

**□ · BASF**

We create chemistry

# Our Code of Conduct





**“Through integrity and correct behavior, each of us plays an important part in making BASF a company that is valued and trusted.”**

Dear colleagues,

We are BASF: We create chemistry for a sustainable future! That is our ambition and our responsibility. Through our technologies, products, ideas and innovation, we are working to make the best possible contribution to a viable future with enhanced quality of life for everyone.

We can only achieve this if we manage our business safely and responsibly and our customers and partners know they can trust us. That in turn depends on people doing the right thing, and making the right decisions, on a large and small scale, every day.

The Code of Conduct is binding for all of us and translates our corporate values into practical guidelines and advice on making responsible decisions, even in difficult situations. Please familiarize yourself with our Code of Conduct and personally act accordingly.

As a guidance you will find numerous case studies, questions and answers, as well as links to further information and expertise available on the BASF intranet under [compliance.basf.net](https://www.basf.com/compliance.basf.net) In difficult or unclear situations speak up and ask your manager or the relevant contact person for advice. Listen to your inner voice and gut feeling.

Through integrity and correct behavior, each of us plays an important part in making BASF a company that is valued and trusted by our customers, our partners and society as a whole. Compliance with our Code of Conduct helps to ensure that we live our values in our day-to-day work.

Thank you very much for your support!

**Martin Brudermüller**  
Chairman of the Board of Executive Directors of BASF SE



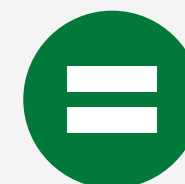
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# Our Code of Conduct

In a rapidly changing and highly competitive world, it is vital to stay focused on what really matters to us at BASF. Our values – **creative, open, responsible, and entrepreneurial** – help us do this. They remind us of what BASF stands for and serve as a yardstick for how we do business.

We are strictly committed to high standards of legal compliance and business ethics. Our Code of Conduct defines the boundaries within which we as BASF employees must act to comply with laws and internal policies. By doing so, **our Code of Conduct protects BASF and each one of us.**

Our Code of Conduct guides us to put our values and commitments into practice – throughout the company, and in everything we do. It helps us navigate through areas and situations where responsible conduct and ethical decision-making are critically important. Only by fully complying with our Code of Conduct, and all laws and regulations, we can achieve our aspiration **to be the world's leading chemical company**, respected and trusted by our customers, investors, employees and all other stakeholders.





# We all create it.



## Why do we need a Code of Conduct?

Our Code of Conduct helps us to take the right decisions, and reminds us what we stand for, as a company. It supports our reputation in the markets and the communities we operate in, as a business partner and an employer.

As a global company, we are a union of people from different cultures and with different backgrounds. We highly value this diversity. Our Code of Conduct plays a vital role in enabling us to work harmoniously together, by providing the information and support we need to be sensitive to critical situations, to **listen to our gut feeling** and to know where we can find the guidance or help we need.

## Who does our Code of Conduct apply to?

Our Code of Conduct is binding for the Members of the Board of Executive Directors, all managers and employees of the BASF Group worldwide. We are all obligated to live up to the expectations and commitments set forth in it. Managers at all levels should **lead with integrity** (see page 14) and give employees appropriate guidance and support.

We should all make sure we understand and abide by the standards set by our Code of Conduct, as well as all relevant local laws and BASF guidelines. We fulfill this responsibility by participating in all necessary training sessions, keeping ourselves informed, by asking questions and seeking expert advice when we are in doubt.

Failure to read our Code of Conduct, to complete compliance trainings, or to sign any related acknowledgements, does not release us from our obligation to comply with the Code of Conduct.

## What does the Code of Conduct require?

We live up to our Code of Conduct by adhering to:

- applicable laws and regulations,
- internal policies and guidelines, and
- ethical business practices.

## Who has issued this Code of Conduct?

The Board of Executive Directors of BASF SE is responsible for approving and issuing this Code.

## How will this Code of Conduct be updated or amended?

It will be regularly reviewed by BASF's Chief Compliance Officer together with the responsible experts to analyze required revisions. Any changes to this Code of Conduct are subject to approval by the Chief Compliance Officer and the Members of the Board of Executive Directors of BASF SE.

## What if something is not covered in our Code?

Our Code of Conduct cannot cover in detail the wide variety of situations we may encounter. Each of us is responsible for ensuring we understand BASF's policies and procedures, and for maintaining the high ethical standards in every aspect of our work – even when our Code of Conduct provides no direct guidance. We are always expected to show both integrity and common sense. When in doubt, **we always speak up** (see page 11) and ask for help.

## How we make decisions when it is not clear-cut.

Often, putting our Code of Conduct into practice is straightforward. The issues are clear, and so is the correct decision. But sometimes, we find ourselves in grey areas.

Either we know there is a potential problem, or **we sense that something is not quite right.** In any case, we feel unsure how to act, or react. In such situations, there is a **three-step process** to guide us.







# Störgefühl

[ˈtøːgəˈfʏ:] German, noun



The feeling of emotional disturbance caused by a sense of something being wrong; often provoked by some small detail or inconsistency, triggering a subconscious reaction.

