manager **[**insert details/None**]**
Kursstabilisierender Dealer/Manager *[Einzelheiten einfügen/Keiner]*

D. Listing(s)/Admission to trading **[**Yes/No**]**
Börsenzulassung(en)/Börsenhandel *[Ja/Nein]*

Luxembourg Stock Exchange (regulated market)
Luxemburger Börse (geregelter Markt)

Date of admission [●]
Termin der Zulassung

Estimate of the total expenses related to admission to trading[21] **[●]**
Geschätzte Gesamtkosten für die Zulassung zum Handel

All regulated markets or equivalent markets on which, to the knowledge of the Issuer, notes of the same class of the notes to be offered or admitted to trading are already admitted to trading[22]
Angabe sämtlicher regulierter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie, die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind

☐ regulated market of the Luxembourg Stock Exchange
regulierter Markt der Luxemburger Börse

Name and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment **[**Not applicable**] [**Specify details**]**
Name und Anschrift der Institute, die aufgrund einer festen Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen erwirtschaften, und Beschreibung der Hauptbedingungen der Zusagevereinbarung *[Nicht anwendbar] [Einzelheiten einfügen]*

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[21] Required for Notes with a Specified Denomination of at least €100,000.
Erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens €100.000.

[22] In case of a fungible issue, need to indicate that the original notes are already admitted to trading. Not required for Notes with a Specified Denomination of at least €100,000.
Im Falle einer Aufstockung, die mit einer vorangegangenen Emission fungibel ist, ist die Angabe erforderlich, dass die ursprünglichen Schuldverschreibungen bereits zum Handel zugelassen sind. Nicht erforderlich bei Schuldverschreibungen mit einer festgelegten Stückelung von mindestens €100.000.

E. Additional Information
Zusätzliche Informationen

Rating[23] **[**Not applicable**] [●]**
Rating *[Nicht anwendbar] [●]*

[specify whether the relevant rating agency is established in the European Community and is registered or has applied for registration pursuant to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended from time to time, (the "**CRA Regulation**"). The European Securities and Markets Authority publishes on its website (http://www.esma.europa.eu/page/Listregistered-and-certified-CRAs) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 of the CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.**]**
[Einzelheiten einfügen, ob die jeweilige Ratingagentur ihren Sitz in der Europäischen Gemeinschaft hat und gemäß Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen in der jeweils geltenden Fassung (die "Ratingagentur-Verordnung") registriert ist oder die Registrierung beantragt hat. Die Europäische Wertpapier und Marktaufsichtsbehörde veröffentlicht auf ihrer Webseite (http://www.esma.europa.eu/page/Listregistered-and-certified-CRAs) ein Verzeichnis der nach der Ratingagentur-Verordnung registrierten Ratingagenturen. Dieses Verzeichnis wird innerhalb von fünf Werktagen nach Annahme eines Beschlusses gemäß Artikel 16, 17 oder 20 der Ratingagentur-Verordnung aktualisiert. Die Europäische Kommission veröffentlicht das aktualisierte Verzeichnis im Amtsblatt der Europäischen Union innerhalb von 30 Tagen nach der Aktualisierung.]

THIRD PARTY INFORMATION
INFORMATIONEN VON SEITEN DRITTER

[With respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted the omission of which would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof.][Not applicable]
[Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, dass diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten Informationen ableiten konnte – keine Fakten weggelassen wurden, deren Fehlen die reproduzierten Informationen unzutreffend oder irreführend gestalten würden; (ii) die Emittentin hat diese Informationen nicht selbständig überprüft und übernimmt keine Verantwortung für ihre Richtigkeit.][Nicht anwendbar]

[Bayer Aktiengesellschaft**] [**Bayer Capital Corporation B.V.**] [**Bayer Holding Ltd.**] [**Bayer Nordic SE**]**

_____

[Name & title of signatories**]**
[Name und Titel der Unterzeichnenden]

[23] Insert rating of the Notes. In case of Notes with a Specified Denomination of less than €100,000, insert the applicable definitions of the relevant rating categories.
Rating der Schuldverschreibungen einfügen. Bei Schuldverschreibungen mit einer festgelegten Stückelung von weniger als €100.000, Definitionen der jeweiligen Rating-Kategorie einfügen.

USE OF PROCEEDS

Except as described in the relevant Final Terms, if applicable, the net proceeds of the issue of each Tranche of Notes will be applied by the relevant Issuer to meet part of its general financing requirements.

BAYER AG

Responsibility Statement

The Responsibility Statement is set out on page ii of this Prospectus.

Independent Auditors

The independent auditor of Bayer AG is PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (trading under PricewaterhouseCoopers AG, Wirtschaftsprüfungsgesellschaft until February 28, 2017), Friedrich-List-Str. 20, 45128 Essen, Germany ("**PwC**"). PwC is a member of the German Chamber of Public Accountants (*Wirtschaftsprüferkammer*), Rauchstraße 26, 10787 Berlin. PwC has audited the consolidated financial statements (including the notes thereto) of Bayer AG, Leverkusen and the combined management report for the fiscal years ended December 31, 2015 and 2016, and has issued an unqualified auditor's report in each case.

Selected Financial Information

This selected Financial Information has been extracted, without material adjustment, from the audited consolidated financial statements of the Bayer Group as of and for the year ended December 31, 2016. These financial statements have been prepared according to the International Financial Reporting Standards ("**IFRS**") issued by the International Accounting Standards Board (IASB), London, United Kingdom, and the interpretations of the IFRS Interpretations Committee (IFRS IC), both as endorsed by the European Union and in effect at the end of the reporting period. The applicable further requirements of Section 315a of the German Commercial Code were also taken into account.

In 2016, the Consumer Business of Bayer's Crop Science Environmental Science unit (CS Consumer) met the definition of discontinued operations according to IFRS 5 – *Non-current assets held for sale and discontinued operations.* Accordingly, the Bayer 2016 Consolidated Financial Statements including the comparative information as of and for the fiscal year ended December 31, 2015, which are incorporated into this Prospectus by reference, present the Consumer Business (CS Consumer) as a discontinued operation. However, the Bayer 2015 Consolidated Financial Statements, which are incorporated into this Prospectus by reference, were not adjusted to present the Consumer Business (CS Consumer) as a discontinued operation.

	As of and for the year ended	
	December 31, 2016	December 31, 2015
	in million Euro	
Sales	46,769	46,085
Net income[(a)]	4,531	4,110
Net cash provided by (used in) operating activities [(b)]	9,089	6,890
Total assets	82,238	73,917
Equity	31,897	25,445

(a) Net income = Income (loss) after income taxes attributable to Bayer AG stockholders
(b) From continuing and discontinued operations

Risk Factors in respect of Bayer AG and the Bayer Group

For a description of certain risk factors relating to Bayer AG and the Bayer Group, see "*Risk Factors – Risk Factors in respect of Bayer AG and the Bayer Group*".

Information on Bayer AG and the Bayer Group

History and Incorporation

Bayer AG was established on December 19, 1951 under the name "Farbenfabriken Bayer Aktiengesellschaft". It was registered under German law as a stock corporation (Aktiengesellschaft) in the commercial register at the local court of Opladen (today the local court of Cologne) under the number HRB 1122 (today, at the local court of Cologne, under the number HRB 48248). Its name was changed to "Bayer Aktiengesellschaft" by resolution of the Meeting of the Stockholders on June 14, 1972.

The registered office of Bayer AG is at Kaiser-Wilhelm-Allee 1, 51373 Leverkusen, Germany, telephone number: +49 214 30 48334.

Investments

Acquisitions in 2016:

Adjustments to purchase prices and purchase price allocations effected in 2016 relating to previous years' transactions totaled minus €5 million. Adjustments to purchase price allocations and other adjustments increased the total carrying amount of goodwill by €9 million.

The changes in goodwill mainly resulted from the following purchase price allocation adjustment: On July 1, 2015, Crop Science completed the acquisition of all the shares of SeedWorks India Pvt. Ltd., based in Hyderabad, India. The company is specialized in the breeding, production and marketing of hybrid seeds of tomato, hot pepper, okra and gourds. It has research and seed processing locations in Bangalore and Hyderabad, respectively. The purchase of SeedWorks India is intended to further strengthen Crop Science's vegetable seed business in India. A purchase price of €80 million was agreed, pertaining mainly to patents, research and development projects and goodwill.

Improved information obtained about the acquired assets in the first quarter of 2016 in the course of the global purchase price allocation led to decreases of €23 million in intangible assets and €8 million in deferred tax liabilities and a corresponding increase of €13 million in goodwill in the opening statement of financial position. In addition, the purchase price declined by €2 million to €78 million following completion of the final purchase price negotiations.

On February 12, 2016, Bayer and CRISPR Therapeutics AG, Basel, Switzerland, established the joint venture Casebia Therapeutics LLP, Ascot, United Kingdom. Its purpose is the development and commercialization of new methods to treat blood disorders, blindness and heart diseases. Capital contribution liabilities of US$255 million to Casebia Therapeutics LLP were recognized in the statement of financial position as of December 31, 2016. These liabilities mature on December 31, 2020, at the latest. US$45 million was already paid in 2016, and a further US$60 million was paid on January 3, 2017.

On December 9, 2016, Bayer and Versant Ventures, San Francisco, United States, established the joint venture BlueRock Therapeutics LP, San Francisco, United States. The company will be active in the field of next-generation regenerative medicine. Its goal is to develop induced pluripotent stem cell (iPSC) therapies to cure a range of diseases. As of December 31, 2016, Bayer had capital contribution obligations of US$150 million pertaining to the establishment of the joint venture. This amount should be paid by December 31, 2020, at the latest.

Acquisitions after the end of the last reporting period ended December 31, 2016:

On January 3, 2017, Bayer acquired the Cydectin™ portfolio in the United States from Boehringer Ingelheim Vetmedica Inc., St. Joseph, United States. The acquisition comprises the CYDECTIN Pour-On, CYDECTIN Injectable and CYDECTIN Oral Drench endectocides for cattle and sheep. The acquisition is intended to strengthen the antiparasitics portfolio in the United States through the addition of endectocides. An initial purchase price of approximately €150 million was agreed, which is subject to the usual price adjustment mechanisms. The purchase price was provisionally allocated mainly to trademarks and goodwill. The purchase price allocation currently remains incomplete pending compilation and review of the relevant financial information.

Planned acquisitions:

On September 14, 2016, Bayer signed a definitive merger agreement with Monsanto Company, St. Louis, Missouri, United States, which provides for Bayer's acquisition of all outstanding shares in Monsanto Company against a cash payment of US$128 per share. At the time this corresponded to an expected transaction volume of approximately US$66 billion, comprising an equity value (purchase price) of approximately US$56 billion and net debt to be assumed in an amount of US$10 billion, which includes pension obligations as of May 31, 2016, as well as liabilities for payments under stock-based compensation programs. Bayer thus has a contingent financial commitment in the amount of approximately US$56 billion to acquire Monsanto's entire outstanding capital stock. The agreed transaction has been partially hedged against the euro / U.S. dollar currency risk using derivatives contracts.

The transaction brings together two different, but highly complementary businesses. Monsanto is a leading global provider of agricultural products, including seeds and seed technologies, herbicides, and digital platforms to give farmers agronomic recommendations. The combined business will offer a comprehensive set of solutions to meet growers' current and future needs, including enhanced solutions in high-quality seeds and traits, digital farming, and crop protection. The combination also brings together both companies' leading innovation capabilities and R&D technology platforms.

Syndicated bank financing of US$56.9 billion was committed by Bank of America Merrill Lynch, Credit Suisse, Goldman Sachs, HSBC and JP Morgan upon the signing of the merger agreement. The bank financing was subsequently syndicated to more than 20 other partner banks of Bayer.

Bayer intends to finance the transaction with a combination of debt and equity. The planned equity component amounts to approximately US$19 billion in total. As the first part of the equity component, Bayer placed €4 billion in mandatory convertible notes on November 22, 2016, excluding subscription rights for existing stockholders of the company. The net proceeds from the issuance of the mandatory convertible notes were used for the early replacement of a portion of the undrawn syndicated bank credit facility. The remainder of the equity component is expected to be raised by way of a rights issue. The debt component is expected to be mainly composed of senior and hybrid corporate bonds as well as term bank loans.

The stockholders of Monsanto Company approved the merger with the requisite majority on December 13, 2016. The transaction remains subject to customary closing conditions, including relevant antitrust and other regulatory approvals. Closing of the transaction is currently expected by the end of 2017.

The merger agreement provides for payment by Bayer of a US$2 billion reverse break fee including, in particular, in the event that the necessary antitrust approvals are not granted by June 14, 2018, and Bayer or Monsanto therefore terminates the merger agreement.

Divestitures and Discontinued Operations in 2016:

The sale of the Diabetes Care business to Panasonic Healthcare Holdings Co., Ltd., Tokyo, Japan, for around €1 billion was completed on January 4, 2016. The sale includes the leading Contour™ portfolio of blood glucose monitoring meters and strips, as well as other products such as Breeze™2, Elite™ and Microlet™ lancing devices.

The sale of the Diabetes Care business also comprises further significant obligations by Bayer that will be fulfilled over a period of up to two years subsequent to the date of divestment. The sale proceeds will be recognized accordingly over this period and reported as income from discontinued operations. Deferred income has been recognized in the statement of financial position and will be dissolved as the obligations are fulfilled. Of this, an amount of €497 million was recognized in sales in 2016. The €71 million outflow of net assets is reflected accordingly in the cost of goods sold.

The obligations to be fulfilled over a period of up to two years after the divestment of the Diabetes Care business are also reported as discontinued operations in the income statement and the statement of cash flows. These resulted in sales of €76 million in 2016. This information is provided from the standpoint of the Bayer Group and does not present these activities as a separate entity. It is therefore not possible to compare

these sales against the proceeds from operational product sales achieved in 2015.

The items in the statement of financial position pertaining to the Diabetes Care business are shown in the segment reporting under "All Other Segments." In addition to the aforementioned deferred income (€469 million), the statement of financial position includes other receivables (net: €66 million), deferred tax assets (net: €73 million), income tax liabilities (€65 million) and miscellaneous provisions (€9 million).

The sale of the Consumer business (CS Consumer) of Bayer's Environmental Science unit to SBM Développement SAS, Lyon, France, was completed on October 4, 2016. The Consumer business encompasses the Bayer Garden and Bayer Advanced businesses in Europe and North America. These activities are reported as discontinued operations in the income statement and the statement of cash flows.

Capital expenditure:

In 2016, cash outflows for property, plant and equipment and intangible assets were 2.4% higher at €2,578 million (2015: €2,517 million) and included €835 million (2015: €777 million) at Pharmaceuticals, €215 million (2015: €148 million) at Consumer Health, €757 million (2015: €721 million) at Crop Science, €37 million (2015: €41 million) at Animal Health and €415 million (2015: €508 million) at Covestro.

Business Overview

Principal activities

Bayer is a Life Science company with a more than 150-year history and core competencies in the areas of health care and agriculture. With its innovative products, Bayer is contributing to finding solutions to some of the major challenges of our time. A growing and aging world population requires an adequate supply of food and improved medical care. The company's research and development activities are therefore focused on improving people's quality of life by preventing, alleviating and treating diseases. At the same time, Bayer is contributing to provide a reliable supply of high-quality food, feed and plant-based raw materials. Bayer's activities are based on a profound understanding of the biochemical processes in living organisms.

Principal Markets

The Pharmaceuticals segment focuses on prescription products, especially for cardiology and women's healthcare, and on specialty therapeutics in the areas of oncology, hematology and ophthalmology. The division also comprises the radiology business, which markets diagnostic imaging equipment together with the necessary contrast agents.

The Consumer Health segment markets mainly nonprescription (OTC = over-the-counter) products in the dermatology, nutritional supplement, analgesic, gastrointestinal, cold, allergy, sinus and flu, foot care and sun protection categories.

The Crop Science segment is a world-leading agriculture enterprise with businesses in seeds, crop protection and nonagricultural pest control. The Crop Protection / Seeds operating unit markets a broad portfolio of high-value seeds and innovative pest management solutions, while at the same time providing extensive customer service for sustainable agriculture. The Environmental Science operating unit provides products and services for professional nonagricultural applications, such as vector and pest control and forestry.

The Animal Health segment ranks among the leading international innovators in its field. It develops and markets products and solutions for the prevention and treatment of diseases in companion and farm animals.

The corporate functions and Business Services operate as Group-wide competence centers in which business support services are bundled. Currenta is the service company responsible for managing and operating the Chempark sites in Leverkusen, Dormagen and Krefeld-Uerdingen.

Covestro is one of the world's leading suppliers of high-tech polymer materials and develops innovative product solutions for a wide variety of everyday uses.

Product and Activities of the Segments

Indication/Application/Business	Core activities and markets	Main products and brands[1]
Pharmaceuticals		
Cardiology	Hypertension, pulmonary hypertension, heart attack and stroke, thrombosis	Xarelto™, Adalat™, Aspirin™ Cardio, Adempas™
Oncology	Liver cancer, renal cell carcinoma, prostate cancer, colorectal cancer, gastrointestinal stromal tumors (GIST)	Nexavar™, Xofigo™, Stivarga™
Ophthalmology	Age-related macular degeneration (AMD), diabetic macular edema (DME)	Eylea™
Hematology	Hemophilia A	Kogenate™ / Kovaltry™
Women's health	Contraception, gynecological therapy	Mirena™ product family, YAZ™ / Yasmin™ / Yasminelle™
Infectious diseases	Bacterial infections	Avalox™ / Avelox™, Cipro™, Ciprobay™
Radiology	Contrast agents; diagnostic imaging equipment for use with contrast agents	Gadovist™, Ultravist™, Medrad Spectris Solaris™, Medrad Stellant™
Other indications	Multiple sclerosis	Betaferon™ / Betaseron™
Consumer Health		
Dermatology	Wound care, skin care, skin and intimate health	Bepanthen™, Canesten™
Nutrition	Multivitamin products, dietary supplements	One A Day™, Elevit™, Berocca™, Supradyn™, Redoxon™
Analgesics	General pain relief	Aspirin™, Aleve™
Gastrointestinals	Gastric complaints	MiraLax™, Rennie™, Iberogast™
Allergy	Allergies	Claritin™
Cough and cold	Cough and cold	Aspirin™, Alka-Seltzer™, Afrin™
Footcare	Footcare	Dr. Scholl's™
Suncare	Sun protection	Coppertone™
Crop Science		
Fungicides	Biological and chemical products to protect crop plants from fungal diseases	Flint™, Fox™, Luna™, Nativo™, Prosaro™, Serenade™, Xpro™
Insecticides	Biological and chemical products to protect crop plants from harmful insects	Belt™, BioAct™, Confidor™, Movento™, Sivanto™
Herbicides	Chemical crop protection products to control weeds	Adengo™, Alion™, Basta™, Corvus™, Liberty™
SeedGrowth	Biological and chemical seed treatments to protect against fungal infection and pests	CropStar™, Gaucho™, Poncho™
Seeds	Seeds and traits for cotton, canola, rice, soybeans, wheat and vegetables	Arize™, Credenz™, FiberMax™, InVigor™, Nunhems™, Stoneville™
Environmental Science	Products for professional pest control, vector control, forestry, golf courses and parks, railway tracks	Esplanade™, Fludora™, Interface™, K-Othrine™, Maxforce™, Pistol™, Signature™
Animal Health		
Companion animals business	Veterinary medicines and solutions to protect and maintain the health of companion animals, focusing on antiparisitics and anti-infectives	Advantage™ product family, Seresto™, Drontal™, Baytril™
Farm animals business	Veterinary medicines and solutions to treat and prevent parasitic diseases, anti-infectives, immunostimulants, pharmacological treatments and farm hygiene products	Baytril™
Covestro		
Polyurethanes	Raw materials for flexible and rigid foams and for thermoplastics	Diphenylmethane diisocyanate (MDI), toluene diisocyanate (TDI) and polyether polyol product groups
Polycarbonates	Granules, sheets and films	Polycarbonate product group
Coatings, Adhesives, Specialties	Raw materials for surface coatings and adhesives and specialties	Hexamethylene diisocyanate (HDI) product group

[1] The order of the products listed is no indication of their significance.

