



Corporate Policy

Bayer Societal Engagement (BASE) Principles

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The Responsible Department confirms that this regulation applies to legacy Monsanto LEs.

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Disclaimer:

This Policy in its present form is valid for Bayer AG. All Group companies worldwide are requested to put the Policy into effect after appropriate examination with validity for all divisions and corporate functions as described in Corporate Policy No. 1764 "Internal Regulation Management". This is not required for Group companies for which the Policy is automatically enacted. A specified and limited obligation for the implementation of Policies is applicable for the Currenta GmbH & Co. OHG and its subsidiaries. The relevant version of this Policy is stored in the MARGO database or in a local system which complies with the current requirements. Utilization or dissemination of this material outside the Bayer Group is not permitted except with the explicit approval of the responsible Head of Compliance.

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1 Management Summary

Bayer is operating at the edge of innovation in healthcare, agriculture and nutrition. To ensure that we meet current societal expectations and create value for all stakeholders through our business activities, Bayer enacts the Bayer Societal Engagement (BASE) Principles.

The BASE Principles represent our guiding principles and are the foundation of all Bayer activities. The principles are grounded in our mission “Science for a Better Life” and the Bayer LIFE values: leadership, integrity, flexibility, and efficiency.

The BASE Principles comprise our values regarding innovation, our workplace, our business model and the way we interact with all stakeholders. This Policy applies across the Bayer Group and gives us guidance for the interaction with all stakeholders.

Werner Baumann
Bayer AG
Chairman of the Board of Management

Matthias Berninger
Bayer AG
Head of Public Affairs & Sustainability

2 Introduction

Bayer is a global life sciences company and interacts with various stakeholders in countries around the world, within different legal frameworks and cultures. To support the interaction within these societies, we explored and challenged our core values and created this document to provide guidance for our employees at all levels on how we engage at Bayer.

Bayer wants to fully live up to its societal responsibility to be a conscientious and transparent company respected for its contribution to progress in healthcare and agriculture.

2.1 Objective

The BASE Principles are set out to be our guiding principles and the foundation of all Bayer activities. They give us guidance in all internal and external procedures and support Bayer's mission to be a company that is valued for its scientific impact, trustworthiness and transparency.

This Policy is a set of societal rules, a guiding framework and a message to the public to illustrate our core values. The BASE Principles will function as an umbrella Policy in relation to all other existing Policies.

2.2 Scope and Target Group

The BASE Principles guide our interactions with everyone – our employees, patients, customers, partners, public policy stakeholders, scientists, critics and our shareholders worldwide.

This Policy applies across the Bayer Group in all areas on all levels. Each employee plays an important role in implementing the BASE Principles and reflecting them towards third parties outside of Bayer.

2.3 Risks Covered and Resulting Benefits

Failure to live up to and implement the BASE Principles can lead to severe consequences for Bayer as a company. These include:

- Loss of trust and confidence for Bayer of both employees and the public
- Loss of voice for Bayer in public debates
- Loss of license to operate and severe negative economic consequences

By following the BASE Principles, Bayer demonstrates responsibility, transparency and integrity. This is the precondition for us to build public trust and ultimately enables us to contribute to society.

3 The BASE Principles

3.1 Our engagement with society

Bayer looks back on a history of more than 150 years. Throughout this time our communities and their expectations towards businesses have changed dramatically and it is important that we continue to adapt to meet their needs also in the future. That is why, today, we are upgrading our engagement policy to ensure we can meet current societal needs and create value for all our stakeholders through our business activities.

Today, Bayer is operating at the edge of innovation in healthcare and agriculture. Never in our history has Bayer's portfolio been closer aligned to our mission of "Science for a Better Life". Our product portfolio, position in markets, and commitment to innovation puts us in a strong position to continue to make a significant positive contribution to solving some of the major challenges of our time. This includes the growing and aging global population, climate change and diseases as well as to help achieve the United Nations Global Goals on Sustainable Development. We are aware of the responsibility resulting from this position and strive to proactively deliver on it. We recognize that our impact is measured not only by what we have to offer but also by how we engage with society and communities around the world.

These Bayer Societal Engagement (BASE) Principles guide our interactions with everyone – our employees, patients, customers, consumers, business partners, public policy stakeholders, scientists, critics and our shareholders worldwide. The BASE Principles are grounded in our mission "Science for a Better Life" and the Bayer LIFE values: leadership, integrity, flexibility, and efficiency. Yet, what fuels the BASE Principles is our passion and determination to make a significant positive contribution to addressing some of the most pressing challenges of our time.

We seek to listen, understand, take concerns seriously, and respectfully engage in dialogue, especially where dialogue is hard or inconvenient. We strive to create shared value and achieve win-win situations in everything we do. To achieve that, we make sure our engagement with society accompanies the transformational potential of our portfolio and our talented people. The new Bayer Sustainability Council, with its external experts from all areas relevant to Bayer, will advise the company on the transformation of its business and help us reach our goals.

