

SUSTAINABLE DEVELOPMENT REPORT

2011

ONLINE REPORT

Stakeholder dialogue



Science For A Better Life

53 Stakeholder dialogue

As an internationally operating company, we know that social acceptance of business activities cannot be achieved without communication with stakeholders in transparent and open dialogue. To create a more systematic foundation for our stakeholder integration approaches, we worked together with Leipzig Commercial College (HHL) to produce a manual nearly two years ago that describes Bayer’s stakeholder engagement process. The process demonstrates how – throughout the Group and on a project-by-project basis – we can identify stakeholder groups, catalogue their expectations and steer dialogue with them. With this clear procedure, we want to develop sustainability activities that are supported by a more intensively partnership-based dialogue.

The steps of the stakeholder engagement process



We seek targeted dialogue with stakeholders from parts of society that are directly impacted by our business activity (Group A in the table) and which for their part can directly or indirectly exert influence on our business activity (Group B).

A. Stakeholders who are impacted by our business activity	<ul style="list-style-type: none"> ■ Employees ■ Customers ■ Suppliers ■ Investors ■ Neighbors/Residents
B. Stakeholders who can impact our business activity	<ul style="list-style-type: none"> ■ Employees ■ Customers ■ Suppliers ■ Neighbors/Residents ■ Investors ■ Politicians/Administration ■ Schools/Scientific community/Research ■ Non-governmental organizations (NGOs)

The interests of our stakeholders are not always identical with those of the company. Rather, they occasionally harbor a certain potential for conflict against the background of which Bayer must find flexibility in decision-making. Our dialogue with our stakeholders is aimed at establishing mutual understanding and trust by enabling all parties involved to voice their positions. Dialogue helps us to more clearly identify potential challenges and view them from various perspectives. We want cooperative and constructive dialogue to create value for all partners: the suggestions of our stakeholders serve as important impulses for our company and help us to avoid risks, as well as to recognize at an early stage both trends and markets – and thus also to define focus areas for our activities. These analyses are incorporated, for example, into our materiality matrix (page 13 of the Sustainable Development Report 2011), which serves as a key basis for business decisions in the Bayer Group. Our systematic dialogue therefore makes an important contribution to both more sustainable innovation and risk management.

In 2011 we decided that a systematic stakeholder analysis will play an important role in any future decisions regarding capital expenditures with a volume of €20 million or more to ensure that societal acceptance of major projects is also examined at an early planning phase. The pilot phase lasted until the end of the year. The results will be evaluated in 2012 and integrated into the planning processes.

Our stakeholder activities range from local projects through participation in committees and specialist workshops to comprehensive information programs and collaboration in international initiatives. Listed below are examples of our activities with various stakeholder groups in 2011.

New stakeholder survey on sustainability

Between December 1, 2011 and January 3, 2012, a total of 328 people worldwide – of whom almost three quarters were from Europe, around 10 percent were from North America and another 10 percent from Asia, and approximately 7 percent were from Central and South America – took part in an online Bayer survey on sustainability. The surveyed stakeholder group was comprised this time mainly of customers and business partners, suppliers, NGOs (non-governmental organizations) and NPOs (non-profit organizations), scientists and researchers, community members, organizations and associations.

We surveyed the stakeholders on major issues of sustainability in general – contrasted with the issues they feel are of importance to Bayer – as well as on their opinions of the company's sustainability performance and the quality of its sustainability communication.

The results were incorporated into our new materiality matrix (page 13 of the Sustainable Development Report 2011), in which we have linked the relevance for our stakeholders with relevance for Bayer.

Results across all surveyed stakeholders:

- 96.7 percent of stakeholders consider sustainability to be important or very important.
- For the surveyed stakeholders, the five most important fields of activity for sustainability are in general:
 1. Careful management of limited resources
 2. Protecting health and safety at the workplace
 3. Observation and promotion of human rights
 4. Observation of employee rights
 5. Reduction of emissions
- In the stakeholders' opinion, the five most important fields of activity for sustainability that Bayer should focus on are:
 1. Careful management of limited resources
 2. Protecting health and safety at the workplace
 3. Drinking water conservation
 4. Reduction of emissions
 5. Observation of employee rights
- The stakeholders consider Bayer's performance to be strongest in the following five fields of activity:
 1. Protecting health and safety at the workplace
 2. Protection of intellectual property (e.g. patent protection)
 3. Application of international standards/certifications
 4. Observation of employee rights
 5. Promotion of innovation (e.g. product and process innovations)

The stakeholders feel that the issues Bayer has defined as strategic sustainability projects are very important; here the theme of water has the highest priority (93.1 percent) for the stakeholders, followed by nutrition for a growing world population; climate protection; safety (process and plant safety, occupational safety, transport safety); alliances for sustainable health care; and supplier management.