Organizational Structure

Following the stock market flotation of Covestro, Bayer reorganized the Group effective January 1, 2016, and is now focusing on its Life Science activities. These businesses hold leading positions in innovation-driven, rapidly growing markets. Together, the Life Science businesses make up a strong, attractive and balanced portfolio that is resistant to fluctuations in demand and to potential risks.

The company's operations are managed in three divisions – Pharmaceuticals, Consumer Health and Crop Science – and the Animal Health business unit, which are also reporting segments. As of December 31, 2016, Bayer held about 64% of Covestro AG. Covestro therefore also remains a fully consolidated reporting segment. The operational business is supported by the corporate functions – including Technology Services, which was integrated into Bayer AG effective July 1, 2016 – Business Services and the service company Currenta.

The following changes were made to the corporate structure in 2016:

- In April 2016, Bayer AG deposited shares it held in Covestro AG in Bayer Pension Trust e.V. The number of shares deposited amounted to 10 million, or 4.9%, of the shares outstanding.
- In May 2016, Crop Science signed an agreement to divest the Consumer business of Environmental Science, which has since been reported retrospectively for 2015 and 2016 under discontinued operations. Environmental Science therefore now comprises only the business for professional users. The divestment was closed at the start of October 2016.

In 2016, the Bayer Group comprised 301 consolidated companies in 78 countries throughout the world.

Reporting of the regions has been adjusted to reflect the distribution of responsibilities on the Board of Management. Africa / Middle East is now no longer reported together with Latin America but with Europe.

For more information on Bayer's business activities, refer to "*Business Overview of Bayer AG and the Bayer Group*".

Subsidiaries

The Bayer Group and its audited consolidated financial statements as of and for the year ended December 31, 2016 included 301 consolidated companies.

The following table lists Bayer AG's material consolidated subsidiaries as of December 31, 2016 and its beneficial ownership interest in each.

Company Name	Place of Business	Bayer's Interest (percent)
Germany		
Alcafleu Management GmbH & Co. KG	Schönefeld	99,9
Bayer Animal Health GmbH	Leverkusen	100
Bayer Business Services GmbH	Leverkusen	100
Bayer CropScience AG	Monheim	100
Bayer CropScience Deutschland GmbH	Langenfeld	100
Bayer Intellectual Property GmbH	Monheim	100
Bayer Pharma AG	Berlin	100
Bayer Vital GmbH	Leverkusen	100
Covestro AG	Leverkusen	64.2
Covestro Deutschland AG	Leverkusen	100
Currenta GmbH & Co. OHG	Leverkusen	60
Jenapharm GmbH & Co. KG	Jena	100
Other Europe/Middle East/Africa		
AO Bayer	Moscow/Russia	100
Bayer (Proprietary) Limited	Isando/South Africa	100
Bayer (Schweiz) AG	Zurich/Switzerland	100
Bayer A/S	Copenhagen/Denmark	100
Bayer Austria Gesellschaft m.b.H.	Vienna/Austria	100
Bayer B.V.	Mijdrecht/Netherlands	100
Bayer Capital Corporation B.V.	Mijdrecht/Netherlands	100
Bayer Consumer Care AG	Basel/Switzerland	100
Bayer CropScience Limited	Cambridge/United Kingdom	100
Bayer CropScience NV	Diegem/Belgium	100
Bayer CropScience S.r.l.	Milan/Italy	100
Bayer CropScience, S.L.	Paterna/Spain	100
Bayer HealthCare Manufacturing S.r.l.	Milan/Italy	100
Bayer HealthCare SAS	Loos/France	100
Bayer Hispania, S.L.	Sant Joan Despi/Spain	100
Bayer Hungária Kft.	Budapest/Hungary	100
Bayer Ltd.	Kiev/Ukraine	100
Bayer Middle East FZE	Dubai/Unit.Arab Emir.	100
Bayer Nordic SE	Espoo/Finland	100
Bayer NV	Diegem/Belgium	100
Bayer Oy	Turku/Finland	100
Bayer Public Limited Company	Newbury/United Kingdom	100
Bayer S.A.S.	Lyon/France	100
Bayer S.p.A.	Milan/Italy	100
Bayer Sp. z o.o.	Warsaw/Poland	100
Bayer Türk Kimya Sanayii Ltd. Sirketi	Istanbul/Turkey	100
Covestro International SA	Fribourg/Switzerland	100
Covestro NV	Antwerp/Belgium	100
Covestro S.r.l.	Milan/Italy	100
SC Bayer SRL	Bucharest/Romania	100

North America		
Bayer Corporation	Pittsburgh/United States	100
Bayer CropScience Inc.	Calgary/Canada	100
Bayer CropScience LP	Research Triangle Park/United States	100
Bayer HealthCare LLC	Whippany/United States	100
Bayer HealthCare Pharmaceuticals Inc.	Whippany/United States	100
Bayer Inc.	Mississauga/Canada	100
Bayer US Finance LLC	Pittsburgh/United States	100
Covestro LLC	Pittsburgh/United States	100
Covestro PO LLC	New Martinsville/United States	100
Asia / Pacific		
Bayer Australia Limited	Pymble/Australia	100
Bayer CropScience (China) Company Ltd.	Hangzhou/China	100
Bayer CropScience K.K.	Tokyo/Japan	100
Bayer CropScience Limited	Thane/India	68.6
Bayer CropScience Pty Limited	East Hawthorn/Australia	100
Bayer Healthcare Co., Ltd.	Beijing/China	100
Bayer Holding Ltd.	Tokyo/Japan	100
Bayer Korea Ltd.	Seoul/Republic Korea	100
Bayer Taiwan Company Ltd.	Taipei/Taiwan	100
Bayer Thai Co., Ltd.	Bangkok/Thailand	100
Bayer Yakuhin, Ltd.	Osaka/Japan	100
Covestro (Hong Kong) Ltd.	Hongkong/China	100
Covestro (India) Private Ltd.	Thane/India	100
Covestro (Thailand) Co., Ltd.	Bangkok/Thailand	100
Covestro Polymers (China) Co., Ltd.**	Shanghai/China	100
Sumika Covestro Urethane Company, Ltd.	Amagasaki/Japan	60
Latin America		
Bayer de México, S.A. de C.V.	Mexico City/Mexico	100
Bayer S.A.	Buenos Aires/Argentina	100
Bayer S.A.	Lima/Peru	96.5
Bayer S.A.	Bogotá/Colombia	100
Bayer S.A.	São Paulo/Brazil	100
Covestro Indústria e Comércio de Polimeros Ltda.	São Paulo/Brazil	100
Covestro S.A. de C.V.	Mexico City/Mexico	100

The following joint operation was included in the consolidated financial statements in line with Bayer‘s share of its assets, liabilities, revenues and expenses:

Company Name	**Place of Business**	**Bayer's Interest (percent)**
Associated companies		
LyondellBasell Covestro Manufacturing Maasvlakte V.O.F	Rotterdam, Netherlands	50

The following associates and joint ventures were accounted for in the consolidated financial statements using the equity method:

Company Name	Place of Business	Bayer's Interest (percent)
Associates		
Bayer Trendlines AG Innovation Fund, Limited Partnership	Misgav, Israel	100
Flagship Ventures V Agricultural Fund, L.P.	Cambridge, U.S.A.	99.9
Nanjing Baijingyu Pharmaceutical Co., Ltd.	Nanjing, China	15*
Paltough Industries (1998) Ltd.	Kibbutz Ramat Yochanan, Israel	25
PO JV, LP	Wilmington, U.S.A.	39.4
Joint ventures		
Bayer Zydus Pharma Private Limited	Mumbai, India	50
BlueRock Therapeutics GP LLC	San Francisco, U.S.A.	50
BlueRock Therapeutics LP	San Francisco, U.S.A.	50
Casebia Therapeutics LLC	Cambridge, U.S.A.	50
DCSO Deutsche Cyber - Sicherheitsorganisation GmbH	Berlin, Germany	25
DIC Covestro Polymer Ltd.	Tokyo, Japan	50

*Associate accounted for using the equity method according to IAS 28.5 in combination with 28.6

Trend Information

Bayer's growth could be impeded by increasing global cost pressure on health care systems. The prices of pharmaceutical products are subject to regulatory monitoring and control in many markets, and government reimbursement systems often favor less expensive generic medicines over branded products.Pharmaceutical products are subject to regulatory price controls and regulations in many markets, and government reimbursement systems often favor less expensive generic medicines over branded products. In addition, in some markets, major health care providers can exert substantial pressure on prices. Price controls and pricing pressure reduce earnings from Bayer's pharmaceutical products and may occasionally make the market launch of a new product unprofitable.

According to Bayer's assessment the current extent of regulatory controls and market pressures on pricing will persist or increase. Bayer’s Life Science businesses operate in highly competitive markets. Corporate mergers, along with business practices such as aggressive pricing strategies – not only in the field of generic competition – may adversely affect Bayer’s earnings.

Changes with respect to price development and governmental price controls in Bayer's key markets are continuously monitored. Depending on the intensity of such price controls and the pressure on prices, it could be necessary to adjust Bayer's business model.

Modern agricultural methods, the application of certain classes of crop protection products and the use of genetic engineering are repeatedly the subject of intense public debate. This political opinion-forming may yield legislative and regulatory decisions that significantly limit the use of Bayer products or even result in voluntary or mandated product withdrawals. In addition, decisions by the European Union, for example, also affect agricultural imports from other parts of the world and therefore Bayer’s business in those regions.

In the Crop Science segment, risks may arise from seasonal fluctuations in the weather, market volatility for agricultural products and Bayer’s customers’ financial situations, for example. These may adversely affect both Bayer’s crop protection and seeds businesses.

The current global consolidation process in the seeds and crop protection industry could greatly alter Bayer’s future competitive environment.

Negative economic developments generally have an adverse effect on the sales markets for Covestro’s products, usually leading to lower sales volumes and a drop in the company’s operational earnings. The extent of

these effects on volumes and the operating result also depend on capacity utilization in the industry, which in turn varies according to the supply-demand ratio for industry-specific products. A decline in demand leads to lower sales volumes and ultimately to lower capacity utilization, which adversely impacts margins.

There is steady growth in public and regulatory expectations with regard to the safety and efficacy of chemical, biological and pharmaceutical products so Bayer continues to anticipate increasing regulatory requirements for clinical or (eco)toxicological studies, for example. This leads to higher product development costs and longer timeframes.

The expectations of the public and the regulatory authorities with regard to the safety and efficacy of chemical and pharmaceutical products are constantly rising. Against this background, Bayer continues to anticipate increasing regulatory requirements for clinical or (eco)toxicological studies, for example. This increases product development costs and the time it takes to obtain registration or marketing approval.

The Bayer Group, now as in the past, has a portfolio that largely consists of patent-protected products. Generic manufacturers, in particular, attempt to contest patents prior to their expiration. Sometimes a generic version of a product may even be launched “at risk” prior to the issuance of a final patent decision. When a patent defense is unsuccessful, or if one of our patents expires, our prices are likely to come under pressure because of increased competition from generic products entering the market.

Most of Bayer's products primarily in the Life Sciences, are covered by patents. Generic manufacturers, in particular, attempt to contest patents prior to their expiration. Sometimes a generic version of a product may even be launched "at risk" prior to the issuance of a final patent decision. When a patent defense is unsuccessful, or if one of Bayer's patents expires, prices are likely to come under pressure because of increased competition from generic products entering the market.

Furthermore, the presence of traces of unwanted genetically modified organisms in agricultural products and / or foodstuffs cannot be entirely excluded. Potential payments of damages in connection with the above risks may have a substantial negative impact on Bayer’s earnings.

No material adverse change in the Issuer's prospects

There has been no material adverse change in the prospects of the Bayer Group since the end of the last reporting period ended December 31, 2016.

Directors and Senior Management

In accordance with the German Stock Corporation Act (*Aktiengesetz,* "**AktG**"), Bayer AG has both a board of management (*Vorstand*) (the "**Board of Management**") and a supervisory board (*Aufsichtsrat*) (the "**Supervisory Board**"). The Board of Management is responsible for the management of Bayer's business; the Supervisory Board supervises the Board of Management and appoints its members. The two boards are separate, and no individual may simultaneously be a member of both boards.

Board of Management

The following table shows the members of Bayer's current Board of Management, their ages and positions and the years in which their current terms expire.

Name and Age	Position	Current Term Expires
Werner Baumann (54)	Chairman	2021
Liam Condon (49)	Member	2018
Johannes Dietsch (55)	Member	2017
Dr. Hartmut Klusik (60)	Member	2018
Kemal Malik (54)	Member	2022
Erica Mann (58)	Member	2018

Dieter Weinand (56)	Member	2018

Werner Baumann became Chairman of the Board of Management of Bayer AG effective May 1, 2016. He joined the Board in January 2010. Prior to joining the Board, Baumann served in various positions with increasing responsibilities in Leverkusen, Barcelona (Spain) and Tarrytown, New York. In 2002, Baumann became a member of the Executive Committee and Head of Central Administration & Organization at Bayer HealthCare. In 2003 he was appointed a member of the Board of Management of the newly formed subgroup Bayer HealthCare AG. From 2006 to 2009 he also served as a member of the Board of Management and Labor Director of Bayer Schering Pharma AG.

Liam Condon joined the former Schering AG and held various sales and marketing positions in the gynecology business in Germany. He then served five years as head of a business unit in Osaka, Japan. On his return to Germany, Condon became Regional Marketing and Medical Director for the Asia-Pacific and Middle East regions at Schering in Berlin. In February 2005, he was appointed Managing Director of Schering in China. Following Bayer's acquisition of Schering, Condon was named Vice President of Bayer HealthCare China in November 2006. Between 2007 and 2009, he was Managing Director of Bayer HealthCare and General Manager of Bayer Pharma in China. In January 2010, Liam Condon was appointed Managing Director of Bayer HealthCare in Germany and Country Representative for Bayer Schering Pharma AG in Germany. In December 2012, he became Chairman of the Board of Management of Bayer CropScience AG. Condon is a member of the Board of Directors of CropLife International, an agricultural industry association. He joined the Board of Management of Bayer AG in January 2016.

Johannes Dietsch joined Bayer as a commercial trainee in 1981. On completion of his training in 1984, he held a number of management positions in various departments within the company. He gained several years of overseas experience during two assignments at Bayer Japan, Ltd., latterly as Chief Financial Officer in finance and administration. In 2001 Dietsch was made Head of Corporate Finance in the Finance Division, becoming Head of Finance in the Corporate Center of Bayer AG on July 1, 2002. His area of responsibility included Treasury, Corporate Finance, Financial Controlling, Asset Management Pensions, Mergers & Acquisitions and Taxes. In September 2011, he was appointed as Senior Bayer Representative and CFO for Greater China at Bayer China in Shanghai. Dietsch joined the Board of Management of Bayer AG in September 2014.

Dr. Hartmut Klusik began his professional career at Bayer's Wolff Walsrode AG subsidiary in 1984 as a laboratory manager. He then worked as head of operations in various production areas at Wolff Walsrode. In 1990, he transferred to Bayer AG and was appointed head of the company's crop protection production in Brazil. This was followed by assignments in the United States and Australia. In 1997, Klusik took charge of crop protection active ingredient production in Dormagen and Elberfeld, assuming global responsibility for active ingredient production at Bayer CropScience in Monheim from 2002. In early 2005, he transferred to Bayer HealthCare as head of the Technical Operations Committee. He was appointed to the Bayer HealthCare Executive Committee in July 2005 and was responsible for Product Supply. From November 2005 until his appointment to the Board of Management of Bayer AG in January 2016, Klusik was a member of the Board of Management of Bayer HealthCare AG and became Labor Director as of October 2009. From March 2011 he was also Labor Director and member of the Board of Management of Bayer Pharma AG.

Kemal Malik joined Bayer in 1995 as Head of Metabolism and Oncology Europe in the then Pharmaceuticals Business Group. He subsequently served as Head of Global Medical Development before being appointed Head of Global Development. Kemal Malik was a member of the Executive Committee of Bayer HealthCare AG from 2007 until his appointment to the Board of Management of Bayer AG in February 2014. He was also Head of Global Development and Chief Medical Officer in the Pharmaceuticals Division. Before joining Bayer, Malik studied medicine at Charing Cross and Westminster Medical School (University of London), graduating as a Bachelor of Medicine, Bachelor of Surgery (MBBS) in 1987. Malik subsequently spent several years in clinical medicine at the Northwick Park Clinical Research Centre and at Hammersmith Hospital, London. He then held various positions of increasing responsibility in medical affairs and clinical development at Bristol-Myers Squibb in the United Kingdom.

Erica Mann began her career in 1982 as a medical representative at Eli Lilly & Company in South Africa. This was followed by positions in Marketing at Johnson & Johnson and Lederle Laboratories. In 1992, she became head of the Lederle pharmaceutical business in South Africa before joining Wyeth as Managing

Director for South Africa and Sub-Equatorial Africa in 1994. She then held positions of increasing responsibility at the company through 2009. In 2003, she was appointed Managing Director of Wyeth in Australia and New Zealand, where she introduced a range of significant medicines and nutritionals. In April 2009, she became Senior Vice President for the global Nutrition business. Following the acquisition of Wyeth by Pfizer, Mann moved to the United States, where she was President and General Manager of Pfizer's Nutrition Division and a member of the company's Senior Management Team. In March 2011, she joined Bayer HealthCare as head of the Consumer Care Division and was appointed to the Bayer HealthCare Executive Committee at the same time. Erica Mann has held executive positions in various industry organizations, including the South African Pharmaceutical Manufacturers' Association (PMA), Medicines Australia and the International Association of Infant Food Manufacturers. She currently chairs the World Self Medication Industry Association, which represents the interests of the global nonprescription (over-the-counter, OTC) medicines industry. Erica Mann joined the Board of Management of Bayer AG in January 2016.

Dieter Weinand has held various responsibilities in commercial, operational and strategic areas of the pharmaceutical industry during his career stretching back over 25 years. These positions included heading business operations in markets in the Asia-Pacific region, Europe, the Middle East, Africa, Latin America and the United States for companies including Pfizer and Bristol-Myers Squibb. He has also been in charge of product marketing in various therapeutic areas, including cardiovascular diseases, oncology, dermatology, immunology, and respiratory and inflammatory diseases. Before moving to Bayer HealthCare, he was President, Global Commercialization & Portfolio Management at Otsuka Pharmaceutical Development & Commercialization Inc. in Princeton, New Jersey, USA. From August 1, 2014, until his appointment to the Board of Management of Bayer AG in January 2016, Weinand was a member of the Bayer HealthCare Executive Committee and head of the Pharmaceuticals Division.