3.2 Our guiding principles and core value set

We act responsibly towards our employees, patients, customers, consumers, business partners, public policy stakeholders, scientists, critics, shareholders and to society in general. We protect the planet and the communities in which we operate.

- We contribute to ensuring the future livelihood of our planet for humans, animals and plants. We use natural resources responsibly and limit our ecological footprint
- We stand for sustainable development and commit to doing business in an economically, ecologically and socially responsible way

- We contribute to the development of less developed regions of the world by increasing access to health and nutrition, adhering to and raising standards, and by investing in education
- We support and respect human rights and leverage our sphere of influence to promote them, inside and outside of Bayer
- We firmly believe that compliance protects our license to operate worldwide and therefore place great importance on responsible corporate governance

Related documents

- [HSE Key Requirements](#)
- [What We Stand For | Our Values](#)
- [Responsible Care – Bayer Group Position](#)
- [Bayer Sustainable Development Policy](#)
- [Bayer Human Rights Policy](#)
- [Bayer Modern Slavery Position](#)
- [Corporate Compliance Policy](#)

3.3 How we drive innovation

Science has always been a key driving force behind progress. That is why science is at the core of Bayer's mission and why innovation and experimentation are part of our LIFE values. The problems of our times will only be solved by solutions deeply rooted in science.

- Our business success depends on a relationship with scientists based on respect, curiosity and the desire to advance scientific discovery
- Purpose of science
 - We are committed to generating and delivering solutions in the field of healthcare and agriculture with the aim of improving peoples' lives and addressing major societal challenges
 - We are committed to discovering and developing solutions that help reduce environmental impact along the entire value chain
- Good scientific practice
 - We conduct our scientific communication, including scientific publications, in accordance with current internal and relevant external legal and ethical standards
 - We are committed to communicate information on our research and development activities in an accurate, objective, and timely fashion
 - We work towards a maximum of transparency through our publication practice. We always properly reflect and disclose our participation in any scientific work

and publications of others as well as the participation of others in the development of our publications. We are transparent and grant reasonable access to scientific findings

- We provide transparency on our research partnerships via a publicly accessible collaboration registry
- We promote human and animal welfare in research and development. Where animal tests are legally required, we maximize animal wellbeing and actively work towards making them obsolete
- We conduct clinical trials in accordance with international guidelines and uphold the highest ethical standards
- When using genetic engineering, we respect highest ethical standards and are fully aware of our responsibility for the safety of mankind and the protection of the environment

Related documents

- [Donations & Other Societal Engagement Contributions](#)
- [Guidelines for the Use of Genetic Engineering at Bayer](#)
- [Scientific Publications](#)

3.4 How we act in the workplace

Bayer is a place where employees can positively change the world with their work and where they can learn and grow every day. To create value for a diverse world, we need to be a diverse and inclusive workplace that empowers people with different backgrounds and skills to make a difference. We are responsible towards our employees throughout the world and apply these standards towards the partners we work with.

- We treat each other with fairness and respect with zero tolerance for discrimination or harassment
- We create a diverse and purposeful working environment
- We foster a culture of trust and inclusion
- We ensure fair compensation and equal opportunities for all our employees
- We ensure safe and healthy work conditions
- We develop employees based on achievements and practiced values
- We respect diversity of thought and freedom of speech, religion and sexual orientation
- We support community engagement based on our Bayer values

Related documents

- [What We Stand For | Our Values](#)
- [Exchange of Information and Materials](#)
- [Officeholders](#)
- [Corporate Compliance Policy](#)
- [Fairness and Respect at Work](#)

3.5 How we conduct our business

Our products and services can contribute to transformational changes around the world. It is in that spirit we want to collaborate with our business partners along the value chain and to take accountability. Our goal is to help people and communities thrive by partnering and doing business with us.

- We compete fairly in every market, we act with integrity in all our business dealings, and we comply with all applicable laws and respect all antitrust rules
- We make business decisions that are not impaired by conflicts of interest and comply with business conduct laws
- We undertake sound measures to prevent money laundering
- We have zero tolerance for bribery and corruption
- We strictly enforce rules regarding the acceptance of gifts
- We place great emphasis on data protection
 - We protect the privacy of personal data and information
 - We protect confidential business information of our own and of third parties
- We restrict insider information and have no tolerance for insider trading
- We expect our suppliers to organize their business with Bayer in line with the Bayer Supplier Code of Conduct which sets forth key ethical, social and ecological standards
- We adhere to the standards set by our industry associations and it is our ambition to play a leading role in advancing standards

Related documents

- [Corporate Compliance Policy](#)
- [Supplier Code of Conduct](#)
- [Bayer Human Rights Policy](#)
- [Exchange of Information and Materials](#)
- [Data Privacy](#)
- [Anti-Corruption](#)

- [Incentives](#)
- [Payment Transactions](#)
- [Antitrust Compliance](#)
- [Insider Trading – Compliance](#)
- [Phosgene – Safe Production, Handling and Use](#)
- [Purchase, Sale and Administration of Works of Art](#)

3.6 How we interact with our customers, patients and the consumers of our products

We act responsibly in our dealings with our customers, patients and the consumers of our products.