## We listen to our inner voice, our Störgefühl

We all know the feeling when something is not quite right, even though we may not be able to pin it down or put it into words. At BASF, we call this **Störgefühl** (gut feeling) – a German word describing that feeling of “not-quite-rightness” or emotional disturbance. To test what this inner voice is trying to tell us, **we ask ourselves questions like these:**

- What does my conscience tell me?
- Am I sure I will not regret the choice I am making now in the future?
- How would I feel if someone else made this decision, and I was affected by it?
- Would what I am planning to do be considered exemplary behavior within BASF?
- What would my family or friends say if they knew about the choice I am making?
- How would I feel if this became public, or appeared in the news?

## We stop and take time to reflect

It is always more important to make **the right decision** than to make a hasty decision. If we are unsure of what is the right thing to do, we take time to think calmly and rationally, and to **ask ourselves questions like these:**

- Do I have all the information I need to make a decision?
- What are the possible consequences of this decision or not taking action?
- What impact would the decision have on our company and its reputation?
- Is this course of action legal?
- Do I have a free choice, or am I being put under pressure?

## We speak out and get advice on what to do next

If, when we have listened to our inner voice, stopped and reflected, we are still in doubt about what is the right thing to do, we never keep it to ourselves.

**It is time to act if we think or hear “Red Flags” such as:**

- No one will find out.
- We have always done it this way.
- Do not worry now, we can fix that afterwards.
- No one checks or takes care of these things anyway.
- The official way simply takes too long.
- Everybody else is doing it, too.

**We speak up**, express our concerns or address our uncertainties, and get advice on the decision we are facing from our supervisor, our Compliance Team or the Compliance Hotline.

## We are here to help



[basf.com/compliance](https://www.basf.com/compliance)



**Talk to your supervisor or find your Compliance Officer to raise your concerns.**



**Find your respective Compliance Hotline to raise your concerns.**



## We always speak up!

We are all personally responsible for bringing our company's values to life in everything we do. So, it is essential that we all feel entirely free to ask questions, or raise concerns, if we are uncertain about what to do, or **if something does not feel right**. We always speak up.

Sometimes, doing the right thing may take courage. But the earlier we speak up, the more likely we can prevent serious problems from arising – or, at least, minimize their impact. So, however hard it may be, we speak up immediately when we become aware of an ethics or compliance concern.

**Speaking up is not optional.** If we believe that our Code of Conduct, a company policy, or the law may be violated, **we must raise our concerns in a timely manner.**

### Raising concerns in confidence

We are free to choose whether we discuss such violations with our supervisor, the Compliance Team, our legal experts, or the Compliance Hotline.

If we are unsure about our own conduct, or about how best to report any concern, we can always contact our Compliance Team for guidance.

Another option, available at BASF globally, is to call our Compliance Hotline, which allows for anonymous reporting of concerns. Every call is treated as confidential, as far as it is legally possible.

### Raising concerns without fear of retaliation

We will not tolerate any kind of retaliation against anyone who wants to do the right thing, by raising a concern in good faith.

Any such retaliation would undermine the trust that is essential to our success, and would be treated as serious misconduct, resulting in disciplinary action.

Of course, doing the right thing also means that we cooperate with the company during any investigation into Code of Conduct or compliance issues. We willingly play our part in ensuring that our company acts with complete integrity and lives up to the very high standards we set ourselves.



**Contact details for our Compliance Team and Compliance Hotline can be found online.**



**Read more about when something does not feel right on page 11.**





## We do not just follow our Code. **We lead integrity.**

For BASF, successful business operations go hand in hand with our integrity as a company – this means living up to the spirit and the letters of the laws that govern our industry and living up to our commitments towards the society at large. Our values – creative, open, responsible and entrepreneurial – guide us in how we work and interact. Our Code of Conduct translates those values into everyday business behavior, supporting us in taking responsibility and leading with integrity.

### **Leading with integrity: a management responsibility**

Living up to what we want BASF to stand for starts with leadership. Leaders set the tone; and this is not just about following rules. It is about taking responsibility, demonstrating trust, courage and optimism even when it is not the easiest path to follow.

It is all about **leading by example** – through attitude and embodying our values in everything we say and do. And to be clear: the lowest standard we demonstrate as leaders will set the highest standard we can expect from our team and our partners.

### **So, as leaders, we:**

- Say “yes” to our responsibility to lead with integrity.
- Act as a role model for compliance and ethical decision-making.
- Stay alert for any conduct or decision-making not in line with our values.
- Put specific risks on our agenda, to discuss and explore with our teams.
- Speak up ourselves if something does not feel right.
- Encourage our teams to “speak up” if they have questions or concerns.

### **As leaders, we ask ourselves:**

- Do I know the main compliance risks in my specific area, and how to manage them?
- Do I listen, if members of my team have something difficult to say?
- Do I face ethical dilemmas where decision-making is not clear cut – and do I discuss such situations with my team and with my manager?
- Do I know where to seek help with any issues relating to our Code of Conduct?





# We earn trust

Bribery and **corruption** are always wrong and have no place in our business. So, we do not get involved whatever form it takes. As a global company we understand all business relationships with domestic and international partners may be subject to **trade control** laws. We also have to take all necessary measures to prevent our company being used as a means to launder money because being involved in **money laundering** – even inadvertently – is a criminal offence.