Supervisory Board

As of the date of this Prospectus the members of the Supervisory Board were (including other directorships held):

Name	Position	Principal Occupation	First Elected	Membership on other Supervisory Boards
Werner Wenning	Chairman	Chairman of the Supervisory Board of Bayer AG and Chairman of the Supervisory Board of E.ON SE	2012	E.ON SE (Chairman), Henkel Management AG , Siemens AG (Vice Chairman), Henkel AG & Co. KGaA (Member of the Shareholders' Committee)
*Oliver Zühlke	Vice Chairman	Chairman of the Bayer Group Works Council	2007	
Dr. Paul Achleitner.....	Member	Chairman of the Supervisory Board of Deutsche Bank AG	2002	Daimler AG, Deutsche Bank AG (Chairman), Henkel AG & Co. KG (Member of the Shareholders' Committee)
Dr. rer. nat. Simone Bagel-Trah	Member	Chairwoman of the Supervisory Board of Henkel AG & Co. KGaA and Henkel Manage-ment AG and Shareholders' Committee of Henkel AG & Co. KGaA	2014	Henkel AG & Co. KGaA (Chairwoman), Henkel Management AG, Heraeus Holding GmbH, Henkel AG & Co. KGaA (Chairwoman of the Shareholders' Committee)
Dr. Clemens Börsig	Member	Member of various supervisory boards	2007	Daimler AG, Emerson Electric Co., Linde AG

*André van Broich	Member	Chairman of the Works Council of the Dormagen site	2012	
Thomas Ebeling	Member	Chief Executive Officer of ProSiebenSat. 1 Media SE	2012	Lonza Group AG
Johanna W. (Hanneke) Faber	Member	Chief E-Commerce and Innovation Officher and Member of the Executive Committee of Koninkijke Ahold Delhaize N.V.	2016	Chief E-Commerce and Innovation Officher and Member of the Executive Committee of Koninkijke Ahold Delhaize N.V.
*Dr.-Ing.Thomas Fischer.....	Member	Chairman of the Group Managerial Employees' Committee of Covestro Deutschland AG	2005	Covestro AG), Covestro Deutschland AG
*Reiner Hoffmann.....	Member	Chairman of the German Trade Union Confederation	2006	
*Yüksel Karaaslan	Member	Chairman of the Bayer Group Works Council, Vice Chairman of the Bayer Central Works Council, Chairman of the Works Council of the Berlin site	2012	
*Petra Kronen.....	Member	Chairwoman of the Central Works Council of Covestro, Chairwoman of the Works Council of Covestro of the Uerdingen site	2000	Covestro AG Covestro Deutschland AG (Vice Chairwoman)
*Frank Löllgen	Member	North Rhine District Secretary of the German Mining, Chemical and Energy Industrial Union	2015	Evonik Industries AG, IRR-Innovationsregion Rheinisches Revier GmbH
Prof. Dr. Wolfgang Plischke	Member	Independent Consultant	2016	Evotec AG (Chairman)
Sue H. Rataj	Member	Member of the Board of Directors of Cabot Corporation, Member of the Board of Directors of Agilent Technologies Inc	2012	

*Petra Reinbold-Knape	Member	Member of the Executive Committee of the German Mining, Chemical and Energy Industrial Union	2012	Lausitz Energie Bergbau AG (formerly Vattenfall Europe Mining AG) (Vice Chairwoman), Lausitz Energie Kraftwerk AG (formerly Vattenfall Europe Generation AG), MDSE Mitteldeutsche Sanierungs- und Entsorgungsgesellschaft mbH
*Michael Schmidt-Kießling.....	Member	Chairman of the Works Council of the Elberfeld site	2012	
Dr. Klaus Sturany[26]	Member	Member of various supervisory boards	2007	Hannover Rück SE (Vice Chairman), Sulzer AG
*Heinz Georg Webers	Member	Chairman of the Bayer European Forum, Chairman of the Works Council of the Bergkamen site	2015	
Prof. Dr. Dr. h.c. Otmar D. Wiestler		President of the Helmholtz Association of German Rearch Centers	2014	

* Employee representatives

The business address of each member of the Board of Management and the Supervisory Board is Bayer Aktiengesellschaft, Kaiser-Wilhelm-Allee 1, 51373 Leverkusen, Germany.

There are no potential conflicts of interest between any duties of the members of the Board of Management or the Supervisory Board toward Bayer and their respective private interests and/or other duties.

Board Practices

In accordance with the AktG, Bayer AG has both a Board of Management (*Vorstand*) and a Supervisory Board (*Aufsichtsrat*). The Board of Management is responsible for the management of Bayer's business; the Supervisory Board oversees the work of the Board of Management and appoints its members. The two boards are separate, and no individual may simultaneously be a member of both boards.

Both the members of the Board of Management and the members of the Supervisory Board owe a duty of loyalty and care to Bayer AG. In exercising their duties, the applicable standard of care is that of a diligent and prudent businessperson. Both the members of the Board of Management and the members of the Supervisory Board must take into account a broad range of considerations when making decisions, including the interests of Bayer AG and its stockholders as well as of its employees and creditors.

The members of the Board of Management and the Supervisory Board may be held personally liable to Bayer AG for breaches of their duties of loyalty and care. Bayer AG must bring an action for breach of duty against the Board of Management or Supervisory Board upon a resolution of the stockholders passed at a Stockholders' Meeting by a simple majority of the votes cast. Furthermore, minority shareholders representing at least 1 percent of the company's share capital or shares with a nominal value of €100,000 can file an application in court requesting an action to be admitted against members of either of the company's boards on behalf of the company or in their own name.

With the exception of stockholders of companies that (unlike Bayer AG) are under the control of

[26] Independent expert member pursuant to Section 5 of § 100 AktG.

another company, individual stockholders of German companies cannot sue directors on behalf of the company in a manner analogous to a stockholder's derivative action under U.S. law. Under German law, directors may be liable for breach of duty to stockholders (as opposed to a duty to the company itself) only where a breach of duty to the company also constitutes a breach of a statutory provision enacted specifically for the protection of stockholders. In practice, stockholders are able to assert liability against directors for breaches of this sort only in unusual circumstances. The German Securities Trading Law (*Wertpapierhandelsgesetz,* "**WpHG**") provides for damage claims of stockholders against the issuer under certain circumstances, if the issuer violates the provisions on publication of insider information with intent or gross negligence.

Board of Management

The Board of Management is responsible for managing the business of Bayer AG in accordance with the AktG and Bayer AG's Articles of Incorporation. It also represents Bayer AG in its dealings with third parties and in court. According to the Articles of Incorporation, the Board of Management consists of a minimum of two members. The Supervisory Board determines the number of and appoints the members of the Board of Management. Members of the Board of Management are appointed for a maximum term of five years and are eligible for reappointment after the completion of their term in office.

Bayer AG is legally represented by two members of the Board of Management acting together, or by one member of the Board of Management together with a person possessing a special power of attorney (*Prokura*).

The Board of Management must report regularly to the Supervisory Board, particularly on proposed business policy and strategy, on profitability and on the current business of Bayer AG, as well as on any exceptional matters that may arise from time to time. If not otherwise required by law, the Board of Management makes decisions by a simple majority of the votes cast. In case of deadlock, the chairman has the casting vote.

Under certain circumstances, such as a serious breach of duty or a vote of no confidence by the stockholders at an Annual Stockholders' Meeting, a member of the Board of Management may be removed by the Supervisory Board prior to the expiration of his/her term. A member of the Board of Management may not deal with, or vote on, matters relating to proposals, arrangements or contracts between him/herself and Bayer AG.

Individual members of the Board of Management serve as representatives with primary responsibility for Bayer's various corporate functions and as representatives for the various geographic regions in which Bayer operates.

Supervisory Board

Under the AktG, the German Co-Determination Act (*Mitbestimmungsgesetz*) of 1976 and Bayer's Articles of Incorporation, the Supervisory Board consists of 20 members. The principal function of the Supervisory Board is to oversee the work of the Board of Management and to appoint its members. The Supervisory Board oversees Bayer's business policy, corporate planning and strategy. It also approves the annual budget as well as the financial statements of Bayer AG and the consolidated financial statements of the Bayer Group. The Supervisory Board may not make management decisions, but the Board of Management's Rules of Procedure (*Geschäftsordnung*) require the prior consent of the Supervisory Board for specified transactions above a specified threshold, including:

- the acquisition or disposition of assets;
- the acquisition, disposition or encumbrance of real property;
- the acquisition or disposition of Bayer AG shares; and
- the issuance of bonds, conclusion of credit agreements, or grant of guarantees, sureties (*Bürgschaften*) or loans, except to subsidiaries.

Bayer's stockholders elect ten members of the Supervisory Board at the Annual Stockholders' Meeting. Pursuant to the Co-Determination Act of 1976, Bayer's employees elect the remaining ten members. The term of

a Supervisory Board member expires at the end of the Annual Stockholders' Meeting in which the stockholders ratify the actions of the Supervisory Board members for the fourth fiscal year following the year in which the member was elected. There is no compulsory retirement age for members of the Supervisory Board. However, in accordance with the German Corporate Governance Code, Supervisory Board members are encouraged to retire at the Annual Stockholders' Meeting following the member's 72nd birthday.

Any member of the Supervisory Board elected by the stockholders at the Annual Stockholders' Meeting may be removed by a vote of at least three quarters of the votes cast by the stockholders in such meeting. Any member elected by the employees may be removed by a majority of three quarters of the votes cast by the employees. Unless otherwise required by law or by the Articles of Incorporation of Bayer AG, resolutions of the Supervisory Board are passed by a simple majority of the votes cast. According to the Articles of Incorporation, in the case of a deadlock, a second vote is held in which the chairman of the Supervisory Board is entitled to one additional vote. In order to constitute a quorum, at least half of the total members of the Supervisory Board must participate in the voting.

Currently, the Supervisory Board has the following committees:

- The Presidial Committee (*Präsidium*) was established pursuant to § 27 (3) of the Co-Determination Act and consists of the chairman and vice chairman of the Supervisory Board, as well as of one stockholder representative and one employee representative. It serves as Bayer's mediation committee (*Vermittlungsausschuss*) with respect to nominations to the Board of Management. The purpose of this committee is to nominate persons for election to the Board of Management by a simple majority of the votes of the Supervisory Board in the event that the Supervisory Board is unable to appoint members of the Board of Management with the votes of at least a two thirds majority of the Supervisory Board. Pursuant to § 9(2) of the Rules of Procedure (*Geschäftsordnung*) of the Supervisory Board, the Presidial Committee also prepares the general meetings of the full Supervisory Board. The current members of the Presidial Committee are Mr. Wenning (Chairman), Mr. Achleitner, Ms. Reinbold-Knape and Mr. Zühlke.

- The Human Resources Committee (*Personalausschuss*) was established pursuant to § 10 of the Rules of Procedure of the Supervisory Board. The Human Resources Committee consists of four members of the Supervisory Board. The chairman of the Supervisory Board acts as chairman of the Human Resources Committee. The main responsibility of the Human Resources Committee is the determination of the salary and other conditions of service of Board of Management members, the legal representation of Bayer AG in matters concerning Board of Management members pursuant to § 112 AktG, the approval of agreements with Supervisory Board members pursuant to § 114 AktG and the approval of loans granted to Supervisory Board and Board of Management members and other persons pursuant to § 89 and § 115 AktG. The current members of the Human Resources Committee are Mr. Wenning (Chairman), Mr. Achleitner, Mr. Karaaslan and Ms. Kronen.

- The Audit Committee (*Prüfungsausschuss*) was established pursuant to § 11 of the Rules of Procedure of the Supervisory Board. The Audit Committee consists of six members of the Supervisory Board. The main responsibilities of the Audit Committee are oversight of financial accounting, risk management, the preparation of the resolutions of the Supervisory Board with respect to the annual financial statements, the review of all non-audit services to be performed by the independent auditor, oversight over the independent auditors including scope of services, fees and schedules, the direct receipt of the audit reports, and the direct receipt of reports on any accounting irregularities. The current members of the Audit Committee are Mr. Sturany (Chairman), Mr. Fischer, Mr. Löllgen, Mr. Plischke, Mr. Wenning and Mr. Zühlke.

- In 2007, a Nominations Committee (*Nominierungsausschuss*) was established in line with the recommendation in the German Corporate Governance Code of June 2007 to carry out preparatory work when an election of stockholder representatives to the Supervisory Board is to be held. It suggests suitable candidates for the Supervisory Board to propose to the Annual Stockholders' Meeting for election. The Nominations Committee comprises the Chairman of the Supervisory Board and the other stockholder representative on the Presidial Committee. The current members of the Nominations Committee are Mr. Wenning (Chairman) and Mr. Achleitner.

- The Innovation Committee (*Innovationsausschuss*) was established in September 2015. It is primarily concerned with the innovation strategy and innovation management, the strategy for protection of intellectual property, and major research and development projects. Within its area of responsibility the Committee advises and oversees the management and prepares any Supervisory Board decisions. The Committee comprises the Chairman of the Supervisory Board and five other members of the Supervisory Board, with parity of representation between stockholder and employee representatives. The current members of the Innovation Committee are Mr. Plischke (Chairman), Mr. van Broich, Ms. Reinbold-Knape, Mr. Wenning, Mr. Wiestler and Mr. Zühlke.

Under Section 161 of the German Stock Corporation Act, the Board of Management and the Supervisory Board of Bayer AG are required to issue an annual declaration that the company has been, and is, in compliance with the recommendations of the "Government Commission on the German Corporate Governance Code" (the "**Code**") as published by the Federal Ministry of Justice in the official section of the electronic Federal Gazette (*Bundesanzeiger*), or to advise of any recommendations that have not been, or are not being, applied and the reasons for this. In December 2016, the Board of Management and the Supervisory Board of Bayer AG declared as follows:

> "With respect to the past as well as to present and future corporate governance practices at Bayer AG, the following declaration refers to recommendations in the May 5, 2015 version of the Code.
>
> Pursuant to Section 161 of the German Stock Corporation Act, the Board of Management and Supervisory Board of Bayer AG hereby declare as follows:
>
> 1. The company has been in compliance with the recommendations of the Code since issuance of the last annual compliance declaration in December 2015.
>
> 2. All the recommendations of the Code will be complied with in full in the future."
>
> No further declaration has been issued since December 2016.

Major Shareholders

Under Bayer AG's Articles of Incorporation, each of Bayer AG's shares represents one vote. Major shareholders do not have different voting rights. As of December 31, 2016 there are 826,947,808 shares outstanding.

Under the WpHG, holders of voting securities of a listed German company must notify that company of the level of their holding whenever it reaches, exceeds or falls below specified thresholds. The thresholds are 3, 5, 10, 15, 20, 25, 30, 50 and 75 percent of the company's outstanding voting securities.

For details of the history of notifications received by Bayer AG where holders exceeded or fell below any of the statutory notification thresholds mentioned above refer to http://www.investor.bayer.com/en/stock/ownership-structure/voting-rights-announcements/.

Based on notifications received by Bayer AG pursuant to Section 21 Paragraph 1 of the WpHG through February 9, 2017, as of that date, Bayer AG is not aware of any shareholder owning ten percent or more of Bayer AG's outstanding shares.

To Bayer AG's knowledge, Bayer AG is not directly or indirectly owned or controlled by another corporation, by any government, or by any other natural or legal person severally or jointly, and there are no arrangements which may result in a change of control.

Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profit and Losses

The audited consolidated financial statements of the Bayer Group as of and for the years ended December 31, 2016 and 2015 are incorporated by reference into this Prospectus, see "*Incorporation by Reference*". Selected financial information appears in section *"Selected Financial Information"*.

Accounting policies and explanatory notes

For Bayer's accounting policies and explanatory notes for the reporting period ended December 31, 2016, please refer to the notes to the audited consolidated financial statements of the Bayer Group as of and for the year ended December 31, 2016 incorporated by reference into this Prospectus, see "*Incorporation by Reference*".

Consolidated Financial Statements - Financial year 2016 (audited)[27]

Earnings Performance

Sales of the Bayer Group rose by 3.5% (Fx & portfolio adj.) to €46,769 million (reported: +1.5%) in 2016, including €4,809 million in Germany. Bayer's Life Science businesses contributed to this performance, growing sales by 4.7% (Fx & portfolio adj.) to €34,943 million.

Sales of Pharmaceuticals advanced by an encouraging 8.7% (Fx & portfolio adj.) to €16,420 million. This development continued to be driven primarily by the company's key growth products. Consumer Health also raised sales by 3.5% (Fx & portfolio adj.) to €6,037 million. Despite a weak market environment, Crop Science posted sales of €9,915 million to match the prior-year level (Fx & portfolio adj.: +0.1%). Sales of Animal Health rose by 4.8% (Fx & portfolio adj.) to €1,523 million. Covestro sales were level year on year at €11,826 million (Fx & portfolio adj.: 0.0%).

The cost of goods sold fell by 3.5% to €20,295 million in 2016, mainly due to lower raw material costs at Covestro. The ratio of the cost of goods sold to total sales therefore declined year on year to 43.4% (2015: 45.7%). The selling expenses of €12,474 million (+ 1.6%) amounted to 26.7% of sales (2015: 26.6%). Research and development (R&D) expenses rose by 9.2% to €4,666 million, mainly due to higher R&D investment at Pharmaceuticals. The ratio of R&D expenses to sales was 10.0% (2015: 9.3%). General administration expenses climbed by 7.8% to €2,256 million, due especially to the establishment of administrative functions at Covestro. The ratio of general administration expenses to total sales therefore increased to 4.8% (2015: 4.5%). The substantially lower balance of other operating expenses and other operating income of minus €36 million (2015: minus €166 million) resulted mainly from positive effects from derivatives to hedge planned sales.

EBITDA before special items of the Bayer Group moved forward by 10.2% to €11,302 million (2015: €10,256 million). Pharmaceuticals improved EBITDA before special items by 13.8% to €5,251 million (2015: €4,616 million). This substantial increase in earnings was largely due to the good development of business, particularly for our key growth products. Consumer Health saw a decline in EBITDA before special items by 3.1% to €1,411 million. Favorable business development and cost synergies only partly offset the higher cost of goods sold and negative currency effects of about €65 million. EBITDA before special items of Crop Science came in at the prior-year level, up 0.6% to €2,421 million. A positive currency effect of about €140 million and higher selling prices stood against lower volumes, higher research and development expenses and higher impairment losses on trade accounts receivable in particular. EBITDA before special items of Animal Health was also level with the previous year with a change of 0.6%, while Covestro registered a substantial 19.6% increase in EBITDA before special items to €1,984 million.

Depreciation, amortization and impairment losses were 12.3% higher in 2016 at €3,743 million (2015: €3,332 million), comprising €2,235 million (2015: €1,802 million) in amortization and impairments on intangible assets and €1,508 million (2015: €1,530 million) in depreciation and impairments on property, plant and equipment. A total of €566 million (2015: €136 million) in impairments constituted special items. EBITDA for the reporting year amounted to €10,785 million.

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[27] The Prospectus contains the performance measures Change in sales (reported, currency-adjusted, currency- and portfolio-adjusted), EBIT, EBITDA, EBIT before special items, EBITDA before special items, Core earnings per share and Net financial debt – please see section regarding Alternative Perfomance Measures (APM) for details and explanations.

EBIT increased by 12.8% in 2016 to €7,042 million, including special charges of €1,088 million (2015: €819 million). These mainly comprised €561 million for impairment losses on intangible assets, charges of €242 million in connection with efficiency improvement programs and €100 million in costs for the integration of acquired businesses. Further special charges of €94 million were related to provisions for litigations, while €86 million were connected with the agreed acquisition of Monsanto. EBIT before special items rose by 15.2% to €8,130 million (2015: €7,060 million).

Including a financial result of minus €1,155 million (2015: minus €1,005 million), income before income taxes was €5,887 million (2015: €5,236 million). The financial result comprised items including net interest expense of €548 million (2015: €455 million), interest cost of €294 million (2015: €287 million) for pension and other provisions, and currency hedging costs of €193 million (2015: €254 million). After tax expense of €1,329 million (2015: €1,223 million), income after income taxes was €4,826 million (2015: €4,098 million). Including income after income taxes from discontinued operations and income attributable to noncontrolling interest, net income for 2016 amounted to €4,531 million (2015: €4,110 million; + 10.2%).

