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News Release

Research collaboration announced at Fruit Logistica 2019 in Berlin:

Bayer, Netafim and Ben-Gurion University to Collaborate on the Integration of Digital Tools for Optimizing Drip Irrigation of the Nematicide Velum™

Berlin/Monheim, February 6, 2019 – Bayer, Netafim and BGN Technologies, the technology company of Israel's Ben-Gurion University of the Negev (BGU), announced today at the Fruit Logistica 2019 trade fair and exhibition in Berlin that they have signed a three year research collaboration. The project will combine leading soil research, digital prediction tools and state-of-the art drip technology by Netafim to develop best practices for using drip irrigation as a delivery system for the Bayer nematicide Velum™ Prime in Israel.

Lately, social acceptance of the use of chemical crop protection products became limited, which resulted in political pressure and the loss of certain products. Since crop protection is an important measure for preserving crop yields, growers are now seeking sustainable agricultural solutions. Bayer and Netafim have addressed this challenge with a new innovative solution named DripByDrip. The concept uses Netafim's drip irrigation systems to deliver Bayer's chemical and biological crop protection products. DripByDrip applies the active substances precisely to the plant, resulting in higher efficacy, the need for less crop protection compound and lower environmental impact.

The joint research collaboration announced today aims to further develop DripByDrip. Under the collaboration, comprehensive data sets will be generated experimentally to calibrate digital prediction models for optimized application of crop protection compounds via drip irrigation. This includes laboratory and field studies evaluating the behavior of the Bayer nematicide Velum in soils and plants under typical agricultural conditions in arid regions.

Research activities will be carried out in Israel, at the Jacob Blaustein Institute for Desert Research of BGU and Netafim facilities. The project is led by Dr. Marc Rist, Research & Development at Crop Science, a division of Bayer, Dubi Raz, Corporate Agronomy Director at Netafim, and Prof. Shimon Rachmilevich and his team at the Jacob Blaustein Institute for Desert Research of BGU. The mutual research project will be carried out in BGU and Netafim facilities, in addition to field trials in Israel.

"This collaboration agreement with industry leaders such as Bayer and Netafim is a testimony to the leading position of the Institute for Desert Research of BGU in the field of agriculture," stated Netta Cohen, CEO of BGN Technologies. "Located in the desert, the research at the University's Sede Boqer campus focuses on water, energy, agricultural and ecological solutions for extreme desert and drylands conditions, which are increasingly becoming more relevant with environmental changes such as global warming."

Holger Weckwert, Segment Manager Insecticides Solutions at Bayer, said: "Applying crop protection compounds using drip irrigation allows to accurately target the relevant plants, which is environmentally friendly, efficient and cost-effective thereby providing an important contribution to sustainable agriculture. We are looking forward to join efforts with leading scientists at BGU to elaborate customized use recommendations for the application of our nematicide Velum Prime with Netafim's drip technology."

Dubi Raz added: "Drip irrigation delivers water, fertilizers, crop protection including biologicals directly to the roots of the crops. This approach enables farmers to apply crop protection products in a more targeted way using Netafim's drip irrigation technology. After three years of extensive experiments in various geographical conditions and crops, we succeeded in achieving clear economic proof-of-concept for our customers. Following our successful long term partnership with Bayer, we are pleased to now welcome BGU's scientists in assisting us in optimizing the application of crop protection compounds via drip irrigation."

About Bayer

Bayer is a global enterprise with core competencies in the Life Science fields of health care and agriculture. Its products and services are designed to benefit people and improve their quality of life. At the same time, the Group aims to create value through innovation, growth and high earning power. Bayer is committed to the principles of

sustainable development and to its social and ethical responsibilities as a corporate citizen. In fiscal 2017, the Group employed around 99,800 people and had sales of EUR 35.0 billion. Capital expenditures amounted to EUR 2.4 billion, R&D expenses to EUR 4.5 billion. For more information, go to www.bayer.com.

About BGN Technologies

BGN Technologies is the technology company of Ben-Gurion University, Israel. BGN Technologies brings technological innovations from the lab to the market and fosters research collaborations and entrepreneurship among researchers and students. To date, BGN Technologies has established over 100 startup companies in the fields of biotech, hi-tech, and cleantech as well as initiated leading technology hubs, incubators, and accelerators. Over the past decade, BGN Technologies has focused on creating long-term partnerships with multinational corporations such as Deutsche Telekom, Dell-EMC, IBM, PayPal, Bayer, ICL and Adama, securing value and growth for Ben-Gurion University as well as the Negev region. For more information, visit [BGN Technologies website](#).

About Ben-Gurion University of the Negev

[Ben-Gurion University of the Negev](#) (BGU) is the fastest growing research university in Israel. With 20,000 students, 4,000 staff and faculty members, and three campuses in Beer-Sheva, Sede Boqer and Eilat, BGU is an agent of change, fulfilling the vision of David Ben-Gurion, Israel's legendary first prime minister, who envisaged the future of Israel emerging from the Negev. The University is at the heart of Beer-Sheva's transformation into the country's cyber capital, where leading multinational corporations eagerly leverage BGU's expertise to generate innovative R&D.

As it counts down to its 50th anniversary, BGU's mission continues to be effecting change, locally, regionally and internationally. With faculties in Engineering Sciences; Health Sciences; Natural Sciences; Humanities and Social Sciences; Business and Management; and Desert Studies, BGU is a university with a conscience, active both on the frontiers of science and in the community. Over a third of our students participate in one of the world's most developed community action programs. The University is a recognized national and global leader in many fields, actively encouraging multi-disciplinary collaborations with government and industry, and nurturing entrepreneurship and innovation in all its forms.

About Netafim

Netafim is the global leader in precision irrigation for a sustainable future. With 29 subsidiaries and 17 manufacturing plants worldwide, Netafim delivers innovative, tailor-made irrigation and fertigation solutions to millions of farmers, allowing smallholders to large-scale agricultural producers, in over 110 countries to grow more with less. Founded in 1965, Netafim pioneered the drip revolution, creating a paradigm shift toward precision irrigation. Today, specializing in end-to-end solutions from the water source to the root zone, Netafim delivers turnkey irrigation and greenhouse projects, supported by engineering, project management and financing services. Netafim is also leading the way in digital farming, integrating real-time monitoring, analysis and automated control into one state-of-the-art system. In 2017, Mexichem, a leading supplier of innovative solutions in the building and infrastructure, data communications, irrigation and chemicals industries acquired 80% of Netafim, Kibbutz Hatzerim holds the remaining 20%. See how Netafim's solutions are changing the economics of agriculture and helping the world grow more with less at <https://www.netafim.com/en/>.

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