**We** do business with integrity.  
Always, without exception.

At BASF our reputation for doing business with complete integrity is critical. We are committed to fighting any kind of corruption or bribery. We play to win, but strictly within the rules, treating all business partners fairly and competing for business based on the quality of our products and services. Naturally, we expect the same from those we do business with.

### Anti-corruption

We do not get involved in corruption – whatever form it takes. We do not offer or accept bribes and we do everything we can to prevent bribery by others who act on our behalf, for example, by appropriately checking third parties with whom we do business or who provide services.

### Always vigilant against corruption

Corruption can take many forms, so we are always vigilant and on alert for any suspicious behavior, such as a business partner asking for unusually high commissions or payments in cash or refusing to accept anti-corruption contract requirements or our Supplier Code of Conduct.

We would rather lose a business opportunity than win by means of corruption. Bribery – whether of a governmental official or in the private sector – is always wrong and has no place in our business.



### Political activity and lobbying

We conduct our lobbying and political communications in accordance with transparent guidelines, our publicly stated positions and all applicable laws. As a company, we engage in political lobbying to advance our company's interests, but we do this transparently and do not financially support political parties or organizations close to them.

## ? Why should we care?

Because it affects all of us. Bribery and corruption lead to decisions that are not based on objective criteria and thus distort and damage the free and fair trade we believe in, and on which our business model is built. Only by eliminating corruption we can ensure that everyone is treated fairly when, for example, it comes to obtaining a job, a permit or a contract.

## ! Ask yourself:

- Am I sure I am not trying to persuade someone to give us an unfair commercial advantage?
- Does this potential business partner have a reputation for questionable business practices?
- Could I get in trouble if what I am about to do were publicly reported or reviewed by an auditor?

## i Find out more:

If you are in any doubt, talk to your manager or Compliance Officer.





**We** do business across borders.  
But always within legal boundaries.

We are a global company with activities and business partners all over the world. We are aware that all business relationships with domestic and international partners may be subject to trade control laws. Overall, our goal is to prevent our products from falling into the wrong hands, where there is a risk of them being misused. So, we strictly adhere to all applicable laws, including trade control regulations like embargoes, anti-terrorism laws and further regulations aimed at preventing misuse.

### Trade control

We do business globally which means our activities are subject to various national and international trade laws, restricting or prohibiting the import and export of our products or services. These restrictions can be based not only on the nature of the product, but sometimes also on the country of origin or destination, or even on the identity of the customer.



Export controls can take many forms. Besides restrictions on physical goods, software and services may also be controlled. Export controls can even apply to technology transfer, for instance the exchange of information relevant to the trade control law shared via electronic means like email or online collaboration sites or transported across borders on electronic devices.

Trade control regulations are a sensitive topic, but our Global Trade Control Team helps us navigate within these boundaries. Employees need to be familiar with, and sensitive to, the issues of export/import controls. Take advantage of their expert knowledge if you have any questions relating to trade control regulations.

### ? Why should we care?

Because trade control regulations exist to promote international stability and to prevent misuse of chemical products. We support these goals by ensuring that our products and our technology do not end up in the wrong hands. Only by doing so can we ensure that BASF is perceived as a reliable business partner by our customers, suppliers and the public.

### ! Ask yourself:

- Did I take time to understand what would be considered as trade control when doing imports and exports?
- Did I check if there are export restrictions in place for the product, the destination country, the customer or on the product's intended use?
- Is there any reason to suspect our product may be used illegally, e.g. a customer's request on labelling or transport routes are suspicious and not plausible for the product?

### i Find out more:

If you are in any doubt or need more information, ask BASF's Global Trade Control Team.





**We** are always on guard against dirty money.

At BASF, we do not allow dirty money to play any part in our business. But while it is easy to state that as a fundamental principle, protecting our company against attempts by criminals to “clean” cash and other assets generated by illegal activities is a challenge that demands constant vigilance, from us all. Because being involved in money-laundering or terrorism financing – even inadvertently – is a criminal offence.

### Anti-money laundering

We are always keen to do business, but only with reputable partners who operate within the law, using resources from legitimate sources. We carefully check the identity and credentials of potential customers, business partners and other third parties. And we take all reasonable measures to ensure transparent business relationships.



Money laundering is the deliberate attempt to move cash or assets derived from criminal activities into legal and legitimate financial activities. At BASF, we take all reasonable measures to prevent our company being used as a means to launder money.

To protect our reputation and avoid any possible criminal liability, we need to be constantly vigilant about the activities of business partners, so we know who we are dealing with before contracts are signed, or transactions occur, and watch out for payment irregularities or suspicious behavior, on the part of customers or others.

### ? Why should we care?

Because money laundering is a major crime, and any involvement in it could have serious consequences not just for BASF, but also for individual employees. Legal liability under money laundering laws does not necessarily depend on the person involved being aware that a “dirty money” offence is actually being committed. BASF is in particular obligated to report to the authorities any suspicious transaction that becomes apparent to its employees.

### ! Ask yourself:

- Does this transaction feel right to me? What does my gut feeling tell me?
- Have I done everything required of me to verify the identity of this business partner?
- Would I feel more comfortable if I referred this to my manager or the local finance experts?

### i Find out more:

If you are in doubt, have any information or suspicions, or simply a gut feeling that something may be wrong with a transaction, take immediate action and contact your local finance or legal experts.