Earnings per share (total) rose by 9.5% to €5.44, while core earnings per share from continuing operations increased by 7.3% to €7.32. In November 2016, Bayer placed €4 billion in mandatory convertible notes without granting subscription rights to existing stockholders of the company. According to IAS 33.23, the weighted average number of shares increases as soon as the notes contract is signed, and this increase must be taken into account in calculating undiluted and diluted earnings per share. The new weighted average number of shares is based on the minimum conversion price of €90, which determines the maximum conversion ratio.

Cash Flow Statement

Net cash provided by operating activities

The net cash provided by operating activities (total) rose by 31.9% to €9,089 million due to a significant improvement in EBIT, a sharp decrease in additional cash tied up in working capital, and the cash inflow from the sale of the Diabetes Care business. The net cash provided by operating activities in continuing operations increased by 20.8% to €8,259 million.

Net cash used in investing activities

The net cash outflow for investing activities in 2016 amounted to €8,729 million. Cash outflows for property, plant and equipment and intangible assets were 2.4% higher at €2,578 million (2015: €2,517 million) and included €835 million (2015: €777 million) at Pharmaceuticals, €215 million (2015: €148 million) at Consumer Health, €757 million (2015: €721 million) at Crop Science, €37 million (2015: €41 million) at Animal Health and €415 million (2015: €508 million) at Covestro. Cash outflows for noncurrent and current financial assets, especially for the short-term investment of the cash inflows from the mandatory convertible notes, amounted to €6,335 million (2015: €370 million). Inflows from interest and dividends totaled €89 million (2015: €106 million).

Net cash provided by (used in) financing activities

In 2016 there was a net cash outflow of €350 million for financing activities, including net loan repayments of €730 million (2015: €2,929 million). Net interest payments were 21.8% higher at €794 million (2015: €652 million). The cash outflow for dividends amounted to €2,126 million (2015: €1,869 million). The net cash inflow from the issuance of the mandatory convertible notes amounted to €3,952 million, reported as a €3,300 million capital contribution and a €652 million borrowing. In 2015, the stock market flotation of Covestro resulted in a cash inflow of €1,490 million.

Net financial debt

In 2016, net financial debt of the Bayer Group decreased by €5,671 million. Cash inflows from operating activities and the issuance of the mandatory convertible notes were set against cash outflows for dividends and negative currency effects.

Net financial debt includes three subordinated hybrid bonds with a total volume of €4,529 million, 50%

of which is treated as equity by Moody's and S&P. The hybrid bonds thus have a more limited effect on the Group's rating-specific debt indicators than senior debt.

On November 22, 2016, Bayer issued €4,000 million in mandatory convertible notes. After deducting transaction costs and recognition of deferred taxes, €3,491 million was allocated to capital reserves and €652 million to other financial liabilities.

Asset and Capital Structure

Total assets as of December 31, 2016, rose by €8.3 billion to €82.2 billion. The increase of €1.7 billion in noncurrent assets to €51.8 billion mainly resulted from an increase in deferred taxes, while other intangible assets declined. Total current assets rose by €6.6 billion to €30.4 billion, primarily due to cash inflows from the issuance of the mandatory convertible notes. Equity advanced by €6.5 billion to €31.9 billion. Net income of €4.5 billion (2015: €4.1 billion) and an increase of €3.5 billion in the capital reserves resulting from the issuance of the mandatory convertible notes were set against a negative effect of €0.8 billion (2015: positive effect of €0.8 billion) – recognized outside profit or loss – from changes in post-employment benefit obligations, and the dividend payment of €2.1 billion (2015: €1.9 billion). The equity ratio (equity coverage of total assets) as of December 31, 2016 was 38.8% (2015: 34.4%). Liabilities rose by €1.9 billion compared with December 31, 2015, to €50.3 billion. Trade accounts payable and other liabilities increased, while financial liabilities declined. The net defined benefit liability for pensions and other post-employment benefits increased by €0.3 billion to €11.1 billion. Losses of €0.8 billion from the reevaluation of the net obligations for defined benefit plans for pensions and other post-employment benefits stood against the contribution by Bayer AG of 4.9% of the outstanding Covestro shares with a value of €0.3 billion to Bayer Pension Trust e.V. and the contribution by Covestro of bonds with a value of €0.5 billion.

Alternative Performance Measures (APM)

The Prospectus contains the performance measures Change in sales (reported, currency-adjusted, currency- and portfolio-adjusted), EBIT, EBITDA, EBIT before special items, EBITDA before special items, Core earnings per share and Net financial debt, that are not defined or specified in the applicable financial reporting standards and for which there are no generally accepted reporting formats. Bayer determines APMs to enable the comparison of performance indicators over time and against those of other companies in its industry sector. These APMs are calculated by making certain adjustments to items in the statement of financial position or the income statement prepared according to the applicable financial reporting standards. Such adjustments may result from differences in calculation or measurement methods, nonuniform business activities or special factors affecting the information value of these items. The APMs determined in this way apply to all periods and are used both internally for business management purposes and externally by analysts, investors and rating agencies to assess the company's performance.

Change in sales (reported, currency-adjusted, currency- and portfolio-adjusted)

The (reported) change in sales is a relative indicator. It shows the percentage by which sales varied from the previous year.

The currency-adjusted or currency- and portfolio-adjusted change in sales shows the percentage change in sales excluding the impact of exchange rate effects and disregarding the acquisitions and divestitures material to each business entity. Exchange rate effects are generally calculated on the basis of the functional currency valid in the respective country. Exceptions exist in Brazil and Argentina, primarily at Crop Protection, where the respective functional currencies are restated in U.S. dollars for business reasons.

EBIT (earnings before interest and taxes) serves to present a company's operating result while eliminating the effects of differences among local taxation systems and different financing activities. EBIT is calculated as follows:

Reconciliation to EBIT	
	Income before income taxes
+ / –	Financial result (net income / loss from investments accounted for using the equity method, financial income and expenses)
=	EBIT

EBITDA stands for earnings before interest, taxes, depreciation and amortization. This performance indicator neutralizes the effects of the financial result along with distortions of operational performance that result from divergent depreciation and amortization methods and the exercise of measurement discretion. EBITDA is EBIT plus the amortization of intangible assets and the depreciation of property, plant and equipment, plus impairment losses and minus impairment loss reversals, recognized in profit or loss during the reporting period.

Reconciliation to EBITDA	
	EBIT
+ / –	Depreciation and amortization / impairment losses / impairment loss reversals on property, plant, equipment and intangible assets (as per Statements of Cash Flows)
=	**EBITDA**

EBIT before special items and **EBITDA before special items** show the development of the operational business irrespective of the effects of special items, i.e. special effects for the company with regard to their nature and magnitude. These may include litigations, restructuring, integration costs, impairment losses and impairment loss reversals. EBIT before special items and EBITDA before special items are each determined by adding special charges and subtracting special gains.

Core earnings per share (core EPS) is based on the earnings per share (EPS) for the Group as defined in IAS 33. Core earnings per share are determined by neutralizing effects of the purchase price allocations for acquisitions and other special factors to enable a comparison of performance over time. In an intermediate step, further APMs – core EBIT and core net income – are calculated. Core earnings per share are then calculated by dividing core net income per share by the weighted average number of shares in circulation during the year.

Reconciliation to Core Earnings per Share	
	EBIT (as per Income Statements)
+ / –	Amortization / impairment losses / impairment loss reversals on intangible assets
+ / –	Impairment losses / impairment loss reversals on property, plant and equipment
+ / –	Special items (excluding depreciation and amortization / impairment losses / impairment loss reversals)
=	Core EBIT
+ / –	Financial result (as per Income Statements)
+ / –	Special items in the financial result
+ / –	Income taxes (as per Income Statements)
+ / –	Special items in income taxes
+ / –	Tax effects relating to depreciation and amortization / impairment losses / impairment loss reversals and special items
+ / –	Income after income taxes attributable to noncontrolling interest (as per Income Statements)
+ / –	Portion of the above-mentioned adjustments attributable to noncontrolling interest
=	Core earnings from continuing operations
/	Weighted average number of shares
=	Core earnings per share from continuing operations (core EPS)

Because core earnings per share are calculated for each interim reporting period, core earnings per share for the fiscal year or for each interim reporting period up to the respective closing date may deviate from the cumulated core earnings per share for the individual interim reporting periods.

Core earnings per share from continuing or discontinued operations are similarly determined. Core earnings per share form the basis of the Bayer Group's dividend policy.

Net financial debt is an important financial management indicator for the Bayer Group and is used both internally and externally in assessing its liquidity, capital structure and financial flexibility. This metric is calculated as follows:

Reconciliation to Net Financial Debt	
Bonds and notes / promissory notes	
+	Liabilities to banks
+	Liabilities under finance leases
+	Liabilities from derivatives [1]
+	Other financial liabilities
–	Receivables from derivatives [1]
=	Financial liabilities
–	Cash and cash equivalents
–	Current financial assets [2]
=	Net financial debt

[1] These include the market values of interest-rate and currency hedges of recorded transactions.
[2] These include short-term loans and receivables with maturities between 3 and 12 months outstanding from banks and other companies as well as available-for-sale financial assets that were recorded as current on initial recognition.

Governmental, legal or arbitration proceedings

As a global company with a diverse business portfolio, the Bayer Group is exposed to numerous legal risks, particularly in the areas of product liability, competition and antitrust law, anticorruption, patent disputes, tax assessments and environmental matters. The outcome of any current or future proceedings cannot normally be predicted. It is therefore possible that legal or regulatory judgments or future settlements could give rise to expenses that are not covered, or not fully covered, by insurers' compensation payments and could significantly affect our revenues and earnings.

Legal proceedings currently considered to involve material risks are outlined below. The legal proceedings referred to do not represent an exhaustive list.

Product-Related Litigation

Yasmin™ / YAZ™: Most of the lawsuits and claims concerning Bayer's drospirenone-containing oral contraceptives in the United States have been resolved. Claimants allege that users have suffered personal injuries, some of them fatal, from the use of Yasmin™ and / or YAZ™ or their generic versions, and seek compensatory and punitive damages, claiming, in particular, that Bayer had not adequately warned of the alleged risks.

As of January 23, 2017, lawsuits and claims of approximately 100 claimants remain pending against Bayer in the United States. Without admission of liability, Bayer is considering about a dozen of the lawsuits and claims for possible settlement after a case-specific analysis of medical records.

A few U.S. State Attorney Generals are investigating alleged violations of consumer protection statutes, including off-label promotion and failure to warn. One Attorney General has filed an action against Bayer.

As of January 23, 2017, 13 lawsuits seeking class action certification had been served upon Bayer in Canada. In two of these lawsuits a class has been certified. Two motions for certification of a class action are pending in Israel.

Bayer believes that it has meritorious defenses and will continue to defend itself vigorously against all claims that are not considered for settlement.

Mirena™: As of January 23, 2017, lawsuits from approximately 2,600 users of Mirena™, a levonorgestrel-releasing intrauterine system providing long-term contraception, had been served upon Bayer in the United States (excluding lawsuits no longer pending). Plaintiffs allege personal injuries resulting from the use of Mirena™, including perforation of the uterus, ectopic pregnancy or idiopathic intracranial hypertension, and seek compensatory and punitive damages. Plaintiffs claim, inter alia, that Mirena™ is defective and that Bayer knew or should have known of the risks associated with it and failed to adequately warn its users. Additional lawsuits are anticipated. Most of the cases pending in U.S. federal courts have been consolidated in a multidistrict litigation proceeding for common pre-trial management. In July 2016, the multidistrict litigation court granted summary judgment dismissing approximately 1,230 cases pending before that court. Plaintiffs have appealed the decision. As of January 23, 2017, five Canadian lawsuits relating to Mirena™ seeking class action

certification had been served upon Bayer. Bayer believes it has meritorious defenses and intends to defend itself vigor-ously.

Xarelto™: As of January 23, 2017, U.S. lawsuits from approximately 16,400 recipients of Xarelto™, an oral anticoagulant for the treatment and prevention of blood clots, had been served upon Bayer. Plaintiffs allege personal injuries from the use of Xarelto™, including cerebral, gastrointestinal or other bleeding and death, and seek compensatory and punitive damages. They claim, amongst other things, that Xarelto™ is defective and that Bayer knew or should have known of these risks associated with the use of Xarelto™ and failed to adequately warn its users. Additional lawsuits are anticipated. Cases pending in U.S. federal courts have been consolidated in a multidistrict litigation for common pre-trial management. As of January 23, 2017, ten Canadian lawsuits relating to Xarelto™ seeking class action certification had been served upon Bayer. Bayer believes it has meritorious defenses and intends to defend itself vigorously.

Essure™: As of January 23, 2017, U.S. lawsuits from approximately 3,700 users of Essure™, a medical device offering permanent birth control with a nonsurgical procedure, had been served upon Bayer. Plaintiffs allege personal injuries from the use of Essure™, including hysterectomy, perforation, pain, bleeding, weight gain, nickel sensitivity, depression and unwanted pregnancy. Additional lawsuits are anticipated. As of January 23, 2017, two Canadian lawsuits relating to Essure™ seeking class action certification had been served upon Bayer. Bayer believes it has meritorious defenses and intends to defend itself vigorously.

In connection with the above-mentioned proceedings, Bayer is insured against statutory product liability claims against Bayer to the extent customary in the respective industries and has, based on the information currently available, taken appropriate accounting measures for anticipated defense costs. However, the accounting measures regarding Yasmin™ / YAZ™ and Essure™ claims exceed the available insurance coverage. Concerning Yasmin™ / YAZ™, the accounting measures include costs for agreed and anticipated future settlements based on the information currently available and based on the number of pending and estimated future claims alleging venous clot injuries.

Patent Disputes

Beyaz™ / Safyral™: Beyaz™ and Safyral™ are Bayer's oral contraceptives containing folate. In 2015, a U.S. federal court ruled in favor of Bayer regarding both the validity of its patent and the infringement thereof by Watson Laboratories, Inc. ("Watson"). Watson had filed Abbreviated New Drug Applications with a Paragraph IV certification ("ANDA IV") seeking approval of generic versions of both Beyaz™ and Safyral™ in the United States. In May 2016, the U.S. Court of Appeals for the Federal Circuit invalidated the patent claims asserted by Bayer and reversed the judgment by the U.S. federal court. Bayer petitioned the U.S. Supreme Court to review the decision by the U.S. Court of Appeals for the Federal Circuit. In January 2017, the U.S. Supreme Court denied Bayer's petition. The decision by the U.S. Court of Appeals for the Federal Circuit against Bayer is now final. In 2015, Bayer filed two lawsuits against Lupin Ltd. and Lupin Pharmaceuticals, Inc. (together "Lupin") in a U.S. federal court for infringement of the same patent. Prior to this in 2015, Bayer had received two notices of an ANDA IV application by Lupin seeking approval to market generic versions of Safyral™ and Beyaz™ in the United States. In view of the May 2016 decision by the U.S. Court of Appeals for the Federal Circuit, the U.S. federal court ruled in favor of Lupin in November 2016. This decision is now also final.

Betaferon™ / Betaseron™: In 2010, Bayer filed a complaint against Biogen Idec MA Inc. in a U.S. federal court seeking a declaration by the court that a patent issued to Biogen in 2009 is invalid and not infringed by Bayer's production and distribution of Betaseron™, Bayer's drug product for the treatment of multiple sclerosis. Biogen is alleging patent infringement by Bayer through Bayer's production and distribution of Betaseron™ and Extavia™ and has sued Bayer accordingly. Bayer manufactures Betaseron™ and distributes the product in the United States. Extavia™ is also a drug product for the treatment of multiple sclerosis; it is manufactured by Bayer, but distributed in the United States by Novartis Pharmaceuticals Corporation, another defendant in the lawsuit. In March 2016, the U.S. federal court decided a disputed issue regarding the scope of the patent in Biogen's favor. Bayer disagrees with the decision, which may be appealed at the conclusion of the proceedings in the U.S. federal court.

Damoctocog alfa pegol (BAY 94-9027, long-acting rFVIII): In 2013, Bayer filed a lawsuit against Nektar Therapeutics in the district court of Munich, Germany. In this proceeding, Bayer claims rights to certain European patent applications based on a past collaboration between Bayer and Nektar in the field of hemophilia. The European patent applications with the title "Polymer-factor VIII moiety conjugates" are part of a patent

family registered in the name of Nektar comprising further patent applications and patents in other countries including the United States. However, Bayer believes that the patent family does not include any valid patent claim relevant for Bayer's drug candidate BAY 94-9027 for the treatment of hemophilia A.

Nexavar™: In 2015, Bayer filed patent infringement lawsuits in a U.S. federal court against Mylan Pharmaceuticals Inc. and Mylan Inc. (together "Mylan"). In 2014 and 2015, Bayer had received notices of an ANDA IV application pursuant to which Mylan seeks approval of a generic version of Bayer's cancer drug Nexavar™ in the United States. In November 2016, Bayer received another notice of such an ANDA IV application by Teva Pharmaceuticals USA, Inc. In December 2016, Bayer filed a patent infringement lawsuit against Teva Pharmaceuticals USA, Inc. and Teva Pharmaceutical Industries LTD in the same U.S. federal court.

Stivarga™: In December 2016, Bayer filed patent infringement lawsuits in a U.S. federal court against Apotex, Inc. and Apotex Corp. (together "Apotex") and against Teva Pharmaceuticals USA, Inc. and Teva Pharmaceutical Industries LTD (together "Teva"). In November 2016, Bayer had received notices of an ANDA IV application pursuant to which Apotex and Teva each seek approval of a generic version of Bayer's cancer drug Stivarga™ in the United States.

Xarelto™: In 2015, Bayer and Janssen Pharmaceuticals, Inc. filed a patent infringement lawsuit in a U.S. federal court against Aurobindo Pharma Limited, Aurobindo Pharma USA, Inc. (together "Aurobindo"), Breckenridge Pharmaceutical Inc. ("Breckenridge"), Micro Labs Ltd., Micro Labs USA Inc. (together "Micro Labs"), Mylan Pharmaceuticals Inc., Mylan Inc. (together "Mylan"), Prinston Pharmaceutical Inc. ("Prinston"), Sigmapharm Laboratories, LLC ("Sigmapharm"), Torrent Pharmaceuticals, Limited and Torrent Pharma Inc. (together "Torrent"). Earlier in 2015, Bayer had received notices of an ANDA IV application by Aurobindo, Breckenridge, Micro Labs, Mylan, Prinston, Sigmapharm and Torrent, each seeking approval to market a generic version of Xarelto™, an oral anticoagulant for the treatment and prevention of blood clots, in the United States. In January 2016, Bayer received another notice of such an ANDA IV application by InvaGen Pharmaceuticals, Inc. ("InvaGen"). In February 2016, Bayer and Janssen Pharmaceuticals, Inc. filed a patent infringement lawsuit against InvaGen in the same U.S. federal court.

Bayer believes it has meritorious defenses in the above ongoing patent disputes and intends to defend itself vigorously.

Further Legal Proceedings

Trasylol™ / Avelox™: A qui tam complaint relating to marketing practices for Trasylol™ (aprotinin) and Avelox™ (moxifloxacin) filed by a former Bayer employee is pending in the United States District Court in New Jersey. The U.S. government has declined to intervene at the present time.

Newark Bay Environmental Matters: In the United States, Bayer is one of numerous parties involved in a series of claims brought by federal and state environmental protection agencies. The claims arise from operations by entities which historically were conducted near Newark Bay or surrounding bodies of water, or which allegedly discharged hazardous waste into these waterways or onto nearby land. Bayer and the other potentially responsible parties are being asked to remediate and contribute to the payment of past and future remediation or restoration costs and damages. In August 2016, Bayer learned that two major potentially responsible parties had filed for protection under Chapter 11 of the U.S. Bankruptcy Code. While Bayer remains unable to determine the extent of its liability for these matters, this development is likely to adversely affect the share of costs potentially allocated to Bayer.