Almost 56 percent of stakeholders obtain their information about Bayer's sustainability performance from the Sustainable Development Report (28.9 percent) or the Annual Report (26.7 percent).

Just under 82 percent of respondees rate the Sustainable Development Report as positive or very positive. Neutral evaluation by a corporate auditor plays an important to very important role here (important for nearly 83 percent).

Bayer's sustainable development website (28.2 percent), direct dialogue (19.7 percent) and the printed Sustainable Development Report (16.2 percent) are the most common sources for finding general information about sustainability issues at Bayer.

Nearly 94 percent of those surveyed feel that our sustainable development efforts play a key role in shaping the Bayer Group's image.

Investors/Analysts

Intensive dialogue with the capital market is a high priority for our company.

In 2011 our Investor Relations team visited 22 financial centers – often accompanied by members of the Board of Management – and held more than 400 one-on-one meetings. In addition to our regular quarterly, half-yearly and annual reporting, we update stockholders on the development status of products, for example through conference calls.

An investor relations conference was held for the first time in Shanghai, China, to explain to our investors the growing importance of the Chinese market for our businesses. Analysts and investors were given the opportunity to get to know local managers as well as Group and subgroup board members. Program options also included a tour of our largest fully integrated chemical production facilities in Shanghai and a chance to learn about our activities in the health care field in China on location. The very positive feedback we received following this event has encouraged us to make further investor events in Asia and the United States a regular part of our investor relations program.

In 2011 we reported to sustainability-minded investors during one-on-one meetings and an SRI (socially responsible investment) roadshow on Bayer's commitment in this area. Bayer actively participates in discussions and events on the subject of sustainable investment. For example, among other discussions we were involved in the dialogue surrounding the draft proposed by the Sustainable Development Council of the German government for a German Sustainability Code.

Customers

Our conduct toward customers is also characterized by responsibility. The long-term success of our company is dependent not just on the provision of innovative products, but also on a partnership-based relationship with – and a high level of satisfaction on the part of – our customers. In our view, products that satisfy customer demands while at the same time providing a societal benefit are the key to sustainability. Due to our highly diversified business activities, our resulting widely varying product range and the customer structure, all three Bayer subgroups have put in place both specific systems for measuring customer satisfaction and their own complaint management systems.

Bayer HealthCare combines the activities of the Animal Health, Consumer Care, Medical Care and Pharmaceuticals divisions. These divisions maintain an active dialogue with target groups that vary widely due to our portfolio. The sales organizations of the divisions carry out different satisfaction studies – for example with physicians from various disciplines, with veterinarians in the animal health business, and with pharmacists and other partners in the health care system. What's more, special consumer studies are carried out and systematically evaluated so that we can better understand the needs of physicians on the one hand and patients on the other. In general, however, it must be kept in mind that different legal requirements apply for prescription medicines than for non-prescription or medical products.

We are concerned to protect patients from risks to which counterfeit drugs expose them. Counterfeit drugs have become a serious challenge worldwide in recent years and can present a risk to human life. Bayer HealthCare is intensifying its efforts to educate in this area, and has launched the "Beware of Counterfeits" campaign with a special website. The focus is on education and information, as well as on steps aimed at minimizing illegal trade and ensuring the reliable identification of our original products.

Bayer CropScience is continuing its analysis of customer satisfaction among distributors and farmers with the aid of standardized surveys. This method has led to valuable findings on the satisfaction of customers with Bayer CropScience in a number of countries in Europe (e.g. Germany, France and Russia), North America (United States and Canada), Central and South America (e.g. Mexico, Brazil and Argentina) and Asia (e.g. South Korea, Indonesia and Malaysia). Bayer CropScience regularly conducts customer surveys on specific products or topics using state-of-the-art market research methods.

At **Bayer MaterialScience**, four global Supply Chain Centers serve as the central link to the customers. At their disposal are Customer Service Centers in the Europe/Middle East/Africa, Latin America, NAFTA and Asia/Pacific regions. This means that all information streams are pooled – from order acceptance to dispatch planning, delivery and complaint acceptance. Through the online information platform BayerONE, customers of Bayer MaterialScience can check the status of their orders at any time.

Customer satisfaction data are systematically compiled at Bayer MaterialScience as well. To ensure optimal quality of service, customers are surveyed, their complaints systematically evaluated in the global complaints management system, and the Bayer MaterialScience supplier evaluations carried out by customers analyzed in detail.