# We play fair

We believe that **antitrust laws** ensure free and fair competition in open and transparent markets to the benefit of our customers. We handle **gifts and entertainment** with caution and common sense to avoid any possible misinterpretation of motives and reputational damage. We know that it is vitally important to recognize and to disclose potential **conflicts of interest** because only decisions that are based on objective criteria are truly fair and create trust.





**We** compete to win.  
But always fairly.

At BASF, our aspiration is to be the world's leading chemical company. To achieve this, we always act fairly as we know there are no short-cuts. For us, the only kind of success worth having depends on winning, and maintaining, the long-term trust of our customers and business partners.

## Antitrust laws

We are committed to conducting our business solely on the basis of free and fair competition, and we strictly obey all applicable laws and regulations. We believe that fair, well-regulated competition strengthens our market and benefits our customers.



As a market leader in various fields, BASF has special obligations under antitrust law for conducting our business in a way that promotes fair competition. We welcome this extra responsibility, and aim to lead by example, to achieve the best for our customers.

We are aware that any violation of antitrust laws can result in heavy fines, and even imprisonment, for the company, management and individuals concerned. It is up to all of us to be alert for any situation that could potentially be seen as harmful to free and fair competition.

## ? Why should we care?

Because antitrust laws protect free and fair competition in open and transparent markets, offering customers access to a large variety of products and services at fair prices. This is in the best interests of everyone, from multinational companies like BASF to individual consumers. Also, of course, because violations of competition law can carry heavy penalties for both the company concerned, and for its individual employees.

## ! Ask yourself:

- Have I discussed any potential antitrust issues, e.g. in a co-operation with a competitor, or reasons for declining a business opportunity with the legal experts?
- Am I sure the proposed agreement or activity fully complies with antitrust laws?
- Am I hoping to use "I did not know it was illegal" as an excuse, if anything goes wrong?

## i Find out more:

If you are in any doubt, contact our antitrust law experts before taking any action.



### Three main areas of risk:

#### Agreements between competitors

Any agreement between competitors risks being unfair to customers. Therefore, we naturally comply with the law, and strictly forbid agreements with competitors that directly or indirectly fix prices or any other trading conditions; limit or control production; or share markets or sources of supply.

This does not only apply to formal contractual agreements. We do not participate in any type of collusive behavior or concerted action and we do not exchange or discuss sensitive business information such as information on customers, pricing, costs, salaries, market shares, R&D efforts, or similar data with our competitors. If there is a legitimate need for communication with competitors, we ensure that we never give or accept any information that might permit any conclusions about the present or future market conduct of either party.

#### Interactions with customers and suppliers

Transparency is vital to fair competition, so we do not enter into any type of arrangement or agreement that places unfair limitations or restrictions on the market behavior of our customers, suppliers, patent-holders or licensees. We are always careful and consult the legal experts when granting or asking for exclusive rights to customers or suppliers or entering into agreements that limit the way in which goods or services can be used, resold or priced. We do not influence distributors to make them respect a minimum price when reselling our products.

#### Abuse of a dominant market position

We are leaders in many of our markets, but we never use our strength to give ourselves an unfair advantage – by unlawfully eliminating competition, preventing others from entering a market, or manipulating prices. Our market-leading position in many product areas comes along with specific rules. Therefore, we never discriminate customers or refuse to supply or sell to certain customers without good cause, and we never impose inadequate purchase/sales prices, and conditions or tie-in arrangements, without justification.







**We** build great relationships.  
But not through gifts.

We are all in favor of doing business in a way that builds great relationships. But gifts and entertainment need to be regarded with real caution. And when there is any doubt, we ask questions, we talk to each other, we act with caution and make our actions transparent.

### Gifts and entertainment

We do not consider it appropriate to accept or grant a personal benefit of any kind in connection with our professional activities. But in the course of good business relationships, a small gift or modest invitation may sometimes be offered based on what is considered reasonable and customary. In such situations, we need to exercise caution and common sense, to avoid any possible misinterpretation of motives and reputational damage.



We think carefully and only offer or accept gifts which have a moderate value and are understood to be simply business courtesies, and not an attempt to induce us to act unprofessionally, or to misuse our position. We also pay attention to the image that can be created due to the external circumstances and the overall situation. We use the same standard when deciding whether to offer or accept a gift. We do not offer or accept cash or cash equivalents such as gift cards or shopping vouchers. We act particularly cautious when dealing with public officials or government representatives because we adhere to the often very strict rules that govern this in many countries.

### ? Why should we care?

Because, while gifts and invitations are regarded as common business courtesies in many countries, there is always a risk that they may be viewed as a bribe or excessive and insensitive... unless we handle them with caution and common sense.

### ! Ask yourself:

- Why would a potential business partner offer me this gift or invitation?
- Does a gift or invitation come with some kind of obligation?
- Could this gift or entertainment be interpreted as a bribe?
- Could this gift or entertainment be seen as excessive due to the circumstances, the overall situation or in the context of the latest business decisions?

### i Find out more:

Specific gift policies may be applicable in your unit or country. If you want to know more, check your relevant guidance documents or talk to your supervisor or Compliance Officer.