In the Lower Passaic River matter, a group of more than sixty companies including Bayer is investigating contaminated sediments in the riverbed under the supervision of the United States Environmental Protection Agency (EPA) and other governmental authorities. Future remediation will involve some form of dredging, the nature and scope of which are not yet defined, and potentially other tasks. The cost of the investigation and the remediation work may be substantial if the final remedy involves extensive dredging and disposal of impacted sediments. In the Newark Bay matter, an unaffiliated party is currently conducting an investigation of sediments in Newark Bay under EPA supervision. The investigation is in a preliminary stage. Bayer has contributed to certain investigation costs in the past and may incur costs for future investigation and remediation activities in Newark Bay.

Bayer has also been notified by governmental authorities acting as natural resource trustees that it may have liability for natural resource damages arising from the contamination of the Lower Passaic River, Newark Bay and surrounding water bodies. Bayer is currently unable to determine the extent of its liability.

Asbestos: A further risk may arise from asbestos litigation in the United States. In many cases, the plaintiffs allege that Bayer and co-defendants employed third parties on their sites in past decades without providing them with sufficient warnings or protection against the known dangers of asbestos. Additionally, a Bayer affiliate in the United States is the legal successor to companies that sold asbestos products until 1976. Union Carbide has agreed to indemnify Bayer for this liability. Bayer believes it has meritorious defenses and intends to defend itself vigorously.

Covestro U.S. Lawsuit: In September 2016, Covestro LLC – along with three other defendants – was served with a lawsuit filed by a law firm in a California federal court. The parties recently agreed to change the venue to a federal court in the District of Columbia. The aim of the lawsuit is to recover financial damages in the form of statutory fines allegedly owed by the defendants to the United States Environmental Protection Agency for the companies' failure to disclose health risk information associated with the manufacture and handling of TDI, MDI and PMDI. Under the pertinent statutes, the U.S. government was afforded an opportunity to intervene and prosecute the claims, but it has declined to do so. Accordingly, the law firm is prosecuting the claims on the government's behalf. Violations of the Toxic Substances Control Act ("TSCA") and False Claims Act ("FCA") are asserted. Covestro will defend itself vigorously and regards the claims asserted against the company as meritless.

Tax proceedings

Stamp taxes in Greece: In 2014, 2016 and 2017, a Greek administrative court of first instance dismissed Bayer's lawsuits against the assessment of stamp taxes and contingent penalties in the total amounts of approximately €130 million on certain intra-Group loans to a Greek subsidiary. Bayer is convinced that the decisions are wrong and has appealed or will do so in due course. Bayer believes it has meritorious arguments to support its legal position and intends to defend itself vigorously.

Save as disclosed in this Section, Bayer is not aware of any governmental, legal or arbitration proceedings during a period covering at least the last twelve months which may have, or have had in the recent past, significant effects on Bayer's financial position or profitability.

Significant Change in the Issuer's financial or trading position

Not applicable. There has been no significant change in the financial or trading position of the Bayer Group since the end of the last reporting period ended December 31, 2016.

Additional Information

Capital Stock

Capital

As of December 31, 2016, the issued and fully paid-up capital stock of Bayer AG amounted to €2,116,986,388.48, divided into 826,947,808 no-par registered ordinary shares of a single class.

The shares are admitted to trading with official quotation on all German stock exchanges. The shares are also quoted on the stock exchanges at Barcelona and Madrid.

Authorized Capital

The Board of Management is authorized, with the consent of the Supervisory Board, to increase the capital stock by up to a total of €530,000,000.00 by issuing no-par value registered shares on one or more occasions in the period up to April 28, 2019. New no-par value registered shares can be issued against cash or noncash contributions, whereby capital increases against noncash contributions may only be made up to a total of €423,397,120.00 ("**Authorized Capital I**"). Stockholders must generally be granted subscription rights. Subscription rights can also be granted to stockholders indirectly in accordance with section 186(5) AktG.

However, the Board of Management is authorized, with the consent of the Supervisory Board, to disapply stockholders' subscription rights in designated cases only.

The Board of Management is authorized, with the consent of the Supervisory Board, to increase the capital stock against cash contributions by up to a total of €211,698,560.00 by issuing no-par value registered shares on one or more occasions in the period up to April 28, 2019 ("**Authorized Capital II**"). Stockholders must be granted subscription rights. Subscription rights can also be granted to stockholders indirectly in accordance with section 186(5) AktG. However, the Board of Management is authorized, with the consent of the Supervisory Board, to disapply stockholders' subscription rights if the capital increase does not exceed 10% of the existing capital stock on the date of entry in the commercial register of the authorization or, in the event that this amount is lower, 10% of the existing capital stock on the date of issue of the new shares, and the issue price of the new shares issued against cash consideration is not materially lower than the market price of the company's existing listed shares of the same class at the time when the issue price is finalized by the Board of Management within the meaning of section 203(1) and (2) in conjunction with section 186(3) sentence 4 AktG.

For further details concerning the Authorized Capital I and the Authorized Capital II, please refer to paragraph 4 (2) and (3) of Bayer AG's Articles of Incorporation.

Conditional Capital

The capital stock will be conditionally increased by an additional amount of up to €211,698,560.00, composed of up to 82,694,750 no-par value shares (Conditional Capital 2014). The conditional capital increase will only be implemented to the extent that the holders of options or conversion rights, or those persons obliged to exercise options or perform conversions under bonds with warrants or convertible bonds, profit participation certificates, or income bonds (or combinations of these instruments), which will be issued or guaranteed on the basis of the authorization resolved by the Annual Stockholders' Meeting on April 29, 2014, by Bayer AG or a group company of Bayer AG within the meaning of section 18 AktG in which Bayer AG has a direct or indirect interest in a minimum of 90% of the votes and capital, exercise their options or conversion rights, or, to the extent that they are obliged to exercise the option or conversion, fulfill their obligation to exercise the option or perform the conversion and to the extent that no other forms of settlement are employed. The new shares will be issued at the option premium or conversion price to be determined in accordance with the authorizing resolution referred to above.

For further details concerning Conditional Capital, please refer to paragraph 4 (4) of Bayer AG's Articles of Incorporation.

In November 2016, Bayer issued mandatory convertible notes of €4 billion.

Memorandum and Articles of Incorporation

Bayer AG is registered in the commercial register of the local court of Cologne under the number HRB 48248.

According to its Articles of Incorporation (paragraph 2), the object of Bayer AG is manufacturing, marketing and other industrial activities or the provision of services in the fields of health care and agriculture. The company may also perform these activities in the fields of polymers and chemicals. The company is authorized to undertake all business which is related to, or directly or indirectly serves, the object of Bayer AG.

Bayer AG's fiscal year is the calendar year.

Material Contracts

Bayer has an undrawn €3.5 billion syndicated credit facility which is available until 2020. The participating banks are entitled to terminate the credit facility in the event of a change of control at Bayer and demand repayment of any loans that may have been granted under this facility up to that time. A similar clause is contained in the agreement on a syndicated credit facility granted to Bayer in 2014. The facility still amounts to US$900 million (as of December 31, 2016) and matures in May 2018. A similar clause is also contained in the agreement on a syndicated credit facility in the original amount of US$56.9 billion granted to Bayer in September 2016. This as yet undrawn facility serves to finance the planned acquisition of Monsanto. Pursuant to

the agreement, this credit facility was reduced in November 2016 by the US$4.2 billion net proceeds from the issuance of mandatory convertible notes, to US$52.7 billion. The mandatory convertible notes mature in November 2019. The terms on which holders may convert the notes into shares before the maturity date are more favorable in the event of a change of control than they would be otherwise.

In addition, the terms of €3.4 billion (as of December 31, 2016) in notes issued by Bayer in the years 2006 to 2014 contain change-of-control clauses. Holders of these notes have the right to demand the redemption of their notes by Bayer in the event of a change of control if Bayer AG's credit rating is downgraded within 120 days after such change of control becomes effective. The terms of the US$7 billion bond in 144A / Reg S format issued in October 2014 also contain a clause to this effect. The outstanding amount of this bond is US$6.5 billion.

Agreements exist for the members of the Board of Management in compliance with Section 4.2.3 of the German Corporate Governance Code to cover the eventuality of a takeover offer being made for Bayer AG. Under these agreements, payments promised in the event of early termination of the service contract of a Board of Management member due to a change of control are limited to the value of three years' compensation and may not compensate more than the remaining term of the contract.

Rating

The following ratings have been assigned to Bayer:

	Long-term rating	**Short-term rating**
S&P	A-	A-2
Moody's	A3	P-2

As a result of the agreed acquisition of Monsanto, both S&P and Moody’s are reviewing the possibility of a downgrade.

A A- rating assigned by S&P means that the Issuer has a strong capacity to meet financial commitments, but is somewhat susceptible to adverse economic conditions and changes in circumstances. Ratings of S&P from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. Obligations rated A by Moody's are considered upper-medium grade and are subject to low credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Each of S&P and Moody's is established in the European Union and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended from time to time (the "**CRA Regulation**"). The European Securities and Markets Authority publishes on its website (http://www.esma.europa.eu/page/Listregistered-and-certified-CRAs) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

Recent Developments

Bayer AG has reduced its holding in Covestro from 64.2 percent to 53.3 percent. This was achieved by selling 22 million of its shares to institutional investors at a price of EUR 66.50 per share. Allocation of the shares took place on February 28, 2017 and the ownership was transferred on March 3, 2017. The company intends to use the proceeds of nearly EUR 1.5 billion to pay down debt.

BAYER CAPITAL CORPORATION B.V.

Responsibility Statement

The Responsibility Statement is set out on page ii of this Prospectus.

Independent Auditors

The financial statements of Bayer Capital Corp as of and for the years ended December 31, 2015 and December 31, 2016 have been audited by PricewaterhouseCoopers Accountants N.V., Fascinatio Boulevard 350, 3065 WB Rotterdam, The Netherlands, independent auditors of which the responsible partner is a member of the NBA (*Nederlandse Beroepsorganisatie van Accountants* = The Netherlands Institute of Chartered Accountants) who have given their unqualified opinion in each case.

Selected Financial Information

This Selected Financial Information has been extracted, without material adjustment, from the audited financial statements of Bayer Capital Corp as of and for the year ended December 31, 2016. These financial statements have been prepared in accordance with accounting principles generally accepted in The Netherlands.

	As of and for the year ended	
	December 31, 2016	December 31, 2015
	in thousand Euro	
Interest income	74,097	45,176
Net result after taxation	337	718
Net cash flow from operating activities	1,000	1,900
Total assets	4,575,226	1,115,140
Shareholders' equity	12,168	14,029

Risk Factors in respect of Bayer Capital Corporation B.V.

For a description of certain risk factors relating to Bayer Capital Corp, see *"Risk Factors – Risk Factors in respect of Bayer Capital Corporation B.V."*.

Information on Bayer Capital Corporation B.V.

History and Incorporation

Bayer Capital Corporation B.V., a private company with limited liability and a directly wholly owned subsidiary of Bayer AG, was incorporated on July 10, 1980, under the laws of The Netherlands. Bayer Capital Corp's registered office is at Energieweg 1, 3641 RT Mijdrecht, The Netherlands, telephone numbers: +31 297 280340 and +31 297 280252. Bayer Capital Corp is registered at the Commercial Register of the Chamber of Commerce for Midden-Nederland under 33160792. The Articles of Association of Bayer Capital Corp were last amended on February 17, 2016 (establishment of the Supervisory Board).

Investments

It is not the purpose of Bayer Capital Corp to make investments.

Business Overview

Bayer Capital Corp engages in several activities in the field of finance. Bayer Capital Corp serves as an entity for the financing activities of Bayer Group companies including the issuance of bonds and the performance of certain administrative functions. These activities include mostly long term financing. The corporate object of Bayer Capital Corp (as provided for in article 3 of its articles of association) is: (i) to borrow, lend and raise money (including the issuance of bonds); (ii) to participate in, manage, incorporate and finance companies and enterprises; (iii) to conduct any other activities of, inter alia, a financial nature; and (iv) to undertake anything related to or in furtherance of the foregoing. Bayer Capital Corp does not have any subsidiaries.

Bayer Capital Corp is a finance company exempt from the prohibition (of operating without a banking license) laid down in section 2:11 subsection 1 of the Act on Financial Supervision (*Wet op het financieel toezicht*).

Organisational Structure

Bayer Capital Corp is part of the Bayer Group, of which Bayer AG is the ultimate parent company.

Trend Information

There has been no material adverse change in the prospects of Bayer Capital Corp since the end of the last reporting period ended December 31, 2016.

Administrative, Management and Supervisory Bodies

Management

Managing Director	Cyprianus Hermanus Alphonsus Koersvelt, Head of Finance Bayer Benelux and Managing Director of Bayer B.V., Bayer Global Investments B.V. and Bayer World Investments B.V.
Board of Supervisory Directors	Dr. Miriam Holstein, Director of Bayer AG, Leverkusen Dr. Stephan Semrau, Director of Bayer AG, Leverkusen

The business address of the sole member of the management board is Bayer Capital Corporation B.V., Energieweg 1, 3641 RT Mijdrecht, The Netherlands.

There are no potential conflicts of interest between the duties of the sole member of the management board toward Bayer Capital Corp and their private interests and/or other duties.

No specific rules apply to Bayer Capital Corp under the Dutch corporate governance code, because the Dutch corporate governance code applies only to companies whose shares are listed.

Major Shareholders

Bayer AG is the sole shareholder of Bayer Capital Corp.

Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profit and Losses

Financial Statements

The audited financial statements of Bayer Capital Corp for the years ended December 31, 2015 and 2016 are incorporated by reference into this Prospectus, see "*Incorporation by Reference*". Selected financial information appears in section *"Selected Financial Information"*.

Governmental, legal or arbitration proceedings

Bayer Capital Corp is not, and during the last twelve months has not been, involved (whether as defendant or otherwise) in, nor does it have knowledge of, any governmental, legal or arbitration proceedings or other proceedings or any threat of such proceedings, the result of which, in the event of an adverse determination, could have a significant effect on its financial condition.

Significant Change in financial or trading position

There has been no significant change in the financial or trading position of Bayer Capital Corp since the end of the last reporting period ended December 31, 2016.

Additional Information

Capital

Following the amendment to the Articles of Association as of February 19, 2008, the authorized share capital of Bayer Capital Corp consists of 100,000 ordinary shares of a single class with a par value of €250 each. The issued and paid up share capital consists of 21,816 ordinary shares. The paid up capital of Bayer Capital Corp amounts to €5,454,000.

Bayer Capital Corp's fiscal year is the calendar year.

Material contracts

Bayer Capital Corp has not entered into any material contracts.

BAYER HOLDING LTD.

Responsibility Statement

The Responsibility Statement is set out on page ii of this Prospectus.

Independent Auditors

The independent auditor of Bayer Holding Ltd. is PricewaterhouseCoopers Aarata LLC, Certified Public Accountants, 8-21-1 Ginza, Chuo-ku, Tokyo, Japan. PricewaterhouseCoopers Aarata LLC audited the unconsolidated financial statements of Bayer Holding Ltd. for the years ended December 31, 2015 and December 31, 2016. PricewaterhouseCoopers Aarata LLC is a member of The Japanese Institute of Certified Public Accountants (JICPA).

Selected Financial Information

This selected Financial Information has been extracted, without material adjustment, from the audited unconsolidated financial statements of Bayer Holding Ltd. as of and for the year ended December 31, 2016. These financial statements have been prepared in accordance with accounting principles generally accepted in Japan.

	As of and for the year ended	
	December 31, 2016	December 31, 2015
	in million Yen	
Total revenue	16,024	20,173
Net income after taxes	9,303	15,314
Net cash flow from operating activities	9,930	14,255
Total assets	209,021	217,540
Total net assets	92,420	88,117

Risk Factors in respect of Bayer Holding Ltd.

For a description of certain risk factors relating to Bayer Holding Ltd., see *"Risk Factors – Risk Factors in respect of Bayer Holding Ltd."*.

Information on Bayer Holding Ltd.

History and Incorporation

Bayer Holding Ltd., a private company with limited liability, was incorporated on December 19, 2006 by Bayer Ltd. (Japan) under the law of Japan in Chiyoda-ku, Tokyo. Bayer Holding Ltd.'s registered office is at 1-6-5, Marunouchi, Chiyoda-ku, Tokyo, Japan. On March 1, 2007, Bayer Ltd. (Japan) transferred 100 percent of the shares in Bayer Holding Ltd. to Bayer AG.

The legal entity form and name of Bayer Holding Ltd. changed from Bayer Holding Japan LLC to Bayer Holding Ltd. on April 7, 2008. This change of legal entity form and name has no impact on the rights of holders of any notes issued or to be issued in the future by this Issuer.

On December 30, 2010, 100 percent of the shares in Bayer Holding Ltd. were transferred from Bayer AG to Bayer Global Investments B.V., Netherlands, at that time a wholly owned subsidiary of Bayer AG.

Investments

On May 7, 2007 Bayer Holding Ltd. acquired Bayer Ltd. (Japan) with all its subsidiaries from Bayer Gesellschaft für Beteiligungen mbH for a total amount of Yen 203,000,000,000. The transaction was financed with local external loans, an inter-company loan and three bonds issued under this Programme.

On July 25, 2007 Bayer Ltd. (Japan) carved out its material science business, including the material science related subsidiaries, and transferred them to the newly established company Bayer MaterialScience Ltd. This company became a direct subsidiary of Bayer Holding Ltd., also on July 25, 2007.

On July 1, 2008 Bayer Holding Ltd. assumed the governance function of Bayer Ltd. (Japan) by corporate demerger. On the same day, Bayer Ltd. (Japan) was merged into Bayer Yakuhin Ltd.

On September 18, 2014, the Bayer Group announced the separation of the MaterialScience business to focus entirely on the Life Science businesses – HealthCare and CropScience. Bayer Holding Ltd. has undertaken the separation of the MaterialScience companies by transferring the shares of Bayer MaterialScience Ltd. to Covestro AG (formerly Bayer MaterialScience AG) in Germany, effective December 15, 2014.

Bayer Holding Ltd. directly owns 100 percent of the shares of Bayer Yakuhin Ltd. and 90.87 percent of the shares of BayerCrop Science K.K.

Business Overview

Bayer Holding Ltd. is a holding company for Bayer Group companies in Japan, having a corporate function and serving as a vehicle for financing activities. As such, it raises funds and on-lends monies to companies within the Bayer Group in Japan by way of intra-group loans. It also operates as a corporate service company by providing services to all Bayer Group companies in Japan.
With Bayer's new focus on pure Life Science businesses, a new organizational concept was introduced in 2016. Bayer operations in Japan are now managed in the three divisions – Pharmaceuticals, Consumer Health and Crop Science. This realignment was supported by organizational changes to Bayer Holding Ltd.'s corporate platform to bundle all corporate and business support functions for Japan within the company. The corresponding transfer of employees from Bayer Yakuhin Ltd. and Bayer CropScience K.K. to the Country Platform of Bayer Holding Ltd. was completed as of June 1, 2016. Bayer Holding Ltd. now provides more comprehensive services (general administration; accounting; information technology; procurement; human resources; site services; communications; law, patents and compliance; finance and taxes, order management) to all Bayer Group companies in Japan.

Organisational Structure

Bayer Holding Ltd. is a wholly owned subsidiary of Bayer Global Investments B.V., which in turn is an indirectly wholly owned subsidiary of Bayer AG. Bayer Holding Ltd. is thus part of the Bayer Group. Bayer Holding Ltd. owns 100 percent of the shares of Bayer Yakuhin Ltd. and 90.87 percent of the shares of Bayer CropScience K.K.

Trend Information

There has been no material adverse change in the prospects of Bayer Holding Ltd. since the last reporting period ended December 31, 2016.