Suppliers

Dialogue with our suppliers is essential to establish smooth production processes. It is also aimed at making supplier and purchaser relations more transparent and establishing reliable relationships. We want our suppliers to be able to better understand our requirements – but we, too, want to know more about our suppliers’ situation.

Dialogue about sustainability issues also plays an important role. After all, our products benefit overall when our suppliers also support our sustainability policy. What’s more, this enables us to better address the needs of our customers and other stakeholders.

Examples of activities in 2011:

- Constructive dialogue with our suppliers to ensure REACH compliance promotes long-term business ties with resulting advantages for our customers’ supply security.
- Regular dialogue with suppliers through participation in trade fairs (e.g. for packaging)
- Audits to monitor compliance with the Bayer Supplier Code of Conduct, and corresponding discussions about improvement potential (page 31 of the Sustainable Development Report 2011).
- Dialogue with office paper suppliers in connection with the global switch at Bayer to FSC paper for printers and copiers
- Events such as Supplier Day in Finland, BayBuy Awards in India, the Procurement Conference of Bayer HealthCare in Bad Nauheim in September 2011 with 77 participants from 18 countries, etc.
- Occupational safety training courses for suppliers at Bayer MaterialScience with the help of the safety award mascot and specially produced short films

Employees

The know-how and engagement of our employees safeguard our business success. To sustain this performance, the Bayer Group needs a modern human resources and talent management organization with competitive structures and processes. This includes regularly providing up-to-date information to our workforce, as well as involving our employees through active and targeted dialogue.

Active employee dialogue at all levels	
“Ask the CEO”: employees e-mail questions to the CEO	Quarterly
“Bayer Talk” with the Management Board Chairman	Once a year
Town hall meetings with a direct question-and-answer session	Quarterly in the Corporate Center, and also at various Bayer sites around the world, with Management Board Chairman Dr. Dekkers Semi-regularly in the subgroups and service companies as well
Regular Global Leadership Conferences in workshop form	At least once a year
Global employee surveys	Regularly, of late every 1.5 years
Forums for the exchange of information about changes in the company	
Information meeting for managerial employees	Regularly in the Corporate Center and in all subgroups and service companies
Employee assemblies	Regularly, at unspecified intervals at least once a year at each German site
European Forum: discussion between the Board of Management and Bayer employee representatives from all European countries	Once a year
Discussions on performance, motivation and development perspectives	
Yearly conversations	Spring, late summer
360 degree feedback surveys for managerial staff	As needed
Examples of theme-specific dialogues and events	
W11 dialogues: national and international stakeholders in discourse with Bayer’s top management	Regularly, at unspecified intervals
Expert Club Meeting: exchange of experiences on the theme of innovation among the scientific network of experts comprising Bayer scientists from our research and development units and the member of the Board of Management responsible for Innovation, Technology & Sustainability	At least once a year
Process and Plant Safety Symposium with approximately 100 Bayer experts from around the world and international experts	Annually

Global Safety Day	Annually in September since 2011
Continuing education seminars in the areas of compliance, human rights, sustainability in procurement, and diversity	Continuous (see "Continuing education")
Sustainability at Bayer CropScience: business briefings for 200 employees	Twice in 2011
Discussion session with experts on Russia and centered around the political cooperation between the E.U. and Russia as well as perspectives and challenges for companies in Russia	June 2011
Regular exchange between the Public & Governmental Affairs departments in the emerging market of China with respect to legal and political framework conditions and dealing with public authorities	Regularly, at unspecified intervals
Exchange of experiences on Brazil's role in the world market and the country's growth opportunities and economic policy – featuring two experts on Brazil from the German Institute for International and Security Affairs in Berlin and the Department of International Relations at the European trade association BusinessEurope	January 2012
Women's Networking Program at Bayer MaterialScience: dialogue between talented female employees and managers is a core element of the program and a valuable aid for career development. The focus of this new variation of the already established mentoring program is on networking between female employees.	Pilot project launched in June 2011
Conference of Bayer data protection experts in Leverkusen, Germany, on data protection in social media – more than 50 Group-internal and external experts talked about topical issues relating to this subject	December 2011
Publications for employees	
Bayer Group publications: print and online	Employee magazines; intranet; Bayer News Channel, numerous regular newsletters and occasion-related mailings, social media: Facebook, etc.
Print and online media by the subgroups and service companies for their employees	Employee magazines; intranet; newsletters and occasion-related mailings, social media: Facebook, etc.