- Where we create value, we share that value with our customers and shareholders appropriately. We provide a significant benefit at a value-based price
- We develop safe, high quality products and provide support for the safe application of our products in a close partnership with all who use our products and services
 - We research, develop, manufacture and deliver products on the basis of our Quality Management System
 - We continuously review and improve the effectiveness, efficiency, and quality of our processes in order to comply with external and internal requirements, responsibilities and ethical standards
- We inform transparently about scientifically established benefits and risks and monitor product quality performance in the market
- We use responsible marketing practices
 - We respect patients' and customers' preferences
 - We empower customers and patients to make informed choices
- We aim to increase access to our products in the areas of medicine and agriculture, also for poorer parts of the world population

Related documents

- [Responsible Marketing & Sales Regulation](#)
- [Quality Management System](#)
- [Continuous Improvement](#)

3.7 How we interact with media, legislators, regulators and civil society organizations

We seek common ground with public policy stakeholders. We listen carefully to diverse points of view and engage in thoughtful dialogue. This requires all engagements and communications be truthful and transparent.

- We support responsible regulatory proposals that improve lobby transparency in our markets
- We, as well as all Bayer-funded third parties, appropriately identify ourselves in all interactions as Bayer or Bayer-supported
- We do not make any donations as a company to political parties, politicians or candidates for a political office, with the exception of political contributions in the United States at State level
- We engage with NGOs with the purpose of learning and exploring common ground
- If Bayer employs former staff of public authorities, we respect their obligation to abide by the rules and confidentiality requirements which apply to them. We refrain from hiring former Ministers or Federal State Secretaries (in other jurisdictions, the first two political tiers) for two years into political roles. We do not hire active Members of Parliament or legislative decision makers for service
- We respect the privacy of all stakeholders with whom we identify and interact
- We publish our positions regarding relevant political topics on the Bayer website, to allow a public debate on the basis of these viewpoints
- As an active member of trade associations, we advocate for these organizations to adopt a code of conduct for responsible lobbying
- We seek to contribute to bi- and multi-partisan initiatives and greater consensus by reaching across the aisle
- We provide transparency about our lobby spending

We respect the independence of journalists and media representatives and seek to be transparent and fact-based in our interactions.

- We engage openly and transparently with journalists and media representatives and provide accurate information
- We do not generate or distribute fake news
- We do not provide any kind of non-transparent sponsorships for grassroots movements. We are transparent if others interact for us with media
- We hold all public relations agencies accountable to our standards when they work for us

Regulators play a key role in protecting the common good. They make decisions based on both sufficient scientific evidence and political goals. Bayer wants to

contribute to good decisions by being transparent about its interactions with regulators and about the data we provide to the decision-making process.

- We work to ensure product safety in order to protect people and the environment
- We collect and report Health, Safety and Environment (HSE) performance data in order to accurately map our footprint
- We are transparent about safety data in the regulatory approval process
- We are committed to supporting regulatory goals through co-regulation and self-regulation
- We engage in a timely and transparent manner if new findings raise questions on existing approvals
- We support global convergence of regulatory standards in the spirit of raising the bar for all

Related documents

- [Code of Conduct for Responsible Lobbying](#)
- [Corporate Compliance Policy](#)
- [Donations & Other Societal Engagement Contributions](#)
- [HSE Performance Reporting](#)
- [Media Contacts and Publicity](#)

3.8 How we interact with shareholders

We recognize the expectations of our shareholders to create long-term value in society whilst delivering business results in line with our promises. We pursue an inclusive business approach, in which we combine financial objectives with societal and environmental responsibility, and balance short-term and long-term targets.

- We create sustainable value for our shareholders by relentlessly focusing on solving some of the world's most pressing problems
- We ensure transparency about the impact of our value chain
- We inform capital markets with correct and appropriate information in a timely manner
- We protect corporate assets
- We conduct responsible risk management
- We measure key non-financial indicators with the same rigor as financial indicators
- We take into account both financial and non-financial indicators for performance evaluation and decisions on compensation

Related documents

- [Corporate Compliance Policy](#)

4 Roles and Responsibilities

Throughout all divisions of Bayer Group, it is the task of each individual employee and of Bayer as a whole to behave in accordance with the BASE Principles. All employees have the important role of ambassadors of the BASE Principles.

5 Implementation Measures & Training

Responsible for the implementation of this Policy is the Corporate Function Public Affairs & Sustainability in cooperation with the senior management in countries and Divisions at all Bayer locations.

This Policy will be made available in the official Bayer languages (Chinese, German, English, French, Italian, Japanese, Portuguese, Russian, Spanish). Translations into other languages are the responsibility of the respective countries.

The following measures are recommended to implement this Policy:

- Communication of the content of this Policy to all employees by leadership team of every department, country and Division
- Ensure local availability

Further information material will be provided by the Corporate Function Public Affairs & Sustainability.

6 Definitions and Abbreviations

BASE	Bayer Societal Engagement
LIFE	Leadership, Integrity, Flexibility, Efficiency
HSE	Health, Safety, Environment