**We** take care of business.  
Not our own personal interests.

It may sound obvious that when we are at work, all our actions and decisions should be based on what's best for the business. But conflicts of interest – situations where personal gain may influence our professional judgment – can and do arise. It is vitally important that we know how to recognize potential conflicts of this kind, and that we disclose them before any damage is done to the trust our company's success is built upon.

### Conflicts of interest

We are well aware that our personal relationships and interests should never affect our business activities or influence our decision-making, in any way. We need to be careful to avoid situations where a conflict between private and professional may arise – or, just as important, where it may appear to do so.

This means, for example, that we should not make any investment, or enter into any relationship, that may cause others to doubt our fairness, integrity or ability to perform our duties objectively.

It is important to make the point that having a conflict of interest is not, in itself, misconduct – but the way we handle it could be. It is all about transparency; if we suspect a possible conflict, we need to raise it with our manager, without delay.



Outside positions, business activities and investments need to be carefully considered and, in many cases, permission from the company is needed or notice needs to be given.

We do not allow our desire to help friends or family members to influence our decision-making in relation to BASF employees which we always base on factors such as their competencies, job performance and behavior in the work environment. Similarly, when we engage third parties, we use objective criteria such as price, quality, reliability and ability to meet technical standards.

### ? Why should we care?

Because all our business relationships are built on trust. Even though we might sometimes be tempted to do friends a favor or pursue our personal interests, we know that only decisions that are based on objective criteria are truly fair and create trust. And that can only be maintained by acting with unquestioned integrity in everything we do, bearing in mind that a perceived conflict of interest can be just as damaging to our reputation as a real one.

### ! Ask yourself:

- Am I certain that my decision is based only on objective criteria like quality, price, or the reliability of supplier?
- Could others think I am personally benefiting from what I am planning to do?
- Do I owe the other person?
- Could others perceive my business decision as being influenced due to my relationship with the other person?

### i Find out more:

If you are in any doubt, talk to your manager or Compliance Officer.

# We respect

We treat people with fairness, consideration and respect and are committed to act in accordance with internationally declared **human rights, international labor and social standards**. Our aim is to ensure that each individual feels valued, and fully supported in achieving their personal best. We value the health and safety of people above all else and are aware that the nature of our business demands that we take exceptionally good care in terms of **environmental protection, health and safety**.







**We** treat people fairly and with respect.

We treat people with fairness, consideration and respect. Our aim is to ensure that each individual feels valued, and fully supported in achieving their personal best. Always, and without exception.

### Human rights, labor and social standards

We value people and respect human rights. As a company aiming for profitable growth, we have made the decision to pursue sustainable value creation, which means striving to positively contribute to the protection and promotion of human rights and people's well-being.

We commit to internationally agreed-upon standards, such as the United Nations' Universal Declaration on Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy (MNE Declaration) of the International Labor Organization (ILO).

In our own business activities, we avoid causing or contributing to adverse human rights impacts. As a participant in numerous global value chains, we are dependent on partners and demand that they likewise respect human rights and the associated international labor and social standards (ILSS). We offer to help our partners in their efforts to meet their human rights responsibilities.



### Respect in the workplace

Everyone at BASF should always feel valued and respected. So, we expect every one of us avoid saying or doing anything that is humiliating, condescending, offensive or otherwise disrespectful to our colleagues. We built our team on talent and appreciate differences because they make us stronger and are essential to our success. We promote an inclusive environment that embraces diversity of all kinds, including a wide variety of backgrounds, thoughts, perspectives, demographics, ethnicities, and origin.

We do not tolerate discrimination or harassment against anyone based on grounds such as age, race, color, sex, sexual orientation, gender identity/expression, national origin, religion, disability, genetic information, or any other personality traits or preferences. This governs all our employment decisions such as recruiting, hiring, promotions, benefits, disciplinary actions or terminations.

## ? Why should we care?

Because treating each other with respect and working together to create and maintain an environment where everyone feels valued and encouraged to perform at their best, is fundamental to the way we do business, and to achieving our full potential as a company.

## ! Ask yourself:

- How would I feel if someone treated me the same way?
- Do I have any unconscious beliefs or attitudes that might influence my judgment of people and situations?
- How can I contribute to creating a positive work environment?

## i Find out more:

More information can be found online. If you have any queries, or if you become aware of any improper conduct, speak up.





**We** value the health and safety of people above all else.

Wherever we do business, we act responsibly – not just complying with all relevant regulations but going the extra mile to reduce risks and minimize our environmental impact.

### Environmental protection, health and safety

We are committed to energy efficiency and climate protection, and are constantly working to develop sustainable solutions for our business operations and for our customers. Across all our operations and in close collaboration with our suppliers, we work to achieve the highest standards of health and safety, and to maintain the trust of our employees, customers, business partners and other stakeholders. In the event of any kind of incident or emergency, we are well prepared to take whatever action is necessary.

### A business that demands we take extra care

In terms of environmental protection, health and safety, we are aware that the nature of our business demands that we take exceptionally good care to reduce risks and prevent accidents. Our core business – the development, production, processing, handling and transportation of chemicals – demands a responsible approach. We systematically address risks with a comprehensive Responsible Care Management System. We expect our employees and contractors to know the risks of working with our products, substances and plants and handle these responsibly. We continuously work to ensure that our products pose no risk to people or the environment when they are used responsibly and in the intended manner.