Society/Community

The communities near our sites play a key role in our success: we can only be successful if we gain the trust and support of our neighbors. For this reason, we endeavor to be recognized at all of our sites as a reliable partner and attractive employer that meets its social responsibility. This makes both the region and the company more competitive.

- September 2011: As part of the International Year of Chemistry 2011 the VCI (German Chemical Industry Association) held an Open House Day for the chemical industry under the motto "Dialogue with the chemical industry" in which many Bayer sites participated. 90,000 visitors took up Bayer's invitation.

Bayer HealthCare

- Cooperation between Bayer HealthCare Animal Health and the Otto Hahn Gymnasium school in Monheim (since 2004): practical education for school students to convey knowledge, broaden their horizon and teach the young people about the world of work. The activities are now an established part of the curriculum, and are taught by employees of the company in cooperation with the respective teachers.
- Annual *KunstGenuss* ("Enjoying Art") of Consumer Care in Basel: network event for Swiss stakeholders of the division: representatives from industry and society, business partners and neighbors
- Support for the campaign launched by the Berlin Senate to strengthen the city as a base of industry. Bayer HealthCare contributes its own logo: "Ich bin eine BerlinerIn" – with a stylized contraceptive pack.

Bayer CropScience

- November (Monheim, Germany): tour of the Bayer CropScience premises, organized by the local adult education center
- December, Bonn adult education center and Deutsches Museum Bonn: "Foolish and Sensible Approaches to Global Nutrition" – discussion with experts

Bayer MaterialScience

- Regular dialogue with residents and communities about current capital expenditure projects such as the CO pipeline and the TDI plant in Dormagen, Germany
- Bayer MaterialScience/North-Rhine Westphalian site network: open and intense dialogue with residents, environmental organizations, associations, public authorities and politicians about the industrial projects and capital expenditure plans in Leverkusen, Dormagen and Krefeld-Uerdingen. Dialogue events, information evenings and online information portals ensure a new transparency in discourse with stakeholders.

Service companies

- Open house event at Currenta's Waste Management Center in Bürrig; demonstration of the new hazardous waste incineration facility (July, Leverkusen, Germany)

Girls' Day:

- As in the previous years, the Bayer Chempark sites took part in Germany-wide Girls' Day on April 26 with a broad range of activities. At Currenta, the focus this time was on environmental services
- Bayer Business Services presented vocational careers in the IT field to female students as part of the Germany-wide "Girls' Day of the Future."

Currenta: information for citizens

- on the construction of a gas and steam turbine power plant in Leverkusen (continued)
- on the planned capacity expansion of the hazardous waste incineration facility in Leverkusen
- on the construction of a planned TDI production plant in Dormagen

NGOs/Supranational organizations

Bayer participates in a number of projects, thematic initiatives and specialist conferences at national and international level to help jointly shape sustainable development. This includes our cooperation with NGOs and supranational organizations.

Bayer AG

- Dialogue with the Access to Medicine Foundation (events, discussions) together with Bayer HealthCare
- Membership and participation in the UN Global Compact and the "LEAD," "Caring for Climate" and "CEO Water Mandate" initiatives as well as in the UN-SBCI for sustainable building projects together with Bayer MaterialScience
- Cooperation with the United Nations Environment Programme (UNEP)
- Organizational stakeholder in the Global Reporting Initiative (GRI)
- Participation on the Board of Directors and in events of the WEC (World Environment Center)

Bayer HealthCare

- Projects with the German Foundation for World Population (DSW)
- International Dialogue on Population and Sustainable Development – annual series of events in Berlin organized by the German Foundation for World Population (DSW), the German Society for International Cooperation (GIZ), the International Planned Parenthood Federation (IPPF) and the development bank KfW Entwicklungsbank, in close cooperation with the German Ministry for Economic Cooperation and Development (BMZ). The conferences underscore the interdisciplinary significance of sexual and reproductive health and the corresponding rights and of population growth as key factors in the achievement of major international development goals such as the Millennium Goals.
- Cooperation in the area of reproductive health with the United Nations Population Fund (UNFPA), the non-governmental organization International Planned Parenthood Federation (IPPF), the United States Agency for International Development (USAID) and other partners

Bayer CropScience

- Courses at the vocational center “Bayer-Ramanaidu Vignana Jyothi School of Agriculture” near Hyderabad, India, together with the non-governmental organization Vignana Jyothi
- Intensive cooperation with Naandi Foundation in India to enable children in that country to attend school
- Bayer CropScience works together with the local Indian non-governmental organizations Vigyan Ashram and Prajayatna on its Introduction to Basic Technology Program in the Indian state of Karnataka. This enables vocation-related educational elements to be incorporated into the curricula at government schools. School is beneficial in everyday life and for the future – this is the message.
- As part of Pforzheim University’s baseline study in the Model Village Project, interviewers from the non-governmental organization BELAKU conducted a survey on the local economic and living situation.
- Bayer CropScience participates, for example, in BIAC (the Business and Industry Advisory Committee to the OECD), the Food & Agriculture Committee and various committees of CropLife International to represent its interests at an international level.

