



Science For A Better Life



ExpatPLUS

Pension plan for expatriates whose home country is Germany and who joined the company on or after January 1, 2005.



ExpatPLUS - the solution for employees working abroad

If you spend any length of time working abroad, you will realize that many things are different to how they are at home.

You can certainly expect to be confronted with new challenges. This may mean you need special solutions for the duration of your international assignment.

The same is true for your company pension provision.

Under the ExpatPLUS plan, your contributions to your Basic Pension are paid to the Rheinische Pensionskasse (RPK) as usual during your foreign assignment.

The Basic Pension applies to your notional salary below the contribution ceiling for the German state pension plan (BBG).

The Supplementary Pension, which usually comprises the matching contribution element, is replaced by the ExpatPLUS Supplementary Pension plan for the duration of your foreign assignment.

BayerPLUS – the pension plan for staff in Germany

You will be familiar with the basic principles of BayerPLUS, the pension plan for Bayer employees in Germany: the responsibility for retirement saving is shared between you and the company. Both parties contribute to your Basic Pension and your Supplementary Pension.

The challenge

For tax reasons, employees on international assignments cannot set aside additional contributions under a deferred compensation plan for salary components that exceed the ceiling for contributions to the state pension plan (BBG) in Germany. Without a tailor-made solution this would mean you could not acquire pension entitlements to the BayerPLUS Supplementary Pension under the matching contribution system (an additional company contribution of up to 9 percent) during this period.

The ExpatPLUS supplementary pension plan in figures

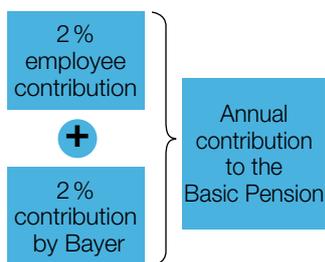
You will receive the 6 percent obligatory contribution from Bayer plus a further fixed contribution – funded solely by your employer – of 9 percent of your pensionable notional salary above the ceiling for contributions to the German state pension plan (BBG). In contrast to the standard supplementary plan, Bayer does not require you to make any contributions yourself.



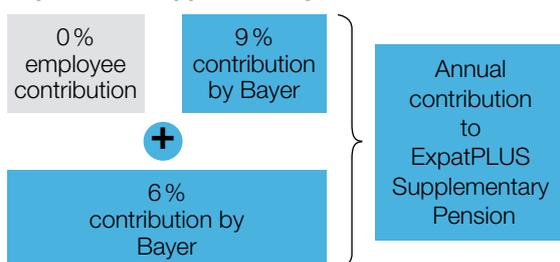
How your contribution is calculated

Contributions to the BayerPLUS plan are shared between you, as an employee, and Bayer.

The Basic Pension



ExpatPLUS Supplementary Pension



The ExpatPLUS Supplementary Pension is applicable for your pensionable salary above the ceiling for contributions to the state pension system (BBG). During your foreign assignment, Bayer therefore pays a total contribution of 15 percent to your pension provision.

How your pension entitlement grows

As in the BayerPLUS plan, annual contributions are converted into pension modules.



The annuity factor depends on the applicable RPK tariff. Tariffs 1 and 3 are subject to different legal conditions and different guaranteed returns.

The annuity factor also depends on your age in the year in which the contribution is paid.

The annuity factors for the two tariffs can be found in the brochure outlining the fund rules for the RPK.

If the RPK earns an investment surplus, the Basic Pension module will be increased. The same percentage increase is applied to the Supplementary Pension. A distinction is therefore made between the two tariffs in this respect as well.

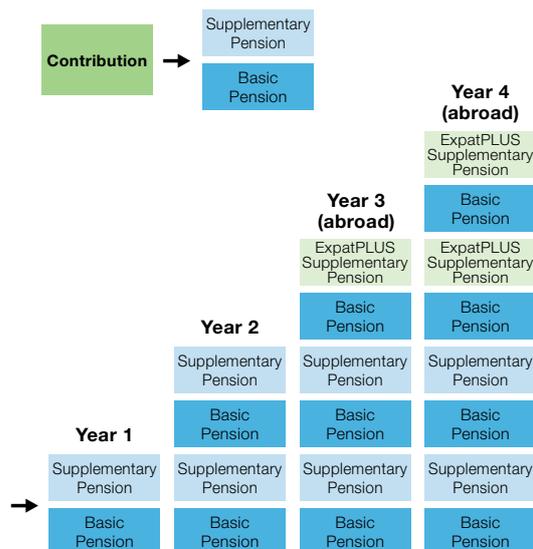


Further information on ExpatPLUS

The pension modules accrued during your international assignment are credited to your personal pension account as normal and supplemented by the modules accrued in Germany.

The total accrued modules and any investment surplus allocated to your account are added together to give your annual pension when you reach retirement age.

For an employee transferred abroad on a two-year assignment after working for Bayer for two years, the situation would be as follows:



In this example, the total pension modules accrued by the fourth year represent your entitlement at the end of this period. Two of the components are derived from BayerPLUS and two from ExpatPLUS.

- ExpatPLUS provides the same comprehensive cover as BayerPLUS: a retirement pension, disability pension and surviving dependents' pension.
- Following your international assignment, you will return to the standard Supplementary Pension plan.
- After your assignment, you can incorporate the personal pension contributions you did not make during your assignment into your pension provision via a suitable plan (e.g. deferred compensation).
- If you have any questions about insurance options to complement the ExpatPLUS plan, Pallas Versicherung AG will be happy to help.

Would you like more information?

Further details can be found on the HR//online Intranet site. You can also download a brochure containing the RPK pension fund rules from this site.

Please note: This leaflet provides a simplified overview of ExpatPLUS. For legally binding details, please refer to your employment contract and the general insurance terms and regulations of the Rheinische Pensionskasse.

Glossary

Rheinische Pensionskasse (RPK)

The RPK is a mutual insurance association (VVaG) and the provider of the Bayer**PLUS** and Expat**PLUS** Basic Pension.

Pensionable income

This is the income used to calculate contributions to Bayer**PLUS**. For Expat**PLUS** it comprises the notional salary set by your company.

Ceiling for pensions to the German statutory pension plan (BBG-RV)

This is the maximum gross income from paid employment on which contributions to the German state pension plan are payable. It is adjusted annually to take account of pay rises. For example, for 2012 it is EUR 67,200 p.a. For company pension plans, Bayer always uses the ceiling for contributions in western Germany (BBG-RV West).

HR//direct

HR//direct is the Bayer Group's service center for HR issues. It can be contacted from 7 a.m. to 6 p.m. from Monday to Friday on +49 214 30-99777 or by email at: DEhrdirect@bayer.com. A range of information materials on pensions are available at: <https://hr-online.bayer-ag.com>.

Annuity factor

The annuity factor is used to convert annual contributions into pension benefits. It reflects interest on the contributions over time. Annuity factors are therefore age-specific. The younger you are when a contribution is paid, the longer it will earn interest before you retire. The annuity factor also depends on the RPK tariff applicable to you.



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