

# Progress report on the implementation of the principles of the UN Global Compact



Bayer has supported the United Nations Global Compact since this was founded in 2000. We play an active part in the endeavors to make globalization more socially and ecologically compatible and to raise standards in the fields of human rights, labor rights and environmental protection and in the fight against corruption. The following table shows the activities and management systems at Bayer that support the 10 principles of the Global Compact and the results which were achieved in the period under review. Information on the Global Compact can be found at [www.unglobalcompact.org](http://www.unglobalcompact.org).

	Systems	Measures 2009	Achievements 2009
<b>Principle 1:</b> Support of human rights	<ul style="list-style-type: none"> <li>■ Human Rights Position (p.79)</li> <li>■ Corporate Compliance Policy (p. 59)</li> <li>■ Procurement Community Policy (p.22)</li> <li>■ Procedure for selecting and evaluating suppliers (p. 23, 80)</li> <li>■ Supplier Code of Conduct (p.23)</li> </ul>	<ul style="list-style-type: none"> <li>■ Strategy development and expansion of the alliances for sustainable health care (p.30-35) and partnerships for good harvests (p.36-41)</li> <li>■ Training presentation on the theme of human rights (p.79)</li> <li>■ Purchaser training on sustainability and on the new Supplier Code of Conduct (p.23)</li> <li>■ Roll-out of the Supplier Code of Conduct (p.23,80)</li> </ul>	<ul style="list-style-type: none"> <li>■ Increase in the Group-wide training rate for human rights issues (p.79)</li> <li>■ Training rate for our purchasers worldwide: almost 100% (p.23)</li> <li>■ First supplier training sessions for the code of conduct and assessments (p.23,80)</li> </ul>
<b>Principle 2:</b> Exclusion of human rights violations	<ul style="list-style-type: none"> <li>■ Human Rights Position (p.79)</li> <li>■ Corporate Compliance Policy (p.59)</li> <li>■ Supplier Code of Conduct (p.23)</li> </ul>	<ul style="list-style-type: none"> <li>■ Start of an information campaign (brochure/training presentation) in all regions (p.79)</li> <li>■ Procurement management: risk analysis using the Bayer Country Sustainability Risk Index (p.23)</li> </ul>	
<b>Principle 3:</b> Observance of the right to freedom of association	<ul style="list-style-type: none"> <li>■ Group works councils (p.66-67)</li> <li>■ Bayer European Forum (p.67)</li> <li>■ Human Rights Position (p.79)</li> <li>■ Supplier Code of Conduct (p.23)</li> </ul>	<ul style="list-style-type: none"> <li>■ Constitution of union representation at Bayer China (p.67)</li> </ul>	<ul style="list-style-type: none"> <li>■ First supplier training sessions for the code of conduct and assessments (p.23,80)</li> </ul>
<b>Principle 4:</b> Abolition of all forms of forced labor	<ul style="list-style-type: none"> <li>■ Human Rights Position (p.79)</li> <li>■ Corporate Compliance organization (p.60)</li> <li>■ Supplier Code of Conduct (p.23)</li> </ul>	<ul style="list-style-type: none"> <li>■ Purchaser training on sustainability and on the new Supplier Code of Conduct (p.23)</li> <li>■ Roll-out of the Supplier Code of Conduct (p.23,80)</li> </ul>	<ul style="list-style-type: none"> <li>■ First supplier training sessions for the code of conduct and assessments (p.23,80)</li> </ul>
<b>Principle 5:</b> Abolition of child labor	<ul style="list-style-type: none"> <li>■ Human Rights Position (p.79)</li> <li>■ Corporate Compliance organization (p.60)</li> <li>■ Supplier Code of Conduct (p.23)</li> <li>■ Bayer Child Care Program (p.80-81)</li> </ul>	<ul style="list-style-type: none"> <li>■ Expansion of system for countering child labor (p.81)</li> <li>■ Purchaser training on sustainability and on the new Supplier Code of Conduct (p.23)</li> <li>■ Roll-out of the Supplier Code of Conduct (p.23,80)</li> </ul>	<ul style="list-style-type: none"> <li>■ Brochure on child labor published (p.81)</li> <li>■ Renewed confirmation by audits that there is no systematic child labor in the supply chain for cotton seeds in India (p.80-81)</li> </ul>