Bayer MaterialScience

- Bayer MaterialScience hosted the Annual General Meeting of the Sustainable Building and Climate Initiative (SBCI) of the United Nations Environment Programme (UNEP) and the subsequent symposium. May (Leverkusen, Germany)
- Discussion at the Heinrich Böll Society with Bayer MaterialScience Board of Management member Tony van Osselaer on the subject of the “Green New Deal.” November (Hamburg, Germany)
- Discussion session: “Going Green – Perspectives of the Chemical Industry.” Professor Uwe Lahl presented his study “Transformation of major industrial sectors as illustrated by the example of the chemical industry.” Thereafter, Oliver Krischer, Member of the German Parliament (Alliance 90/The Greens), Reiner Hoffmann (German Mining, Chemical and Energy Industrial Union), Professor Lahl and Tony van Osselaer (member of the Board of Management of Bayer MaterialScience) discussed the changes taking place in the chemical industry. December (Leverkusen, Germany)

Service companies

- Currenta is participating in the construction of a gas and steam power plant at the Chempark Uerdingen site and will procure the steam. Environmental associations and citizens’ initiatives praised the project. August/September (Uerdingen, Germany)
- Currenta discusses the planned expansion of the hazardous waste incineration facility at the Waste Management Center in Bürrig with environmental associations and community representatives. September (Leverkusen, Germany)

Associations/Politicians

Bayer is an active member of numerous national, European and international associations and their committees, while the Bayer subgroups are additionally active in their respective industry associations. Bayer chairs the Board of Management of the sustainable development forum of German industry, econsense. We also participate in political activities (page 28 of the Sustainable Development Report 2011).

- February: CEFIC (European Chemical Industry Council) workshop chaired by Bayer and attended by E.U. authorities and political representatives from E.U. Member States on the subject of the combination effects of chemicals. Focus theme: risk assessment of combination effects
- February: dialogue with the German Environment Minister on innovation in climate protection and industry policy questions
- May (Berlin, Germany): Bayer HealthCare event on the topic of protecting patients from counterfeit pharmaceuticals, with the target groups of Federal and state politicians as well as associations
- May (Berlin, Germany): Bayer HealthCare dialogue event on supplying patients with innovative pharmaceuticals, with the target group of Federal politicians
- May (Berlin, Germany): presentation of the Bayer CropScience Child Care Program at the annual meeting of the Christian Democratic Workers’ Association of Germany (CDA)
- June (Huldenberg near Brussels, Belgium): demonstration of sustainable agriculture at a Bayer CropScience research farm with 50 representatives from European and international political organizations
- July (Brussels, Belgium): Bayer “Bee Health Event” in Brussels: current topics related to bee health in Europe, new technologies to maintain healthy bee colonies, and political and social framework conditions for regulating bee protection were discussed with more than 100 participants from politics (European Commission, E.U. Parliament), the scientific community, agriculture and beekeeping.
- September (Berlin, Germany): Bayer HealthCare dialogue event on pricing for new pharmaceuticals, with the target group of Federal politicians
- October (Berlin, Germany): Bayer HealthCare event with representatives from the Federal and state parliaments, media and associations concerning the question of whether German society is prepared to address the disorders of a continuously aging population