### A commitment shared with our partners and suppliers

We do not just set ourselves ambitious goals for safety and security, health and environmental protection; we expect our business partners to aim equally high. In particular, we count on our suppliers to be fully engaged with these goals, and work with them to improve their sustainability performance.

### Creating a responsible risk-awareness culture

Throughout BASF, we work continuously to prevent accidents and injuries and to protect our environment – not just by following regulations and procedures, but also by creating a culture in which everyone feels responsible for reducing risks and promoting safe working practices.

## ? Why should we care?

Because our own future, and that of future generations, depend on protecting our environment, and nothing is more important than safeguarding people's health and safety – responsibilities which we all share, in pursuit of sustainable business success.

## ! Ask yourself:

- Do I know what to do in a health or safety emergency?
- Do I sometimes perform tasks I am not properly trained for?
- Do I know the hazards of chemicals, so I can handle them safely?
- Do I ever take safety "short cuts" because I feel under pressure to get work done?

## i Find out more:

Do not take any chances on safety. If you notice anything potentially dangerous, or have any concerns at all, talk to your manager or a safety expert, without delay.



# We protect

Sharing information is a vital everyday part of conducting our business. But our success also depends on our ability to protect **sensitive company information** from any unauthorized disclosure or misuse. We adhere to strict standards when we handle **personal data**. Dealing with tangible assets is equally important and so we always handle **company property** with care. The same standards of honesty and integrity are applied in order to keep **accurate books and records**. We make use of the chances of **digitalization** and steer this transformation responsibly.





**We** protect the information our success is built upon.

Sharing information within BASF and with our partners enables us to create value for the company and our customers, and to benefit from the wealth of knowledge of our employees. To protect our know-how, we take every reasonable measure to prevent unauthorized disclosure or misuse, across all our business activities and every form of communication.

### Information Protection and Cyber Security

We build on our intellectual property because confidential information and intellectual property of many kinds – from individual expertise to internationally protected patents – are some of our most valuable assets. So, we take the greatest care to protect them and respect the intellectual property of others.

We comply with all applicable policies, requirements and guidelines on Information Protection and Cyber Security, and regulate consequently the sharing of confidential information. We do not share confidential information on social media or in public places.



### Our key components of Information Protection:

- We regard information protection as part of our everyday work.
- We share information to create value for BASF (need-to-share principle) but also limit access to information worth protecting to authorized people (need-to-know principle).
- We transport and store information carriers securely and dispose of them properly.
- We protect information when traveling or off-site.
- We use all information technologies securely.

### ? Why should we care?

Because our ideas, our inventions, our innovations, and our technical know-how, are the lifeblood of our business, and extremely valuable assets. Naturally we do our best to protect our intellectual property, while treating confidential information belonging to others with the same respect. The same is true for non-public information. Using price sensitive non-public information when trading shares or unauthorized business communication could be gravely damaging to trust and confidence in us and the integrity of the markets.

### ! Ask yourself:

- Who owns this information or knowledge, and am I free to share it with others?
- Has the term of my licensed use expired?
- Do I use specific information I obtained from a previous job?
- Is someone infringing BASF's intellectual property rights, or could we potentially be infringing someone else's rights?



## Insider trading

When we have access to inside information, we do not use it to trade in, or recommend trading in, financial instruments and we never disclose such information. Trading in shares or other financial instruments while being in possession of relevant inside information is strictly prohibited. We always handle sensitive company information responsibly.

In our working lives at BASF, we may well have access to non-public information about BASF, or the affairs of a third party, which could have an impact on the value or price of publicly-traded securities, in particular BASF shares. Insider trading laws prohibit making use of such inside information in securities trading or disclosing it to third parties, including friends or family. And anyone violating these laws may face severe criminal penalties and financial liability.

## External communications

Of course, like every successful business, we are keen to communicate openly, clearly and accurately with everyone from employees and customers to shareholders and suppliers. But, whatever form the communication takes, we think carefully about what we want to say. To ensure we comply with all legal requirements, and protect our company's interests, we have specialists and teams responsible for communications.

Unless we receive prior approval or use already published content, we do not speak on behalf of BASF when presenting our personal views at events, in the public, or on the internet, including social media. When we express personal views, we ensure they are clearly labeled as such, particularly in any situation where people may assume that we are representing the views of our company.

In all our communications, we are always careful to ensure that what we say won't cause harm, or damage BASF's reputation.

## Social media

Social media are part of the business mainstream. In terms of responsible use, the rules that apply here are generally the same as those for traditional media.



## Ask yourself:

- Is this information I intend to share public knowledge or only for internal use?
- Could this information offer me or anyone else an unfair advantage when deciding whether to buy or sell securities?
- Am I sharing only the inside information this person really needs to do their job?

## Find out more:

If you are in any doubt, talk to your manager, the Information Protection Officer, the Compliance Officer or the legal and IP experts.



**We** take care to protect personal data.

In our everyday business activities, we collect and handle personal data relating to individuals, such as employees, customers and business partners. We never forget this data is private and must be treated with respect – not just because laws strictly demand it, but also because it is the right thing for a responsible business to do.

### Personal data

We are committed to respect the personal rights of everyone. We adhere to strict standards when we handle personal data. All personal data collected by us will be processed fairly, transparently, carefully and in full compliance with the applicable legal requirements.