Administrative, Management and Supervisory Bodies

Management

Representative Director:
Hans-Dieter Hausner, Senior Bayer Representative for Japan

Director
Frank Pilgram, Chief Financial Officer of Bayer in Japan

Johannes Dietsch

Statutory auditors
Kingo Daishaku

The principal occupation of Johannes Dietsch is member of the Board of Management of Bayer AG.

The business address of each member of the management is Bayer Holding Ltd., 1-6-5, Marunouchi, Chiyoda-ku, Tokyo 100-8268, Japan.

There are no potential conflicts of interest between the duties of any of the members of the management toward Bayer Holding Ltd. and their private interests and/or other duties.

The corporate governance regime at Bayer Holding Ltd. is in compliance with the relevant statutory provisions of the Companies Act of Japan.

Major Shareholder

Bayer Global Investments B.V. is the sole owner of Bayer Holding Ltd. Bayer Global Investments B.V. is an indirectly wholly owned subsidiary of Bayer AG.

Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profit and Losses

Financial Statements

The audited unconsolidated financial statements of Bayer Holding Ltd. as of and for the years ended December 31, 2016 and 2015 are incorporated by reference into this Prospectus, see "*Incorporation by Reference*". Selected financial information appears in section *"Selected Financial Information"*.

Governmental, legal or arbitration proceedings

Bayer Holding Ltd. is not, and since its establishment has not been, involved (whether as defendant or otherwise) in, nor does it have knowledge of, any governmental, legal or arbitration proceedings or other proceedings or any threat of such proceedings, the result of which, in the event of an adverse determination, could have a significant effect on its financial condition.

Legal and arbitration proceedings to which subsidiaries of Bayer Holding Ltd. are subject are (if material from a Bayer Group perspective) described under *"Bayer AG – Governmental, legal or arbitration proceedings"*.

Significant Change in financial or trading position

There has been no significant change in the financial or trading position of Bayer Holding Ltd. since the last reporting period ended December 31, 2016.

Additional Information

Capital

The paid up capital of Bayer Holding Ltd. is Yen 10,000,000. The capital surplus of Bayer Holding Ltd. is Yen 41,000,000,000.

The authorized share capital of Bayer Holding Ltd. consists of 1,000 ordinary shares of a single class.

The issued and paid in capital consists of 200 ordinary shares of Yen 50,000 each.

Fiscal Year

Bayer Holding Ltd.'s fiscal year is the calendar year.

Articles of Association

According to its articles of association, article 2, the objects of Bayer Holding Ltd. are (i) financing, intermediation of financing, guarantee and agent business for the Bayer Group companies, (ii) acquisition and holding of the shares of and investment in the Bayer Group companies in Japan (the "Group Companies") and control, management of, and administration with the Group Companies through such acquisition and holding of the shares of and investment in each such companies, and (iii) all and any other activities relating to or ancillary to the (i) and (ii) above.

Material contracts

Bayer Holding Ltd. has not entered into any material contracts.

BAYER NORDIC SE

Responsibility Statement

The Responsibility Statement is set out on page ii of this Prospectus.

Independent Auditors

The unconsolidated financial statements of Bayer Nordic as of and for the years ended December 31, 2015 and December 31, 2016 have been audited by PricewaterhouseCoopers Oy, Itämerentori 2, 00100 Helsinki, Finland, Authorised Public Accountants, with Authorised Public Accountant Johan Weckman as auditor with the principal responsibility, who is a member of the Finnish Association of Auditors.

Selected Financial Information

This selected Financial Information has been extracted, without material adjustment, from the audited unconsolidated financial statements of Bayer Nordic as of and for the year ended December 31, 2016. These financial statements have been prepared in accordance with accounting principles generally accepted in Finland.

	As of and for the year ended	
	December 31, 2016	December 31, 2015
	in thousand Euro	
Total revenue	10,481	11,387
Net income (loss) after taxes	397,769	297,462
Net cash flow from operating activities	-69,757	234,281
Total assets	3,691,591	3,689,066
Stockholder's equity	1,622,950	1,298,181

Risk Factors in respect of Bayer Nordic SE

For a description of certain risk factors relating to Bayer Nordic, see *"Risk Factors – Risk Factors in respect of Bayer Nordic SE"*.

Information on Bayer Nordic SE

History and Incorporation

Bayer Nordic was founded in the Netherlands on April 1, 2011. The legal seat was transferred from the Netherlands to Finland on September 29, 2011 when the company was registered in the Finnish trade register under the number 2430580-2; the new domicile is Keilaranta 12, 02150 Espoo, Finland, telephone number +358 20 785 21. Bayer Nordic is a European company, société européenne (SE), indirectly wholly owned by Bayer AG.

Investments

Bayer Nordic acquired on June 28, 2011 the shares of the Nordic legal entities: Bayer Oy (Finland), Bayer AB (Sweden) and its subsidiary Bayer Israel ltd (Israel), Bayer A/S (Denmark) and its subsidiary BMS A/S (Denmark), Bayer AS (Norway), UAB Bayer (Lithuania) and its subsidiaries SIA Bayer (Latvia) and Bayer OÜ (Estonia). On December 4, 2013 Bayer Nordic acquired the shares of Aviator Acquisition AS (Norway).

Aviator Acquisition AS, a wholly owned subsidiary of Bayer Nordic, acquired the shares of Norwegian pharmaceutical company Algeta ASA in March 2014. In May 2014, the shares of Bayer AS, another Norwegian

subsidiary of Bayer Nordic, were transferred to Aviator Acquisition AS (renamed Bayer Norway AS). Algeta ASA was merged with Bayer AS as of September 1, 2014.

On March 31, 2015, the Danish subsidiary Bayer A/S sold the shares of Bayer MaterialScience A/S to Bayer MaterialScience AG.

On April 1, 2015, Bayer AB acquired the shares of Medrad Sweden AB from Medrad France B.V., Bayer A/S acquired the shares of Medrad Denmark ApS from Medrad France B.V. and Bayer AS acquired the shares of Mediwest Norway AS from Medrad France B.V.

Business Overview

Bayer Nordic is the holding and regional management company for the Bayer Group companies in the Nordic region, hosting the corporate functions and serving as a vehicle for financing activities. It also operates as a corporate service company by providing services to all of its direct subsidiaries (Bayer Group companies) in the Nordic region in the areas of Law, Patents and Compliance, Communications, Finance, Accounting, Controlling, Tax, Human Resources, Information Technology, Procurement and Supply Chain Management. Bayer Nordic is also the regional hub for some agency business activities where Bayer Nordic affiliates promote the goods of 3rd party principals for which Bayer Nordic receives commission income.

Organisational Structure

Bayer Nordic is a wholly owned subsidiary of Bayer Global Investments B.V., which in turn is an indirectly wholly owned subsidiary of Bayer AG. Bayer Nordic is thus part of the Bayer Group. Bayer Nordic owns 100 percent of the shares of Bayer Oy, Bayer AB, Bayer A/S, Bayer Norway AS and UAB Bayer.

Trend Information

There has been no material adverse change in the prospects of Bayer Nordic since the last reporting period ended December 31, 2016.

Administrative, Management and Supervisory Bodies

Managing Director

Oliver Rittgen. Senior Bayer Representative for the Nordic region

Board of Directors

Board members:	Peter Müller, chairman
	Annette Schürmann
	Oliver Rittgen

The principal occupation of Peter Müller is the Senior Vice President of Finance at Bayer AG. Annette Schürmann is the Head of Region Europe at Bayer AG and Oliver Rittgen is the Managing Director and Senior Bayer Representative for Nordic region at Bayer Nordic SE.

The business address of the Managing Director and each member of the Board of Directors is Bayer Nordic SE, Keilaranta 12, 02150 Espoo, Finland.

There are no potential conflicts of interest between the duties of the Managing Director and/or any member of the Board of Directors toward Bayer Nordic and their private interests and/or other duties.

No specific rules apply to Bayer Nordic under the local corporate governance code, because such corporate governance code applies only to companies whose shares are listed.

Major Shareholders

Bayer Global Investments B.V. is the sole shareholder of Bayer Nordic.

Financial Information concerning the Issuer's Assets and Liabilities, Financial Position and Profit and Losses

Financial Statements

The audited unconsolidated financial statements of Bayer Nordic as of and for the years ended December 31, 2015 and 2016 are incorporated by reference into this Prospectus, see "*Incorporation by Reference*". Selected financial information appears in section *"Selected Financial Information"*.

Governmental, legal or arbitration proceedings

Bayer Nordic is not, since its establishment has not and during the last twelve months has not been, involved (whether as defendant or otherwise) in, nor does it have knowledge of, any governmental, legal or arbitration proceedings or other proceedings or any threat of such proceedings, the result of which, in the event of an adverse determination, could have a significant effect on its financial condition.

Legal and arbitration proceedings to which subsidiaries of Bayer Nordic are subject are (if material from a Bayer Group perspective) described under *"Bayer AG – Governmental, legal or arbitration proceedings"*.

Significant Change in financial or trading position

There has been no significant change in the, financial or trading position of Bayer Nordic since the last reporting period ended December 31, 2016.

Additional Information

Capital

The paid up capital of Bayer Nordic is €120,000. The capital surplus of Bayer Nordic is €985,000,000. The issued and paid in capital consists of 1,200 ordinary shares of €100 each

Bayer Nordic's fiscal year is the calendar year.

Articles of Association

According to article 2 of its articles of association (Finnish Trade Register (*Kaupparekisteri*), number: 2430580-2), the objects of Bayer Nordic are:

(a) to incorporate, to participate in, to manage and to supervise other enterprises and companies of whatever nature;

(b) to finance businesses and companies;

(c) to borrow, to lend and to raise funds, as well as to enter into agreements in connection with afore mentioned activities;

(d) to grant guarantees, to bind the company and to pledge its assets for obligations of subsidiaries and of third parties;

(e) to render advise and services to businesses and companies with which the company forms a group and to third parties;

(f) to develop and trade in patents , trademarks, licenses, know-how and other industrial property rights;

(g) to perform any and all activities of an industrial, financial or commercial nature;

and to do all that is connected therewith or may be conducive thereto, all to be interpreted in the broadest sense.

Material contracts

Bayer Nordic has not entered into any material contracts.

TAXATION

The following is a general discussion of certain German, Dutch, Japanese, Luxembourg and Finnish income tax consequences of the acquisition, ownership and disposal of the Notes (in the case of The Netherlands, Luxembourg and Finland certain withholding tax consequences only). This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes. As each Tranche of Notes may be subject to a different tax treatment due to the specific terms of such Tranche of Notes as set out in the respective Final Terms, the following section only provides some very general information on the possible tax treatment. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of Germany, The Netherlands, Japan, Finland and Luxembourg currently in force and as applied on the date of this Prospectus, which are subject to change, possibly with retroactive effect.

Prospective purchasers of Notes are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposition of Notes, including the effect of any state or local taxes, under the tax laws in Germany, The Netherlands, Japan, Luxembourg and Finland and any country of which they are residents.

1. Germany
Tax Residents

Persons (individuals and corporate entities) who are tax resident in Germany (in particular, persons having a residence, habitual abode, seat or place of management in Germany) are subject to income taxation (income tax or corporate income tax, as the case may be, plus solidarity surcharge thereon plus church tax and/or trade tax, if applicable) on their worldwide income, regardless of its source, including interest from debt of any kind (such as the Notes) and, in general, capital gains.

Taxation if the Notes are held as private assets (*Privatvermögen*)

In the case of German tax-resident individual investors (*unbeschränkt Steuerpflichtige*) holding the Notes as private assets (*Privatvermögen*), the following applies:

- Income

The Notes should qualify as other capital receivables (*sonstige Kapitalforderungen*) in terms of section 20 para 1 no 7 German Income Tax Act ("**ITA**" – *Einkommensteuergesetz*).

Accordingly, payments of interest on the Notes should qualify as taxable savings income (Einkünfte aus Kapitalvermögen) pursuant to section 20 para 1 no 7 ITA.

Capital gains / capital losses realised upon sale of the Notes, computed as the difference between the acquisition costs and the sales proceeds reduced by expenses directly and factually related to the sale, qualify as positive or negative savings income in terms of section 20 para 2 sentence 1 no 7 ITA. Where the Notes are acquired and/or sold in a currency other than Euro, the acquisition costs will be converted into Euro at the time of acquisition, the sales proceeds will be converted into Euro at the time of sale and the difference will then be computed in Euro. If the Notes are assigned, redeemed, repaid or contributed into a corporation by way of a hidden contribution (*verdeckte Einlage in eine Kapitalgesellschaft*) rather than sold, as a rule, such transaction is treated like a sale. Losses from the sale of Notes can only be offset against other savings income and, if there is not sufficient other positive savings income, carried forward in subsequent assessment periods.

Pursuant to a tax decree issued by the Federal Ministry of Finance dated 18 January 2016, a sale shall be disregarded where the transaction costs exceed the sales proceeds, which means that losses suffered from such "sale" shall not be tax-deductible. Similarly, a bad debt loss (*Forderungsausfall*), i.e. should the relevant Issuer become insolvent, and a waiver of a receivable (*Forderungsverzicht*), to the extent the waiver does not qualify as a hidden contribution, shall not be treated like a sale. Accordingly, losses suffered upon such bad debt loss or waiver should not be tax-deductible.

If the relevant Issuer exercises the right to substitute the debtor of the Notes, the substitution might, for German tax purposes, be treated as an exchange of the Notes for new notes issued by the new debtor. Such a substitution could result in the recognition of a taxable gain or loss for the respective investors.

- German withholding tax (*Kapitalertragsteuer*)

With regard to savings earnings (Kapitalerträge), e.g. interest or capital gains, German withholding tax (*Kapitalertragsteuer*) will be levied if the Notes are held in a custodial account which the investor maintains with a German branch of a German or non-German credit or financial services institution or with a German securities trading business or a German securities trading bank (a "**German Disbursing Agent**") and such German Disbursing Agent credits or pays out the earnings.

The tax base is, in principle, equal to the taxable gross income as set out above (i.e. prior to withholding). However, in the case of capital gains, if the custodial account has changed since the time of acquisition of the Notes (e.g. if the Notes had been transferred from a non-EU custodial account prior to the sale) and the acquisition costs of the Notes are not proven to the German Disbursing Agent in the form required by law, withholding tax is applied to 30 percent of the proceeds from the redemption or sale of the Notes. When computing the tax base for withholding tax purposes, the German Disbursing Agent has to deduct any negative savings income (*negative Kapitalerträge*) or paid accrued interest (*Stückzinsen*) in the same calendar year or unused negative savings income of previous calendar years.

German withholding tax will be levied by a German Disbursing Agent at a flat withholding tax rate of 26.375 percent (including solidarity surcharge) plus, if applicable, church tax. Church tax will be collected by the German Disbursing Agent by way of withholding unless the investor has filed a blocking notice (Sperrvermerk) with the German Federal Central Tax Office (Bundeszentralamt für Steuern). In the latter case, the investor has to include the savings income in the tax return and will then be assessed to church tax.

No German withholding tax will be levied if the investor has filed a withholding tax exemption certificate (*Freistellungsauftrag*) with the German Disbursing Agent, but only to the extent the savings income does not exceed the exemption amount shown on the withholding tax exemption certificate. Currently, the maximum exemption amount is EUR 801 (EUR 1,602 in the case of jointly assessed husband and wife or in case of a registered civil law partnership). Similarly, no withholding tax should be levied if the relevant investor has submitted a certificate of non-assessment (*Nichtveranlagungs-Bescheinigung*) issued by the relevant local tax office to the German Disbursing Agent.

The Issuers are, as a rule, not obliged to levy German withholding tax in respect of payments on the Notes.

- Tax assessment

The taxation of savings income shall take place mainly by way of levying withholding tax (please see above). If and to the extent German withholding tax has been levied, such withholding tax shall, in principle, become definitive and replace the investor's income taxation. If no withholding tax has been levied other than by virtue of a withholding tax exemption certificate (*Freistellungsauftrag*) and in certain other cases, the investor is nevertheless obliged to file a tax return, and the savings income will then be taxed within the assessment procedure. If the investor is subject to church tax and , has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*), the investor is also obliged to include the savings income in the tax return for church tax purposes.

However, also in the assessment procedure, savings income is principally taxed at a separate tax rate for savings income (*gesonderter Steuertarif für Einkünfte aus Kapitalvermögen*) being identical to the withholding tax rate (26.375 percent - including solidarity surcharge (*Solidaritätszuschlag*) plus, if applicable, church tax). In certain cases, the investor may apply to be assessed on the basis of its personal tax rate if such rate is lower than the above tax rate. Such application can only be filed consistently for all savings income within the assessment period. In case of jointly assessed husband and wife or in case of a registered civil law partnership the application can only be filed for savings income of both spouses.

When computing the savings income, the saver's lump sum amount (Sparer-Pauschbetrag) of EUR 801 (EUR 1,602 in the case of jointly assessed husband and wife or in case of a registered civil law partnership) will

be deducted. The deduction of the actual income related expenses, if any, is excluded. This holds even true if the investor applies to be assessed on the basis of its individual tax rate.

Taxation if the Notes are held as business assets (*Betriebsvermögen*)

In the case of German tax-resident corporations or individual investors (*unbeschränkt Steuerpflichtige*) holding the Notes as business assets (Betriebsvermögen), interest payments and capital gains will be subject to corporate income tax at a rate of 15 percent or income tax at a rate of up to 45 percent, as the case may be, (in each case plus 5.5 percent solidarity surcharge thereon). In addition, trade tax may be levied, the rate of which depends on the municipality where the business is located. Further, in the case of individuals, church tax may be levied. Business expenses that are connected with the Notes are deductible.

The provisions regarding German withholding tax (*Kapitalertragsteuer*) apply, in principle, as set out above for private investors. However, investors holding the Notes as business assets cannot file a withholding tax exemption certificate with the German Disbursing Agent. Instead, no withholding tax will be levied on capital gains from the redemption, sale or assignment of the Notes if, for example, (a) the Notes are held by a corporation or (b) the proceeds from the Notes qualify as income of a domestic business and the investor notifies this to the German Disbursing Agent by use of the officially required form.

Any withholding tax levied is credited as prepayment against the German (corporate) income tax amount. If the tax withheld exceeds the respective (corporate) income tax amount, the difference will be refunded within the tax assessment procedure.

Non-residents

Persons who are not tax resident in Germany are not subject to tax with regard to income from the Notes unless (i) the Notes are held as business assets (*Betriebsvermögen*) of a German permanent establishment (including a permanent representative) which is maintained by the investor or (ii) the income from the Notes qualifies for other reasons as taxable German source income. If a non-resident person is subject to tax with its income from the Notes, in principle, similar rules apply as set out above with regard to German tax resident persons (please see above).

If the income is subject to German tax as set out in the preceding paragraph, German withholding tax will be applied like in the case of a German tax resident person.

Inheritance and Gift Tax

Inheritance or gift taxes with respect to any Note will, in principle, arise under German law if, in the case of inheritance tax, either the decedent or the beneficiary or, in the case of gift tax, either the donor or the donee is a resident of Germany or if such Note is attributable to a German trade or business for which a permanent establishment is maintained or a permanent representative has been appointed.

The few existing double taxation treaties regarding inheritance and gift tax may lead to different results. Special rules apply to certain German citizens that are living in a foreign country and German expatriates.

Other Taxes

No stamp, issue, registration or similar taxes or duties are payable in Germany in connection with the issuance, delivery or execution of the Notes. Currently, net assets tax (*Vermögensteuer*) is not levied in Germany. It is intended to introduce a financial transaction tax. However, it is unclear if and in what form such tax will be actually introduced.