- October (Bogotá, Colombia): the National Congress of Colombia honored Bayer in a ceremony with the Pedro Nel Ospina award for the company's contribution to Colombia's innovative capability and for Bayer's social and ecological projects.
- November (Düsseldorf, Germany): at the invitation of the state government of North Rhine-Westphalia, Bayer MaterialScience Board of Management member Tony van Osselaer spoke at the Sustainable Development in NRW Congress on the issue of controversial discussions about major industrial projects.
- November (Dormagen, Germany): at the invitation of Currenta, North Rhine-Westphalia Climate Protection Minister Johannes Remmel and Leverkusen Mayor Peter-Olaf Hoffmann visited the Chempark Dormagen site.
- November (Berlin, Germany): "16th Bad Orb Discussions": symposium on the theme "Efficiency and Effectiveness in the Health System," with prominent experts from politics, the scientific community and industry
- December (Bad Orb, Germany): at the "16th Bad Orb Discussions" some 30 prominent experts from politics, the scientific community and industry discussed the discrepancy between high-quality patient care and budget constraints in the health care system.
- December (Leverkusen, Germany): discussions with Jürgen Trittin, Fraction Leader for Alliance 90/The Greens in the German Parliament, on financial, research and energy policy questions
- December (Borneo, Malaysia): participation by Bayer CropScience in the 9th Roundtable Meeting on Sustainable Palm Oil, with numerous opinion leaders from politics, industry and NGOs
- Participation in the Steering and Expert Committee of the cooperation project between the VCI (German Chemical Industry Association) and the German Environment Ministry on the topic of human biomonitoring
- With two events in the European Parliament, Bayer CropScience joined with politicians and scientists in pointing out the importance of the European agricultural industry as regards global nutrition and protection of the climate and species.
- At the World Agricultural Forum in Brussels, Sandra Peterson (CEO of Bayer CropScience) urgently stressed the role of industry and politics in safeguarding food supplies in connection with sustainable yield increases and innovation, and cited examples of Bayer's commitment in this area.
- Discussion with the acting E.U. General Director for the Food Chain in the Directorate-General for Health and Consumers of the European Commission
- With its collaboration in connection with the Global Forum for Food and Agriculture (GFFA) and the international agriculture ministers' conference in Berlin, Bayer CropScience is strongly committed to issues of food security through sustainable growth.
- Series of discussions with agricultural and environmental politicians on the amendment of crop protection law in Germany
- Dialogue with Federal and state politicians on the issue of bee health and biodiversity projects
- Bayer HealthCare: dialogue with politicians at <http://www.bayerpharma.com/en/company/public-policy/index.php>

Schools, universities and scientific institutions

Bayer traditionally places great importance on support for education and research because, as a research-based company, we depend heavily on recruiting highly trained personnel and on society's acceptance of technology.

Schoolchildren/Students

- Baylabs: in Bayer's school laboratories, schoolchildren are taught throughout the year in small groups about the natural sciences. A Baylab opened in Mexico in December 2011.
- Constructive dialogue and support for environmentally engaged youngsters, for example through our cooperation with UNEP
- Young Environmental Envoys from 18 countries visited Bayer for a week again in October 2011 as part of our partnership with UNEP. Topic: environmental protection and sustainability
- Further expansion of the "Making Science Make Sense" education program founded in the United States
- Presentations, discussion and tours for student groups from various disciplines and from around the world on the issue of sustainability at the Bayer Communication Center
- Cooperation with Pforzheim University. The university is implementing scientific monitoring in the Model Village Project of Bayer CropScience. Each winter semester, a group of students works on a theme specified jointly with Bayer CropScience. In the 2011/12 winter semester, for example, the project focused on the issue of water. Interns from the university also work locally in India. In 2011 an MBA thesis was presented with the model village theme. In 2011 the successful collaboration for the students of the Company Project 2010/11 was honored with the university's award. Pforzheim University also conducts the scientific evaluation of the Model Village Project. To determine the starting situation, 2,306 persons in approximately 1,000 households from the model villages and a control group were surveyed in 2011. Within the scope of the collaboration, Bayer CropScience also presents its CSR projects in lectures at the university.
- Case study on the Bayer CropScience Child Care Project published by the Richard Ivey School of Business at the University of Western Ontario, Canada. This is used in academic instruction as an example of how a company deals with dilemma situations.

- Organization of an education day in conjunction with “Green Week” on the occasion of the landing of the Solar Impulse aircraft in Brussels: event on the topic of sustainability and energy attended by some 300 schoolchildren and teachers from the European School Network, as well as by representatives of the European Commission
- Bayer International Summer Sustainability Camp 2011 in Pittsburgh, Pennsylvania, United States for German and American schoolchildren
- In August the Bayer USA Foundation provided funding of US\$500,000 for the “SySTEMic Innovations” science education reform program in Kansas City.
- Continuing education event for pre-school, children’s daycare and elementary school teachers organized in Monheim am Rhein, Frankfurt am Main and Stuttgart, Germany, in cooperation with 3-up and dealing with the topic of early childhood science education. More than 1,700 teachers had taken part in this event already by November 2011. The teachers are trained not only through practical experiments, but also using material from a “chemistry kit” or, since 2011, from a “biology kit” as well.
- Since 2007 Bayer has discussed business management issues with students and professors in Leverkusen at the annual “BayDay.”
- Participants in the International Chemistry Olympics 2011 from North Rhine-Westphalia conducted experiments at Bayer HealthCare with the assistance of Bayer trainees in the training laboratories at Bayer HealthCare’s site in Bergkamen.
- In December more than 30 students at Ostwestfalen-Lippe University of Applied Sciences gained insight into biotechnological pharmaceutical research at Bayer HealthCare’s site in Bergkamen.