Protecting personal data is part of doing business with integrity. It is not only our responsibility or a legal obligation, in the digital world it is our license to operate. Protecting personal data means preserving the trust our customers and business partners place in us. Putting the customer at the center is about more than meeting expectations. It is about continuing to earn and preserve their trust.



Remember that the protection of personal data is strongly enforced by laws. The protection of personal data is therefore a permanent task. We have to keep checking ourselves and ensure the protection of personal data in our daily work, new developments and processes. If you become aware of an error in the processing, handling or securing of personal data, or if you have any doubts as to whether certain processing procedures comply with the legal requirements, speak up and contact your manager, the legal experts, your local helpdesk or the Data Protection Office directly.

### ? Why should we care?

Because in a world where we are increasingly using data and advanced information technologies, it is more important than ever to ensure our stakeholders trust how we treat their personal information. Therefore, we process personal data only to the extent necessary and handle it in a confidential and discreet manner. In case of any doubt, just consider how you would feel if the personal data were your own.

### ! Ask yourself:

- Do I need access to this personal data and if so, am I handling it properly?
- Would I feel comfortable if it were my personal data being processed?
- Would it harm anyone if I lost this personal data or made it available to an unauthorized person? Have I done everything to prevent this?

### i Find out more:

If in doubt or if you need more information, contact your manager, the legal experts or the Data Protection Office.





**We** leverage digitalization across the company.

It is no exaggeration to say that digital technology is changing almost every aspect of our lives. And, of course, for companies like BASF, that poses some challenges, as traditional business models and norms are disrupted. But we are excited by the amazing opportunities offered by digitalization to create additional value for our customers, improve the efficiency of our processes, and strengthen our capacity for innovation.

### Digital responsibility

We are an innovation-driven and forward-thinking company. To ensure our long-term success and support the success of our customers, we make use of the chances of digitalization. We thoughtfully and efficiently integrate its benefits into the way we do business and leverage its potentials for our business conduct as well as for our products and customer solutions.



Digitalization is crucial to staying competitive and is therefore one of our strategic action areas. To stay ahead of the competition, we need to accelerate the execution of digital projects and build strong digital capabilities throughout the company. Technologies like augmented reality, machine learning, cloud computing, AI, or others are often used to create exciting customer experiences, new digital business models or make processes more efficient. We also recognize the significant impact of digitalization on our employees, our customers, and wider society and are committed to steering this transformation responsibly and ethically, for the benefit of all stakeholders, by, for example:

- Ensuring that developments and usage are driven by our values and the principles laid down in our Code of Conduct.
- Developing digital solutions in a collaborative, multidisciplinary, and diverse way – and using them inclusively, to empower our employees, customers and other stakeholders.
- Seeking to avoid the creation or reinforcement of unfair bias.
- Acknowledging that many challenges will require broader discussions across industries, disciplines and borders, and being an active voice in this debate.

### ? Why should we care?

Digitalization enables us to create new exciting customer experiences which is why we make it a priority in the entire company. This way we want to continue to lead the digital transformation in the chemical industry.

### ! Ask yourself:

- Does my digital solution enable exciting customer experiences without neglecting data protection and privacy?
- Are the benefits of our new digital solution adequately communicated, i.e. with full transparency on data usage as well as opportunities and borderlines?
- Have we developed new digital solutions in a collaborative, multidisciplinary and diverse way to better serve our customers' needs?

### i Find out more:

Further information on the digital transformation at BASF can be found online.

If in doubt, talk to your IT or legal experts or to your Compliance Officer.





## We take care to handle company assets responsibly.

From stationery and office furniture to computers and cars, there are many kinds of company property that enable us all to do our jobs to the best of our ability. Naturally, we treat all such assets responsibly, protecting them against loss, damage, theft or misuse. And of course, exactly the same applies when we handle property belonging to any of our customers, business partners or other third parties.

### Company property

We regard it as fundamental to our values that all of us in BASF should handle company property with due care and respect. And not just physical assets, it is equally important to be responsible in the way we deal with intangible assets, such as intellectual property rights, copyrighted material, financial records, and also our brand reputation.



Our facilities, production lines, processes, and materials are highly valuable assets – for which we all share responsibility. We handle them with care, and ensure they are not damaged, wasted or misused. Company computers and other equipment are for work, not personal use – unless explicitly stated, for example regarding the use of mobile phones, company cars or internet use on the premises.

Different rules may apply in different countries, so we always make sure we are informed, or ask for advice. We all commit to the relevant corporate policies covering the protection of company property.

### ? Why should we care?

Because, just as we would all expect our personal property to be treated responsibly by others, so we should invariably handle company assets with care and respect – not least when they belong to business partners, whose trust and good will are of vital importance to us.

### ! Ask yourself:

- Am I treating this company asset as a reasonable and responsible person would do?
- Is this use of company property primarily for business purposes?
- Have I done whatever is necessary to prevent damage to, or misuse of company property or the property of our customers, business partners and other third parties?

### i Find out more:

For more detailed information on policies relating to protection of company property, see the chapter on **Sensitive company information** (page 42) and on **Protection of personal data** (page 46).