2. The Netherlands

This taxation overview solely addresses the Dutch withholding tax consequences of the acquisition, ownership and disposal of Notes issued by Bayer Capital Corp on or after the date of this Prospectus. It does not describe any other Dutch tax consequences. It does therefore not consider every aspect of taxation that may be relevant to a particular holder of Notes. Any potential investor should consult his/her tax adviser for more

information about the tax consequences of acquiring, owning and disposing of Notes in his/her particular circumstances.

Where in this overview English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law. Where in this Dutch taxation overview the terms "The Netherlands" and "Dutch" are used, these refer solely to the European part of the Kingdom of The Netherlands.

This overview is based on the tax law of The Netherlands (unpublished case law not included) as it stands at the date of this Prospectus. The law upon which this overview is based is subject to change, perhaps with retroactive effect. Any such change may invalidate the contents of this overview, which will not be updated to reflect such change. This overview assumes that each transaction with respect to Notes is at arm's length.

Withholding tax

All payments under Notes may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority of or in The Netherlands, except where Notes are issued under such terms and conditions that such Notes are capable of being classified as equity of Bayer Capital Corp for Dutch tax purposes or actually function as equity of Bayer Capital Corp within the meaning of article 10, paragraph 1, letter d, of the Dutch Corporation Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*) and where Notes are issued that are redeemable in exchange for, convertible into or linked to shares or other equity instruments issued or to be issued by Bayer Capital Corp or by any entity related to Bayer Capital Corp.

3. Japan

The information in this section constitutes general information on certain aspects of Japanese taxation, and is provided only for the convenience of investors. Investors should note that the information in this section is not exhaustive regarding all possible tax consequences to a particular investor. Investors are advised to consult their own legal, tax, accountancy or other professional advisers in order to ascertain their particular taxation position. The information given below is based on current tax laws and regulations in Japan and current tax treaties executed by Japan, all as in effect on the date hereof, and all of which are subject to change or differing interpretations (possibly with retroactive effect). Neither such statements nor any other statements in this Prospectus are to be regarded as advice on the tax position of any beneficial owner of the Notes issued by Bayer Holding Ltd. (the "**Issuer**") (hereinafter in this paragraph "*TAXATION - 3. Japan*", "**Notes**") or any person purchasing, selling or otherwise dealing in the Notes or any tax implication arising from the purchase, sale or other dealings in respect of the Notes.

Restriction upon Distribution

The Notes are not, as part of the distribution by the Dealers, to be offered or sold to or for the benefit of any person other than a beneficial owner that is, (i) for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of the Issuer (as defined below) or (ii) a Japanese financial institution, designated in Article 6, paragraph (9) of the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957) (as amended) (the "**Act on Special Measures Concerning Taxation**").

Capital Gains, Stamp tax and Other Similar Taxes, Inheritance Tax and Gift Tax

Gains derived from the sale of Notes outside Japan by an individual non-resident of Japan or a non-Japanese corporation having no permanent establishment in Japan are in general not subject to Japanese income or corporate taxes. Japanese inheritance tax and gift tax at progressive rates may be payable by an individual, wherever resident, who has acquired Notes as legatee, heir or donee from an individual.

No stamp, issue, registration or similar taxes or duties will, under present Japanese law, be payable in Japan by noteholders in connection with the issue of the Notes nor will such taxes be payable by noteholders in connection with their transfer if such transfer takes place outside Japan.

Interest Payments on Notes and Redemption Gain

*The following description of Japanese taxation (limited to national taxes) (subject always to the relevant tax treaty between Japan and the relevant country) applies exclusively to interest on the Notes and the redemption gain, meaning any difference between the acquisition price of the interest-bearing Notes of the noteholder and the amount which the noteholder receives upon redemption of such interest-bearing Notes (the "**Redemption Gain**"), where such Notes are issued outside Japan and payable outside Japan. In addition, the following description assumes that only global Notes are issued for the Notes, and no definitive Notes and coupons are issued so that they are independently traded, in which case different tax consequences may apply. It is not intended to be exhaustive and noteholders are recommended to consult their tax advisers as to their exact tax position.*

3.1 Non-resident Investors

If the recipient of interest on the Notes or of the Redemption Gain with respect to interest-bearing Notes is an individual non-resident of Japan or a non-Japanese corporation for Japanese tax purposes, as described below, the Japanese tax consequences on such an individual non-resident of Japan or non-Japanese corporation are significantly different depending upon whether such an individual non-resident of Japan or non-Japanese corporation is a specially-related person of the Issuer (as defined below). Most importantly, if such an individual non-resident of Japan or non-Japanese corporation is a specially-related person of the Issuer (as defined below), income tax at the rate of 15.315 percent of the amount of such interest will be withheld by the Issuer under Japanese tax law.

3.1.1 Interest

(1) If the recipient of interest on the Notes is an individual non-resident of Japan or a non-Japanese corporation having no permanent establishment within Japan or having a permanent establishment within Japan but where the receipt of the interest on the Notes is not attributable to the business of such an individual non-resident of Japan or non-Japanese corporation carried on within Japan through such permanent establishment, no Japanese income tax or corporate tax is payable with respect to such interest whether by way of withholding or otherwise, if such recipient complies with certain requirements, *inter alia*:

(i) if the relevant Notes are held through a certain participant in an international clearing organisation such as Euroclear and Clearstream, Luxembourg or a certain financial intermediary prescribed by the Act on Special Measures Concerning Taxation and the relevant Cabinet Order (together with the Act on Special Measures Concerning Taxation and the ministerial ordinance and other regulations thereunder, the "**Law**") (each, a "**Participant**"), the requirement to provide, at the time of entrusting a Participant with the custody of the relevant Notes, certain information prescribed by the Law to enable the Participant to establish that the recipient is exempt from the requirement for Japanese tax to be withheld or deducted (the "**Interest Recipient Information**"), and to advise the Participant if such an individual non-resident of Japan or non-Japanese corporation ceases to be so exempted (including the case where it became a specially-related person of the Issuer (as defined below)).

(ii)

Failure to comply with such requirements described above (including the case where the Interest Recipient Information is not duly communicated as required under the Law) will result in the withholding by the Issuer of income tax at the rate of 15.315 percent of the amount of such interest.

(2) If the recipient of interest on the Notes is an individual non-resident of Japan or a non-Japanese corporation having a permanent establishment within Japan and the receipt of interest is attributable to the business of such an individual non-resident of Japan or non-Japanese corporation carried on within Japan through such permanent establishment, such interest will not be subject to a 15.315 percent withholding tax by the Issuer, if the recipient provides the Interest Recipient Information or submits the Application for Exemption as set out in paragraph 1.1(1) above. Failure to do so will result in the withholding by the Issuer of income tax at the rate of

15.315 percent of the amount of such interest. The amount of such interest will be subject to regular income tax or corporate tax, as appropriate.

(3) Notwithstanding paragraphs 1.1(1) and (2) above, if an individual non-resident of Japan or a non-Japanese corporation mentioned above is a person who has a special relationship with the Issuer (that is, in general terms, a person who directly or indirectly controls or is directly or indirectly controlled by, or is under direct or indirect common control with, the Issuer) within the meaning prescribed by the Cabinet Order under Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation (such person is referred to as a "**specially-related person of the Issuer**") as of the beginning of the fiscal year of the Issuer in which the relevant Interest Payment Date falls, the exemption from Japanese withholding tax on interest mentioned above will not apply, and income tax at the rate of 15.315 percent of the amount of such interest will be withheld by the Issuer. If such an individual non-resident of Japan or non-Japanese corporation has a permanent establishment within Japan, regular income tax or corporate tax, as appropriate, collected otherwise by way of withholding, could apply to such interest under Japanese tax law.

(4) If an individual non-resident of Japan or a non-Japanese corporation (regardless of whether it is a specially-related person of the Issuer) is subject to Japanese withholding tax with respect to interest on the Notes under Japanese tax law, a reduced rate of withholding tax or exemption from such withholding tax may be available under the relevant income tax treaty between Japan and the country of tax residence of such individual non-resident of Japan or non-Japanese corporation. As of the date of this document, Japan has income tax treaties, conventions or agreements whereby the above-mentioned withholding tax rate is reduced, generally to 10% with, inter alia, Australia, Austria, Belgium, Canada, Denmark, Finland, France, Hong Kong, Ireland, Italy, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Switzerland and the United States. Under the tax treaties between Japan and the United Kingdom, Germany or Sweden, interest paid to qualified United Kingdom, German or Swedish residents is generally exempt from Japanese withholding tax. Japan and the United States or Austria have signed an amendment to the existing tax treaty, generally exempting interest from Japanese withholding tax; however, this amendment has not yet entered into force. Under the current income tax treaty between Japan and the United States, certain limited categories of qualified United States residents receiving interest on the notes may, subject to compliance with certain procedural requirements under Japanese law, be fully exempt from Japanese withholding tax for interest on the notes. Under the income tax treaties with France, Australia, the Netherlands and Switzerland, similar exemptions to those provided in the current income tax treaty between Japan and the United States will be available (provided that no exemption will apply to pension funds in the case of Australia). In order to enjoy such reduced rate of, or exemption from, Japanese withholding tax under any applicable income tax treaty, individual non-residents of Japan or non-Japanese corporations which are entitled, under any applicable income tax treaty, to a reduced rate of, or exemption from, Japanese withholding tax on payment of interest by the issuer of the notes are required to submit an Application Form for Income Tax Convention regarding Relief from Japanese Income Tax and Special Income Tax for Reconstruction on Interest (as well as any other required forms and documents) in advance through the issuer of the notes to the relevant tax authority before payment of interest.

(5) Under the Law, (a) if an individual non-resident of Japan or a non-Japanese corporation that is a beneficial owner of the Notes becomes a specially-related person of the Issuer, or an individual non-resident of Japan or a non-Japanese corporation that is a specially-related person of the Issuer becomes a beneficial owner of the Notes, and (b) if such Notes are held through a Participant, then such individual non-resident of Japan or non-Japanese corporation is obligated to notify the Participant of such change in status by the immediately following Interest Payment Date of the Notes. As described in paragraph 1.1(3) above, as the status of such individual non-resident of Japan or non-Japanese corporation as a specially-related person of the Issuer for Japanese withholding tax purposes is determined based on the status as of the beginning of the fiscal year of the Issuer in which the relevant Interest Payment Date falls, such individual non-resident of Japan or non-Japanese corporation should, by such notification, identify and advise the Participant of the specific Interest Payment Date on which Japanese withholding tax starts to apply with respect to such individual non-resident of Japan or non-Japanese corporation as being a specially-related person of the Issuer.

3.1.2 Redemption Gain

(1) If the recipient of the Redemption Gain with respect to interest-bearing Notes is an individual non-resident of Japan or a non-Japanese corporation having no permanent establishment within Japan or having a permanent establishment within Japan but the receipt of such Redemption Gain is not attributable to the business of such individual non-resident of Japan or non-Japanese corporation carried on within Japan through such permanent establishment, no income tax or corporate tax is payable with respect to such Redemption Gain.

(2) If the recipient of the Redemption Gain with respect to interest-bearing Notes is an individual non-resident of Japan or a non-Japanese corporation having a permanent establishment within Japan and the receipt of such Redemption Gain is attributable to the business of such an individual non-resident of Japan or non-Japanese corporation carried on within Japan through such permanent establishment, such Redemption Gain will not be subject to any withholding tax but will be subject to regular income tax or corporate tax, as appropriate.

(3) Notwithstanding paragraphs 1.2(1) and (2) above, if an individual non-resident of Japan or a non-Japanese corporation mentioned above is a specially-related person of the Issuer as of the beginning of the fiscal year of the Issuer in which such an individual non-resident of Japan or non-Japanese corporation acquired such Notes, the Redemption Gain will not be subject to withholding tax but will be subject to regular income tax or corporate tax, as appropriate, under Japanese tax law, regardless of whether such an individual non-resident of Japan or non-Japanese corporation has a permanent establishment within Japan; provided that exemption may be available under the relevant income tax treaty.

3.2 Resident Investors

If the recipient of interest on the Notes is an individual resident of Japan or a Japanese corporation for Japanese tax purposes, as described below, regardless of whether such recipient is a specially-related person of the Issuer, in addition to any applicable local tax, income tax will be withheld at the rate of 15.315 percent of the amount of such interest, if such interest is paid to an individual resident of Japan or a Japanese corporation (except for (i) a Designated Financial Institution (as defined below) which complies with the requirement for tax exemption under Article 6, paragraph (9) of the Act on Special Measures Concerning Taxation or (ii) a Public Corporation, etc., as defined below, or a Specified Financial Institution, as defined below, to which such interest is paid through the Japanese Custodian, as defined below, in compliance with the requirement for tax exemption under Article 3-3, paragraph (6) of the Act on Special Measures Concerning Taxation, as amended.) In addition to the withholding tax consequences upon resident investors as explained in this section 2, resident investors should consult their own tax advisors regarding regular income tax or corporate tax consequences other than by way of withholding, bearing in mind, especially for individual residents of Japan, the change to the taxation regime of Notes which took effect on January 1, 2016.

3.2.1 Interest

(1) If an individual resident of Japan or a Japanese corporation (other than a Specified Financial Institution (as defined below) or a Public Corporation (as defined below), who complies with the requirement as referred to in paragraph 2.1(2) below) receives payments of interest on the Notes through certain Japanese payment handling agents as defined in Article 2-2 paragraph (2) of the Cabinet Order (each a "**Japanese Payment Handling Agent**"), income tax at the rate of 15.315 percent of the amount of such interest will be withheld by the Japanese Payment Handling Agent rather than by the Issuer. As the Issuer is not in a position to know in advance the recipient's status, the recipient of interest falling within this category should inform the Issuer through a Paying Agent of its status in a timely manner. Failure to so inform may result in double withholding.

(2) If the recipient of interest on the Notes is a Japanese public corporation or a Japanese public-interest corporation designated by the relevant law (a "**Public Corporation**") or a Japanese bank, a Japanese insurance company, a Japanese financial instruments business operator or other Japanese financial institution falling under certain categories prescribed by the relevant Cabinet Order under Article 3-3, paragraph (6) of the Act on Special Measures Concerning Taxation (each, a "**Specified**

Financial Institution") that keeps its Notes deposited with, and receives the interest through, a Japanese Payment Handling Agent with custody of the Notes (the "**Japanese Custodian**") and such recipient submits through such Japanese Custodian to the competent tax authority the report prescribed by the Law, no withholding tax is levied on such interest. However, since the Issuer is not in a position to know in advance the recipient's such tax exemption status, the recipient of interest falling within this category should inform the Issuer through a Paying Agent of its status in a timely manner. Failure to so notify the Issuer may result in the withholding by the Issuer of a 15.315 percent income tax.

(3) If an individual resident of Japan or a Japanese corporation (except for a Designated Financial Institution (as defined below) which complies with the requirements described in paragraph 2.1(4) below) receives interest on the Notes not through a Japanese Payment Handling Agent, income tax at the rate of 15.315 percent of the amount of such interest will be withheld by the Issuer.

(4) If a Japanese bank, Japanese insurance company, Japanese financial instruments business operator or other Japanese financial institution designated in Article 6, paragraph (9) of the Act on Special Measures Concerning Taxation (each, a "**Designated Financial Institution**") receives interest on the Notes not through a Japanese Payment Handling Agent and such recipient complies with the requirement, *inter alia*, to provide the Interest Recipient Information or to submit the Application for Exemption as referred to in paragraph 1.1(1) above, no withholding tax will be imposed.

3.2.2 Redemption Gain

If the recipient of the Redemption Gain with respect to interest-bearing Notes is an individual resident of Japan or a Japanese corporation, such Redemption Gain will not be subject to any withholding tax.

3.3 Special Additional Tax for Reconstruction from the Great East Japan Earthquake

Due to the imposition of a special additional withholding tax of 0.315 percent (or 2.1 percent of 15 percent) to secure funds for reconstruction from the Great East Japan Earthquake, the withholding tax rate has been effectively increased from 15 percent to 15.315 percent during the period beginning on January 1, 2013 and ending on December 31, 2037. There is also certain special additional tax imposed upon regular income tax, as referred to in the foregoing descriptions, for the period mentioned above.

4. Luxembourg

In this section, "paying agent" has the meaning given thereto in the amended Luxembourg law of December 23, 2005. "Paying agent" is defined broadly for this purpose and in the context of the Notes means any economic operator established in Luxembourg who pays interest on the Notes to, or ascribes the payment of such interest to, or for the immediate benefit of the beneficial owner, whether the operator is, or acts on behalf of, the relevant Issuer or the Guarantor or is instructed by the beneficial owner to collect such payment of interest. Any potential investor should consult his/her tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes in his/her particular circumstances.

Withholding taxes

Under the existing laws of Luxembourg and subject to the application of the amended Luxembourg law of December 23, 2005 providing for a domestic savings withholding tax, there is no withholding tax on the payment of interest on, or reimbursement of principal of, the Notes which are not profit sharing or on payments made under the Guarantee to noteholders.

According to the amended law of December 23, 2005, interest payments on Notes or similar income paid by a Luxembourg paying agent to or for the immediate benefit of an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20 percent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his / her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

In addition, pursuant to the law of 23 December 2005, as amended, Luxembourg resident individuals who are the beneficial owners of savings income paid by a paying agent established outside Luxembourg, in a Member State of either the European Union or the European Economic Area, can opt to self declare and pay a 20 percent tax on these savings income. This 20 percent tax is final when Luxembourg resident individuals are acting in the context of the management of their private wealth. Responsibility for the declaration and the payment of this 20 percent tax is assumed by the individual resident beneficial owner of the interest or similar income.

5. Finland

The following is a general description of certain Finnish tax considerations relating to the Notes. It relates only to the position of persons who are the absolute beneficial owners of the Notes and does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date. It should be noted that the tax laws of Finland may be amended with retroactive effect.

Withholding Taxation of Non-Finnish residents

Holders of Notes who are not resident in Finland for tax purposes and who do not engage in trade or business through a permanent establishment in Finland will not be subject to Finnish withholding taxes either on payments in respect of the Notes or gains realised on the sale or redemption of the Notes. The Issuer is obliged to ascertain that the Holder of Notes is not resident in Finland for tax purposes. The Holder of Notes is obliged to disclose his non-resident status to the Issuer. If a Holder of Notes fails to provide such information, the Issuer will be entitled to withhold or deduct amounts from a payment in respect of the Notes if it is required to do so under Finnish law and the Issuer will not be required to pay the Holder of Notes any additional amounts. Non-resident Holders of Notes who engage in trade or business through a permanent establishment in Finland will be subject to similar Finnish taxes on payments in respect of the Notes and gains realised on the sale or redemption of the Notes as Finnish resident Holders of Notes.

Withholding Taxation of Finnish residents

Under the present Finnish domestic tax law, Holders of Notes, who are resident in Finland for tax purposes, will be subject to Finnish tax on interest payments (including deemed interest for tax purposes through a discounted issue price) under the Notes and on gains realised on the sale or redemption of the Notes. Interest payments to Holders of Notes, who are Finnish tax resident individuals or Finnish estates of deceased persons are, furthermore, generally subject to a tax withholding at a rate of 30 percent. If the interest payments are made by a Finnish paying agent, responsibility for operating the tax withholding will generally be assumed by the Finnish paying agent.

Transfer Tax

Transfers of the Notes are not subject to Finnish transfer tax.

Reporting Requirements

Under Finnish law, the Issuer is obliged to report to the Finnish tax authorities any interest payments under the Notes and whether the Holder of Notes is tax resident in Finland, as well as whether such Finnish tax resident Holder of Notes is an individual tax resident in Finland or a Finnish estate of a deceased person. Holders of Notes, who are resident in Finland for tax purposes, are furthermore generally obliged to report on their annual tax return taxable interest payments received under the Notes and gains realised on the sale or redemption of the Notes.