Bayer’s research and development activities are supported by an international network of collaborations with leading universities, public-sector research institutes and partner companies. Bayer’s researchers maintain a constant dialogue with scientists from leading universities, as well as with customers and cooperation partners.

Universities and scientific institutions

- Professorships at universities in the fields of medicine, pharmacy and chemistry
- Strategic collaborations with universities in Cologne, Germany; the NUS, Singapore; Tsinghua University, Beijing, China; University of California, San Francisco, United States; and the DKFZ, Heidelberg, Germany
- Collaboration between Pforzheim University and Bayer CropScience in the further development of the Model Village Project in India
- January (Heidelberg, Germany): decision to extend the collaboration between Bayer HealthCare and the German Cancer Research Center for a further three years
- March (Berlin, Germany): launch of the OncoTrack project – scheduled to run for a period of five years – for the development of new colorectal cancer markers together with the Max Planck Institute for Molecular Genetics and with funding from the Innovative Medicines Initiative (IMI) of the E.U.
- March (U.S. State of Pennsylvania): the Bayer USA Foundation donated US\$750,000 to the organization ASSET Inc., with the help of which the Bayer Professional Development Academy was founded.
- March (East Bay, California, United States): with a donation of US\$540,000, the Bayer USA Foundation established the Center for STEM Education at California State University. STEM stands for “Science, Technology, Engineering and Math.”
- June (Berlin, Germany): Bayer HealthCare subsidiary GDD Global Innovation Sourcing helped to organize the “Enterprising Knowledge” conference on new forms of innovation partnerships between industry and the scientific community.
- September (Bremen, Germany): as part of the Chemistry Science Forum of the Society of German Chemists, Board of Management member responsible for research Prof. Wolfgang Plischke gave a presentation to around 800 professors, students and other interested persons on the subject of strengthening sustainability through innovation.
- October (Leverkusen, Germany): Bayer representatives met with the President of the German Federal Institute for Geosciences and Natural Resources to discuss the responsible use of finite resources.
- October (Leverkusen, Germany): at the Bayer Science and Innovation Dialogue, Bayer research management participated in discussions with leading external researchers from around the world.
- November (Graz, Austria): launch of a new collaboration between Bayer HealthCare and the Ludwig Boltzmann Institute for Translational Heart Failure Research for more targeted research into myocardial insufficiency
- November (Wuppertal, Germany): scientists from the University of Bonn and Bayer Pharma AG met at a symposium on pharmaceutical research and biomedicine.
- November (Aachen, Germany): Bayer MaterialScience participated in an international scientific symposium on CO₂ use, which took place at the invitation of RWTH Aachen University and the CAT Catalytic Center. Topic: “Innovation in Large-volume CO₂ Recycling with Sustainable Energy Sources: Science, Politics and Business Opportunities.”
- December: Bayer MaterialScience and the Bayer Foundation announced a further collaboration between Bayer and Tongji University: the founding of the Bayer-Tongji Eco-Construction & Material Academy, the first academy of its kind in the area of construction and architecture in China.

Theme-based dialogue

We work closely with our stakeholders on a number of initiatives. The topics of these initiatives and the perspectives of the various stakeholder groups are extremely diverse by nature. Although sustainability is a global issue, regional priorities and perspectives can vary widely. We constantly strive to view the various challenges in a differentiated manner and take account of context in order to develop solutions on a case-by-case basis that satisfy the framework conditions. For this reason, stakeholder dialogue is an important task for the various functions, organizational units and regions.

Below we present examples of our dialogue in the context of different topics that relate to our business areas.

Biotechnology

- Bayer CropScience: students at the Ruhr University Bochum discussed ethical aspects of genetic engineering in plant breeding within the context of the seminar "Food ethics: current controversies surrounding genetic engineering in plant breeding" – organized by the Department of Moral Theology (February 9, Bayer CropScience Headquarters, Monheim, Germany).
- Bayer CropScience: participation in a discussion session and a "world café" of the dialogue forum "Ethics – establishing and communicating European biodiversity strategies." The event took place in the context of the implementation and dialogue process of the national strategy for biodiversity in collaboration with the German Federal Agency for Nature Conservation (Bonn), the Austrian Federal Environment Agency and the Swiss Federal Ministry for the Environment (March 3 and 4, Academy of the Diocese of Rottenburg-Stuttgart in Stuttgart-Hohenheim, Germany).
- Bayer CropScience: participation in workshop groups of the German Federal Ministry of Education and Research (BMBF) forum "Biological Safety Research in Dialogue" (March 30, Berlin, Germany)