**We** build trust with reliability and transparency.

For our company to be regarded as trustworthy by all our stakeholders, the accuracy and integrity of our books and financial and non-financial records must be beyond question. In addition, of course, any irregularities in accounting or reporting can have serious consequences, for the company and the individuals responsible. Our internal control systems are essential to ensure that the numbers and records always comply with the relevant legal requirements.

### Accurate books and records

We are convinced that keeping accurate records which give a fair, transparent and complete picture of our business is a critically important responsibility that lies in all our hands. We expect the same standards of honesty and integrity to apply across all business records, from research results to expense claims.



We strictly comply with all statutory requirements for proper accounting and financial reporting as well as tax laws and regulations. We further place the highest importance on creating records that reflect the true nature of the transactions and activities they document.

### ? Why should we care?

Because accurate and reliable information about our company's activities and financial performance is not just a legal obligation; it is critical to our decision-making, and to maintaining the trust and confidence of our customers, business partners, investors and other stakeholders.


### ! Ask yourself:


- Have I documented this business transaction or activity accurately?
- Have I asked questions about the reliability of the information recorded?
- Would someone who is not familiar with this transaction or activity be able to understand it?
- Have I stored all relevant information?

### i Find out more:

If you are not sure whether a transaction or activity is properly recorded, ask your manager, accounting experts or your Compliance Officer.

# We are here to help! Contact us:

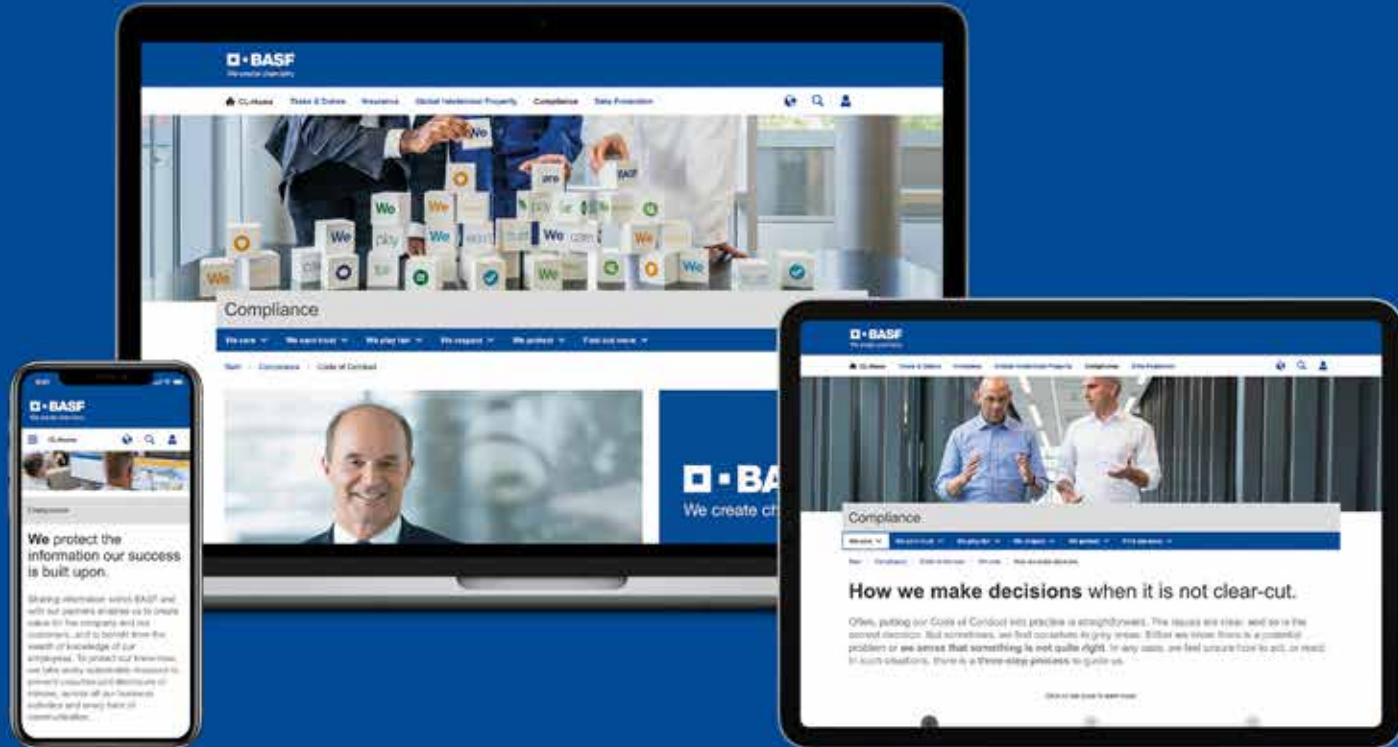
 Talk to your supervisor or find your Compliance Officer to raise your concerns.

 Find your respective Compliance Hotline to raise your concerns.

 Send us an email ([compliance@basf.com](mailto:compliance@basf.com)) or use our suggestion box to share your comments and ideas.

 [basf.com/compliance](https://www.basf.com/compliance)

# Find out more:



More information on all topics can be found online in our **interactive Code of Conduct**. Visit it now to find further information, links and additional features.

For employees:



[compliance.basf.net](https://compliance.basf.net)

For external users:



[basf.com/compliance](https://basf.com/compliance)





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