<b>Principle 6:</b> Elimination of discrimination	<ul style="list-style-type: none"> <li>■ Human Rights Position (p.79)</li> <li>■ Bayer diversity policy (p.69)</li> <li>■ Bayer diversity councils (p.69)</li> <li>■ Corporate Compliance Policy (p.59)</li> <li>■ Supplier Code of Conduct (p.23)</li> </ul>	<ul style="list-style-type: none"> <li>■ "Power of Diversity" campaign at BHC (p.69)</li> <li>■ Training projects and establishment of diversity councils at BCS in the United States (p.69)</li> <li>■ GlobeSmart online database containing information on customs and etiquette in other countries (p.69)</li> </ul>	<ul style="list-style-type: none"> <li>■ Continued increase in percentage of women in senior management positions (p.70)</li> <li>■ SPEED program to support talented young employees and managerial staff in Asia/Pacific (p.70)</li> <li>■ Quadrupling of proportion of female employees at BBS in India (p.70)</li> </ul>
<b>Principle 7:</b> Precautionary environmental protection	<ul style="list-style-type: none"> <li>■ HSEQ management systems (p.22,51-52)</li> <li>■ Risk management system (p.62-63)</li> <li>■ Global Product Strategy (p.102)</li> <li>■ Supplier Code of Conduct (p.23)</li> </ul>	<ul style="list-style-type: none"> <li>■ e.g. regular HSE(Q) audits (p.22,52)</li> <li>■ "BayRisk" procedure updated (p.62)</li> <li>■ Analysis of pharmaceuticals in the environment (p.107-108)</li> <li>■ Training in methods of sustainable agriculture worldwide (p.39-41)</li> <li>■ Biodiversity projects (p.91-92)</li> <li>■ Pilot projects for the Bayer Sustainability Check (p.23)</li> </ul>	<ul style="list-style-type: none"> <li>■ Successful pre-registration of more than 800 substances under REACH (p.103)</li> <li>■ Presentation of the CEO Safety Award initiated by BMS (p.76)</li> </ul>
<b>Principle 8:</b> Specific commitment to environmental protection	<ul style="list-style-type: none"> <li>■ Group program of objectives 2006+ (p.24)</li> <li>■ Bayer Sustainability Program (p.20)</li> <li>■ Bayer Climate Program (p.42-47)</li> <li>■ UNGC "Caring for Climate" (p.25)</li> <li>■ CEO Water Mandate of the UN Global Compact (p.88)</li> </ul>	<ul style="list-style-type: none"> <li>■ Application of the Bayer Climate Check (p.45)</li> <li>■ Implementation of the STRUCTese® energy efficiency management system (p.45)</li> <li>■ Progress with the CEO Water Mandate (p.88)</li> <li>■ Green IT (resource efficiency with servers and printers, p.46)</li> </ul>	<ul style="list-style-type: none"> <li>■ Reduction in greenhouse gas emissions of 6.5% (p.92)</li> <li>■ 100 production facilities analyzed with the Bayer Climate Check (p.45)</li> <li>■ STRUCTese® successfully installed in 16 plants (p.45)</li> <li>■ Reduction in emissions of carbon monoxide, nitrogen oxides, sulfur oxides and particulates (p.95)</li> <li>■ Reduction in phosphorus discharges into water (p.96)</li> <li>■ Achievements with respect to the CEO Water Mandate (p.88)</li> </ul>
<b>Principle 9:</b> Diffusion of environmentally friendly technologies	<ul style="list-style-type: none"> <li>■ Core business of BTS, BMS and Currenta (p.16-17)</li> </ul>	<ul style="list-style-type: none"> <li>■ Development of a new process to purify acetonitrile (p.90)</li> <li>■ Use of non-recyclable solvents to generate energy (p.90)</li> <li>■ Planning of an energy-efficient toluene diisocyanate (TDI) production plant in Dormagen (p.59)</li> <li>■ Pilot plant for the environmentally compatible utilization of CO<sub>2</sub> (p.57)</li> </ul>	<ul style="list-style-type: none"> <li>■ Modernization of the central waste air incinerator in Dormagen (p.87)</li> <li>■ BAYQIK® (quasi isothermal catalysis) process for the production of sulfuric acid enhances the aspects environmental protection and energy recovery (p.57)</li> </ul>
<b>Principle 10:</b> Measures to fight corruption	<ul style="list-style-type: none"> <li>■ Corporate Compliance Policy (p.59)</li> <li>■ Code of Conduct for Responsible Lobbying (p.61)</li> <li>■ Code of the "Voluntary Self-Monitoring by the Pharmaceutical Industry" (FSA) association (p.23)</li> <li>■ Export controls (directive and manual, p.63)</li> <li>■ Supplier Code of Conduct (p.23)</li> </ul>	<ul style="list-style-type: none"> <li>■ Procurement management: risk analysis using the Bayer Country Sustainability Risk Index (p.23)</li> <li>■ Corporate compliance training (p.59)</li> <li>■ Entry in lobby register of the E.U. (p.61)</li> </ul>	<ul style="list-style-type: none"> <li>■ First supplier training sessions for the code of conduct and assessments (p.23,80)</li> <li>■ Use of the Bayer Country Sustainability Risk Index (p.23)</li> </ul>