Family planning

- Cooperation with the Contraceptive Security Initiative of the United States Agency for International Development (USAID) facilitates access by middle-income women in sub-Saharan Africa to affordable oral contraceptives. For Bayer HealthCare, the initiative represents a new strategic approach and an innovative way to open up markets in developing countries.
- Bayer HealthCare supports World Contraception Day, which is held each year on September 26 in about 70 countries. Various initiatives are organized to draw attention to the responsible use of reliable methods of contraception, including educational events in schools and universities, quiz sessions on the internet, radio talk shows, design competitions, charity events and campaigns in discotheques. In addition to Bayer HealthCare Pharmaceuticals, the following organizations support World Contraception Day: Marie Stopes International, European Society of Contraception and Reproductive Health, International Planned Parenthood Federation, U.S. Agency for International Development, Population Council, Asia Pacific Council on Contraception, International Federation of Pediatric and Adolescent Gynecology, Pan American Health and Education Foundation, German Foundation for World Population, Centro Latinoamericano Salud y Mujer.
- Projects with the German Foundation for World Population (DSW), such as "Youth2Youth" in Uganda
- The "Parliamentary Evening on Reproductive Health" series is a cooperation project between Bayer HealthCare and the DSW. Stakeholders from the German development cooperation field, members of parliament and interested members of the public discuss matters of reproductive health. This includes support for women and girls, access to contraceptives, and educational initiatives.
- Lighthouse projects with external partners (page 16ff. of the Sustainable Development Report 2011)
- Series of conferences entitled "International Dialogue for Population and Sustainable Development" – jointly organized each year with the International Planned Parenthood Federation (the world's biggest non-governmental organization for reproductive health), the German Foundation for World Population, the German Society for International Cooperation, the international continuing education and development organization Inwent GmbH, and the development bank KfW Entwicklungsbank, in cooperation with the German Ministry for Economic Cooperation and Development

Protection of resources and the climate

- Cooperation with the Potsdam Institute for Climate Impact Research (PIK)
- Participation in the "Caring for Climate" and "CEO Water Mandate" initiatives of the UN Global Compact
- Bayer is among the founding members of the new European Climate Knowledge and Innovation Community (Climate KIC) – an initiative of the European Institute of Innovation and Technology (EIT).
- September (Budapest, Hungary): Climate KIC 2011 Innovation Festival with Bayer Technology Services as a corporate partner
- September (Berlin, Germany): "Sustainability in Focus" – Bayer CropScience met with experts from renowned international research institutes within the context of the Climate KIC Initiative to discuss the climate protection contribution of new crops.
- September (Düsseldorf and Mülheim an der Ruhr, Germany): citizens' dialogue with Bayer representatives among others on the economic dimension of the changes in energy policy in Germany
- Lighthouse projects, in many cases with external partners such as universities and other companies (page 21ff. of the Sustainable Development Report 2011)

Nanotechnology

- On a global level, Bayer actively and transparently participates in multi-stakeholder dialogues about nanotechnology through associations such as the American Chemical Council and the European Chemical Industry Council (CEFIC).
- In Germany we take part in the national stakeholder dialogue through the "Nano Dialogues" program of the German Environment Ministry.
- Presentations at national and international conferences and workshops
- Furthermore, we foster intensive stakeholder dialogue with committees, associations, industry partners, customers, authorities, universities and the public.
- We actively participate in projects promoted by the German Ministry of Education and Research, such as NanoGEM and CarboTox for the safety of nanomaterials in general, and – in the context of the "Carbon Nanotubes" innovation alliance (Inno.CNT) – in CarboSafe and CarboLifeCycle to ensure the safety of carbon nanotubes.
- We are intensively collaborating on the national and international standardization of terminology and test procedures for nanomaterials as promoted by the German standardization institute DIN and at the ISO level, as well as on the development of toxicological testing guidelines at the OECD level.

Animal studies

- Participation in the EPAA (European Partnership for Alternative Approaches to Animal Testing)
- Dialogue and support for the Foundation for the Promotion of Alternate and Complementary Methods to Reduce Animal Testing (SET)
- The Bayer Corporate Animal Welfare Committee discusses and cooperates regularly with animal welfare organizations.
- Dialogue with politicians from the North Rhine-Westphalia State Parliament and union representatives, including tour of Bayer animal study laboratories at the Wuppertal site in Germany