6. The proposed financial transactions tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has a very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

However, the FTT proposal remains subject to negotiation between Participating Member States. It may, therefore, be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

1. Underwriting

The Notes may be issued on a continuing basis to the Dealer and any additional dealer appointed under the Programme from time to time by the Issuer(s), which appointment may be for a specific issue or on an ongoing basis. Notes may be distributed by way of private placements and on a syndicated or non-syndicated basis. Notes may not be offered to investors in consideration of a purchase amount of less than €100,000 or its equivalent and may be offered to qualified investors (as defined in Article 2 para. 1 lit. (e) of the Prospectus Directive) only. The method of distribution of each Tranche will be stated in the relevant Final Terms.

Notes may be sold from time to time by the Issuers to any one or more of Deutsche Bank Aktiengesellschaft and other Dealers. The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, the Dealer are set out in a Dealer Agreement relating to the Programme dated March 24, 2017 as amended or supplemented from time to time (the "**Dealer Agreement**") and made between the Issuers, the Guarantor and the Dealer. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealer and the commissions or other agreed deductibles (if any) payable or allowable by the Issuers in respect of such purchase. The Dealer Agreement makes provision for the resignation or termination of appointment of the existing Dealer and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

2. Selling Restrictions

General

Each Dealer acknowledges that, other than with respect to the listing of the Notes on the relevant stock exchange, no action has been or will be taken in any country or jurisdiction by the Issuer or the Dealers that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Each Dealer will (to the best of its knowledge) comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or has in its possession or distributes such offering material, in all cases at its own expense.

United States of America

Each Dealer understands that the Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to another exemption from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to agree that it has not offered or sold Notes and will not offer or sell Notes (a) as part of their distribution at any time or (b) otherwise until forty days after the later of the date the Notes were first offered to persons other than distributors and the completion of the distribution of all Notes of the Tranche of which such Notes are a part, as determined and certified to the Fiscal Agent and the Issuer by the relevant Dealer (or, in the case of a sale of a Tranche to or through more than one Dealer, by each of such Dealers as to the Notes of such Tranche purchased by or through it), within the United States or to, or for the account or benefit of, U.S. persons, except in accordance with Rule 903 of Regulation S under the Securities Act and U.S. tax law requirements. Accordingly, none of the Dealers, their affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Note, and the Dealers, their affiliates and any persons acting on their behalf have complied and will comply with the offering restrictions requirements of Regulation S. Each Dealer has agreed that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or other person receiving a selling concession, fee or other remuneration that purchases Notes from it or through it prior to the expiration of the 40-day distribution compliance period a confirmation or notice to substantially the following effect:

"The Notes offered and/or sold hereby have not been registered under the United States Securities Act

of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (a) as part of their distribution at any time or (b) otherwise until forty days after the later of (i) the date the Notes were first offered to persons other than distributors and (ii) the completion of the distribution of all Notes of the Tranche of which such Notes are a part, as determined and certified by the Agent for the Notes to *Name of Dealer or Dealers, as the case may be*, except in either case in accordance with Regulation S under the Securities Act, pursuant to the registration of the Notes under the Securities Act or pursuant to another available exemption from the registration requirements of the Securities Act. Terms used above have the meanings given to them by Regulation S under the Securities Act."

Terms used in the above paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, an offer or sale of such Notes in the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to the registration of such Notes under the Securities Act or in accordance with an available exemption from the registration requirements of the Securities Act.

Each Dealer who has purchased Notes of any Tranche under the Programme (or, in the case of a sale of a Tranche of Notes issued to or through more than one Dealer, each of such Dealers as to Notes of such Tranche purchased by or through it) shall determine and certify to the Fiscal Agent and the Issuer the completion of the distribution of the Notes of such Tranche as aforesaid.

*Notes will be issued in accordance with the provisions of United States Treasury Regulation § 1.163-5(c)(2)(i)(D) (the "**D Rules**") (or any successor rules in substantially the same form as the D Rules, as applicable, for purposes of Section 4701 of the U.S. Internal Revenue Code).*

In respect of the Notes each Dealer has represented and agreed that:

(a) except to the extent permitted under the D Rules, (i) it has not offered or sold, and during the restricted period will not offer or sell, Notes in bearer form to a person who is in the United States or its possessions or to a United States person, and (ii) such Dealer has not delivered and will not deliver in the United States or its possessions Notes in bearer form that are sold during the restricted period;

(b) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is in the United States or its possessions or to a United States person, except as permitted by the D Rules;

(c) if such Dealer is a United States person, it has represented that it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and, if such Dealer retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of United States Treasury Regulation § 1.163-5(c)(2)(i)(D)(6) and the provisions of United States Treasury Regulation § 1.163-5(c)(2)(i)(D)(7) governing the restricted period for unsold allotments or subscriptions shall apply to any obligation it retains for investment; and

(d) with respect to each affiliate that acquires from such Dealer Notes in bearer form for the purposes of offering or selling such Notes during the restricted period, such Dealer either (i) has represented and agreed on behalf of such affiliate to the effect set forth in sub-paragraph (a), (b) and (c) of this paragraph or (ii) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in sub-paragraphs (a), (b) and (c) of this paragraph.

Terms used in the above paragraph have the meanings given to them by the United States Internal Revenue Code of 1986, as amended, and Regulations thereunder, including the D Rules.

Each Dealer has represented and agreed that it has not entered and will not enter into any contractual

arrangements with respect to the distribution or delivery of Notes into the United States, except with its affiliates or with the prior written consent of the Issuer.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

(a) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

United Kingdom

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that:

(a) **No deposit-taking:** in relation to any Notes having a maturity of less than one year:

(i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and

(ii) it has not offered or sold and will not offer or sell any Notes other than to persons:

(A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or

(B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses

where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "**FSMA**") by the Issuer;

(b) **Financial promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and

(c) **General compliance**: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

The Netherlands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes (including rights representing an interest in the Notes in global form) which are the subject of this Prospectus, have not been and will not be offered, sold, transferred or delivered to the public in The Netherlands, unless:

(i) in case the Final Terms in relation to the Notes specify an offer of those Notes made other than pursuant to Article 3(2) of the Prospectus Directive in The Netherlands (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority of The Netherlands or, where appropriate, approved in another Member State and notified to the competent authority in The Netherlands, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Final Terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(ii) in reliance on Article 3(2) of the Prospectus Directive and, in respect of Notes that are not to be admitted to trading on a regulated market in the European Economic Area, provided:

(a) such offer is made exclusively to legal entities which are qualified investors (as defined in the Prospectus Directive) in The Netherlands; or

(b) standard logo and exemption wording are incorporated in the Final Terms in relation to the Notes, advertisements and documents in which the offer is announced, as required by article 5:20(5) of the Dutch Act on Financial Supervision (*Wet op het financieel toezicht*, the "**FSA**"); or

(c) such offer is otherwise made in circumstances in which article 5:20(5) of the FSA is not applicable.

For the purposes of the above, the expressions (i) "an offer of Notes to the public" in relation to any Notes in The Netherlands; and (ii) "Prospectus Directive", have the meaning given to them in the paragraph headed "European Economic Area".

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948) (as amended) (the "**FIEA**") and the Notes issued by Bayer Holding Ltd. are subject to the Act on Special Measures Concerning Taxation. Each of the Dealers has represented and agreed that (I) it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell Notes in Japan or to any person resident in Japan for Japanese securities law purposes (including any corporation or other entity organised under the laws of Japan), except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA; and (II) it has not offered or sold and will not offer or sell as part of its distribution at any time, any of the Notes issued by Bayer Holding Ltd. to or for the benefit of any person other than a beneficial owner that is, (a) for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with Bayer Holding Ltd. as described in Article 6, paragraph (4) of

the Act on Special Measures Concerning Taxation (a "specially-related person of Bayer Holding Ltd."), or (b) a Japanese financial institution, designated in Article 6, paragraph (9) of the Act of Special Measures Concerning Taxation .

GENERAL INFORMATION

Listing and admission to trading

Application has been made to list Notes under the Programme on the Official List of the Luxembourg Stock Exchange and to admit them to trading on the regulated market of the Luxembourg Stock Exchange.

However, Notes may be issued pursuant to the Programme which will not be listed on the Luxembourg Stock Exchange or any other stock exchange as the Issuer and the relevant Dealer(s) may agree.

Interests of Natural and Legal Persons Involved in the Issue

Except as described in the relevant Final Terms, certain Dealers and their affiliates may be customers of, borrowers from or creditors of the relevant Issuer or the Guarantor and its affiliates. In addition, certain Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the relevant Issuer or the Guarantor and its affiliates in the ordinary course of business.

Authorisation

The establishment of the Programme was authorized by the competent representatives of Bayer AG on April 25, 2000 and September 14, 2000, of Bayer Capital Corp on October 18, 2000, of Bayer Corporation on July 25, 2000 and of Bayer Limited (Japan) on October 18, 2000. The increase of the Programme Amount to €8,000,000,000 was authorized by the competent representatives of Bayer AG on August 3, 2001 and September 13, 2001, of Bayer Capital Corp on October 2, 2001, of Bayer Corporation on September 5, 2001 and of Bayer Limited (Japan) on October 3, 2001. The increase of the Programme Amount to €10,000,000,000 was authorized by the competent representatives of Bayer AG on April 7, 2006 (resolution of the Board of Management) and April 28, 2006 (resolution of the Supervisory Board), of Bayer Capital Corp on April 21, 2006. The accession of Bayer Holding Ltd. (formerly named Bayer Holding Japan LLC) as an issuer under the Programme was authorized by Frank Witasek as Duty Executor of Bayer Holding Japan LLC on March 30, 2007. The accession of Bayer Nordic as an issuer under the Programme was authorized by the Board of Directors on February 13, 2013. The increase of the Programme Amount to €15,000,000,000 was authorized by the competent representatives of Bayer AG on March 14, 2014. The Issuers and the Guarantor have obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

Legends on the Notes

Any Notes issued by Bayer Holding Ltd. will bear a legend substantially to the following effect:

“Interest payments on this security issued by Bayer Holding Ltd. will be subject to Japanese withholding tax unless the Holder establishes that the Notes are held by or for the account of a Holder that is (i) for Japanese tax purposes, neither an individual resident of Japan or a Japanese corporation, nor an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with Bayer Holding Ltd. as described in Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation of Japan (a "**specially-related person of Bayer Holding Ltd.**"), (ii) a Japanese financial institution designated in Article 6, paragraph (9) of the Act on Special Measures Concerning Taxation of Japan which complies with the requirement for tax exemption under that paragraph or (iii) a Japanese public corporation, financial institution or financial instruments business operator described in Article 3-3, paragraph (6) of the Act on Special Measures Concerning Taxation of Japan which complies with the requirement for tax exemption under that paragraph.

Interest payments on this security issued by Bayer Holding Ltd. to an individual resident of Japan, to a Japanese corporation (except as described in the preceding paragraph), or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of Bayer Holding Ltd. will be subject to deduction in respect of Japanese income tax at a rate of 15.315 percent of the amount of such interest."

Documents on Display

For the life of the Programme, copies and, where appropriate, English translations of the following documents may be inspected (and in the case of (b) and (d) will be available free of charge and can be found on the website of the Luxembourg Stock Exchange) during normal business hours at the specified office of the Paying Agent, namely:

(a) the constitutional documents of Bayer AG, Bayer Capital Corp, Bayer Holding Ltd. and Bayer Nordic;
(b) the Prospectus and any supplement thereto, if any;
(c) any document incorporated by reference into the Prospectus see "*Incorporation by Reference*"; and
(d) the Guarantee and Negative Pledge.

Each Final Terms for listed Notes will be available in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu).

INCORPORATION BY REFERENCE

Interim Financial Information

Each of the Issuers publishes interim financial statements on a semi-annual basis.

Incorporation by Reference

The following information is incorporated by reference into this Prospectus:

1. the audited consolidated financial statements of the Bayer Group (augmented version) as of and for the year ended December 31, 2016 (the "**Group 2016 Report**") consisting of
   - Consolidated Income Statements (page 203 of the Group 2016 Report),
   - Consolidated Statements of Comprehensive Income (page 204 of the Group 2016 Report),
   - Consolidated Statements of Financial Position (page 205 of the Group 2016 Report),
   - Consolidated Statements of Cash Flows (page 207 of the Group 2016 Report),
   - Consolidated Statements of Changes in Equity (page 206 of the Group 2016 Report)
   - Notes (pages 208 to 301 of the Group 2016 Report),
   - the Independent Auditor's Report (page 303 to 312 of the Group 2016 Report),

2. the audited consolidated financial statements of the Bayer Group (augmented version) as of and for the year ended December 31, 2015 (the "**Group 2015 Report**") consisting of
   - Consolidated Income Statements (page 230 of the Group 2015 Report),
   - Consolidated Statements of Comprehensive Income (page 231 of the Group 2015 Report),
   - Consolidated Statements of Financial Position (page 232 of the Group 2015 Report),
   - Consolidated Statements of Cash Flows (page 233 of the Group 2015 Report),
   - Consolidated Statements of Changes in Equity (page 234 to 235 of the Group 2015 Report),
   - Notes (pages 236 to 336 of the Group 2015 Report),
   - the Independent Auditor's Report (page 338 to 339 of the Group 2015 Report),

3. the audited financial statements of Bayer Capital Corp as of and for the year ended December 31, 2016 (the "**BCC 2016 Report**") consisting of
   - Balance sheet (pages 5 to 6 of the BCC 2016 Report),
   - Profit and loss account (page 7 of the BCC 2016 Report),
   - Cash flow statement (pages 8 to 9 of the BCC 2016 Report),
   - Changes in equity (pages 19 (under 5.4 "Shareholders' equity") to 20 of the BCC 2016 Report),
   - Notes to the balance sheet and profit and loss account (pages 18 to 28 of the BCC 2016 Report),
   - the Independent Auditors' Report (pages 33 to 38 of the BCC 2016 Report),

4. the audited financial statements of Bayer Capital Corp as of and for the year ended December 31, 2015 (the "**BCC 2015 Report**") consisting of
   - Balance sheet (pages 5 to 6 of the BCC 2015 Report),
   - Profit and loss account (page 7 of the BCC 2015 Report),
   - Cash flow statement (page 8 to 9 of the BCC 2015 Report),
   - Changes in equity (pages 19 (under 5.5 "Shareholders' equity") to 20 of the BCC 2015 Report),
   - Notes to the balance sheet and profit and loss account (pages 10 to 27 of the BCC 2015 Report),
   - the Independent Auditors' Report (pages 32 to 39 of the BCC 2015 Report)[28],

[28] Page numbers refer to the pages of the pdf file

5. the audited unconsolidated financial statements of Bayer Holding Ltd. as of and for the year ended December 31, 2016 (the "**BHL 2016 Report**") consisting of
    - Balance Sheet (page 10 of the BHL 2016 Report),
    - Profit and Loss Statement (page 11 of the BHL 2016 Report),
    - Statement of Change in Net Assets (page12 of the BHL 2016 Report),
    - Statement of Cash Flows (page 13 of the BHL 2016 Report),
    - Note to the financial statements (pages 14 to 19 of the BHL 2016 Report),
    - Supplementary Schedules (pages 20 to 22 of the BHL 2016 Report),
    - the Independent Auditors' Report (pages 7 to 8 of the BHL 2016 Report),

6. the audited unconsolidated financial statements of Bayer Holding Ltd. as of and for the year ended December 31, 2015 (the "**BHL 2015 Report**") consisting of
    - Balance Sheet (page 11 of the BHL 2015 Report),
    - Profit and Loss Statement (page 12 of the BHL 2015 Report),
    - Statement of Change in Net Assets (page 13 of the BHL 2015 Report),
    - Statement of Cash Flows (page 14 of the BHL 2015 Report),
    - Note to the financial statements (pages 15 to 21 of the BHL 2015 Report),
    - Supplementary Schedules (pages 22 to 24 of the BHL 2015 Report),
    - the Independent Auditors' Report (pages 8 to 9 of the BHL 2015 Report),

7. the portions of the audited unconsolidated financial statements of Bayer Nordic as of and for the year ended December 31, 2016 (the "**BNSE 2016 Report**") presented in English (with the Finnish portions explicitly excluded) consisting of
    - Balance Sheet (page 6 of the BNSE 2016 Report),
    - Profit and Loss Statement (page 5 of the BNSE 2016 Report),
    - Cash Flow Statement (page 7 of the BNSE 2016 Report),
    - Change in Capital and Reserves (page 8 of the BNSE 2016 Report),
    - Notes to the Accounts (pages 8 to 15 of the BNSE 2016 Report),
    - the Independent Auditors' Report (pages 23 to 25 of the BNSE 2016 Report)[29],

8. the portions of the audited unconsolidated financial statements of Bayer Nordic as of and for the year ended December 31, 2015 (the "**BNSE 2015 Report**") presented in English (with the Finnish portions explicitly excluded) consisting of
    - Balance Sheet (page 6 of the BNSE 2015 Report),
    - Profit and Loss Statement (page 5 of the BNSE 2015 Report),
    - Cash Flow Statement (page 7 of the BNSE 2015 Report),
    - Change in Capital and Reserves (page 11 of the BNSE 2015 Report),
    - Notes to the Accounts (pages 8 to 12 of the BNSE 2015 Report),
    - the Independent Auditors' Report (page 18 of the BNSE 2015 Report)[29],

9. Provisions Regarding Resolutions of Holders dated March [24], 2017

Any information not incorporated by reference into this Prospectus but contained in one of the documents mentioned as source documents in the cross reference list above is either not relevant for the investor or covered in another part of this Prospectus.

The source documents from which the information mentioned above has been incorporated by reference into this Prospectus will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

[29] The page number refers to the page of the pdf file.

NAMES AND ADDRESSES

ISSUERS

Bayer Aktiengesellschaft
51368 Leverkusen
Germany

Telephone number: +49 214 30 48334

Bayer Capital Corporation B.V.
Energieweg 1
3641 RT Mijdrecht
The Netherlands

Telephone number: +31 297 280340
and +31 297 280252

Bayer Holding Ltd.
1-6-5, Marunouchi, Chiyaoda-ku,
Tokyo 100-8268
Japan

Telephone number: +81 3 6266 7010

Bayer Nordic SE
Keilaranta 12
02150 Espoo
Finland

Telephone number: +358 20 785 21

FISCAL AGENT AND PAYING AGENT

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60325 Frankfurt am Main
Germany

LAWYERS

To the Issuers

As to the Laws of The Netherlands

Linklaters LLP
Zuidplein 180
1077 XV Amsterdam
The Netherlands

As to the Laws of Japan

Nagashima Ohno & Tsunematsu
JP Tower
2-7-2, Marunouchi, Chiyoda-ku
Tokyo 100-7036 -
Japan

As to the Laws of Finland

Hannes Snellman Attorneys Ltd
Eteläesplanadi 20
00130 Helsinki
Finland

To the Dealer

As to German Law

Clifford Chance Deutschland LLP
Mainzer Landstraße 46
60325 Frankfurt am Main
Germany

AUDITORS

For Bayer Aktiengesellschaft

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft
Friedrich-List-Str. 20
45128 Essen
Germany

For Bayer Capital Corporation B.V.

PricewaterhouseCoopers Accountants N.V.
Fascinatio Boulevard 350
3065 WB Rotterdam
The Netherlands

For Bayer Holding Ltd.

PricewaterhouseCoopers Aarata LLC
8-21-1, Ginza
Chuo-ku, Tokyo 104-0061
Japan

For Bayer Nordic SE

PricewaterhouseCoopers Oy
Itämerentori 2
00100 Helsinki
Finland

ARRANGER and DEALER

Deutsche Bank Aktiengesellschaft
Mainzer Landstraße 11-17
60329 Frankfurt am Main
Germany