

2021



# chemistry for a sustainable future

At BASF Canada, we strive to create positive value for society. The urgency of environmental and social challenges we face is clear, and as a corporate leader, our responsibility to our employees, customers, and the communities in which we operate has never been greater. The COVID-19 pandemic is changing the world as we know it, and people's health and well-being are at the forefront of this crisis. The pandemic has heightened the importance of business resiliency, and we have continued to focus on our priorities of protecting people, minimizing impact to our customers, proactively managing risk across our supply chain, and keeping BASF strong for the future. We live our corporate purpose by sourcing and producing responsibly, acting as a fair and reliable partner, and connecting innovative minds to find the best solutions for market needs.

Learn more about sustainability initiatives at BASF Canada here:  
[www.basf.com/ca](http://www.basf.com/ca)

# sustainable solutions



We understand and provide solutions for key industry trends and challenges.

Through science and innovation, we enable our customers in nearly every industry to meet the current and future needs of society.

We understand and provide solutions for key industry trends and challenges. Accelerators are products within our portfolio that contribute most to sustainability based on economic, environmental, and societal indicators. By engaging with customers across various sectors, including agriculture, mobility, mining, oil & gas, automotive & construction, and personal care, we understand sector-specific sustainability risks and challenges and accordingly provide suitable accelerator solutions.

In order to deliver value to our customers, we align our product portfolio to our robust sustainability indicators and continue to advance R&D efforts. We are focused on providing solutions to help our customers meet and exceed their sustainability performance.

### Engaging on Sustainability Priorities

In 2020 we held multiple engagement workshops to understand the sustainability priorities of our customers and build awareness on accelerator product solutions. Our customers welcome partnership with BASF to help them build their sustainability strategies, and we continue to engage them on signature sustainability projects focusing on circular economy and the SDGs.

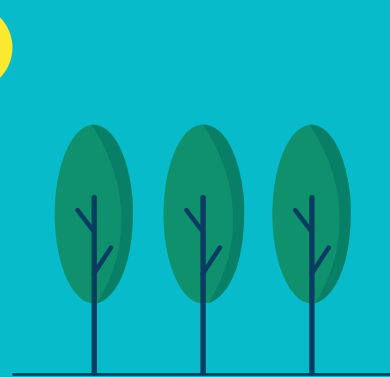


### BASF Group Goal

Increase the sales of Accelerator solutions to €22 billion by 2025.

ENERGY AND GHG EMISSIONS

# climate protection



BASF Canada is continuing to enhance energy efficiency across our operations and reducing emissions from our production and value chain. We do this through our formal Carbon Management Program. Our carbon reduction strategies are guided by the level of control we have over operations and our impact on the environment. Across our operations, our climate change mitigation efforts focus on energy optimization, deploying technologies, and using renewable energy. We are continuing to enhance the tracking of emissions data across our operations in order to identify opportunities for reduction.



### BASF Group Goal

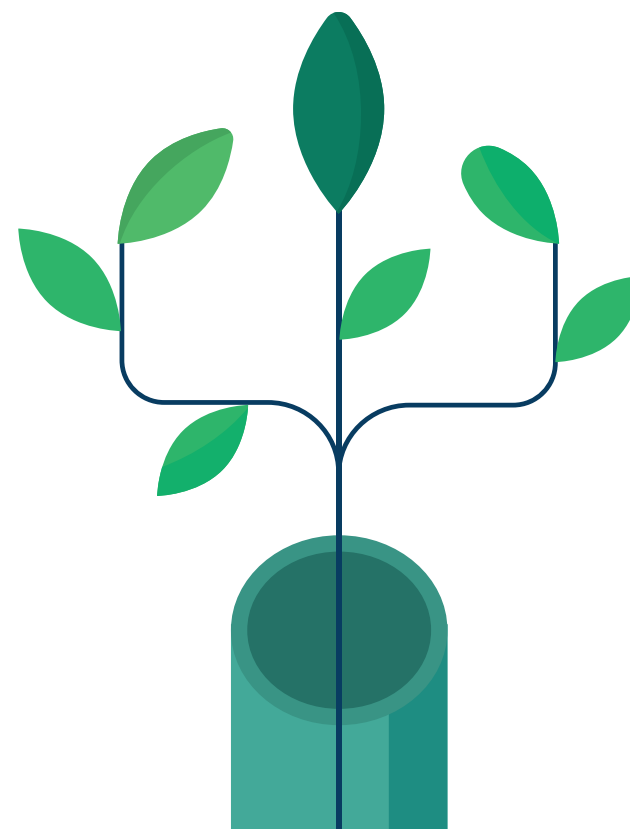
25% reduction in CO2 emissions already by 2030 and net-zero CO2 emissions globally by 2050.<sup>1</sup>

<sup>1</sup> Based on Scope 1 and Scope 2 emissions of the BASF Group; other greenhouse gases are converted into CO2 equivalents according to the Greenhouse Gas Protocol

# circular economy

The chemical industry is well-positioned to enable other industries to become more circular. BASF is driving a circular economy by making the most of the limited resources of our planet. Using a closed-loop approach, we are committed to improving resource efficiency, preventing waste, enhancing reusability and repairability of our products, and turning waste into resources, where feasible. We supply many inputs that enhance product circularity.

CIRCULAR ECONOMY



CARING FOR OUR PEOPLE & COMMUNITIES

“The coronavirus pandemic posed major challenges across society. The last year demonstrated that only together can we succeed in overcoming this crisis. At BASF Canada, the well-being of our employees and communities, and supplying our customer in the most sustainable way possible, is of highest priority for us.”

Apala Mukherjee  
President  
BASF Canada

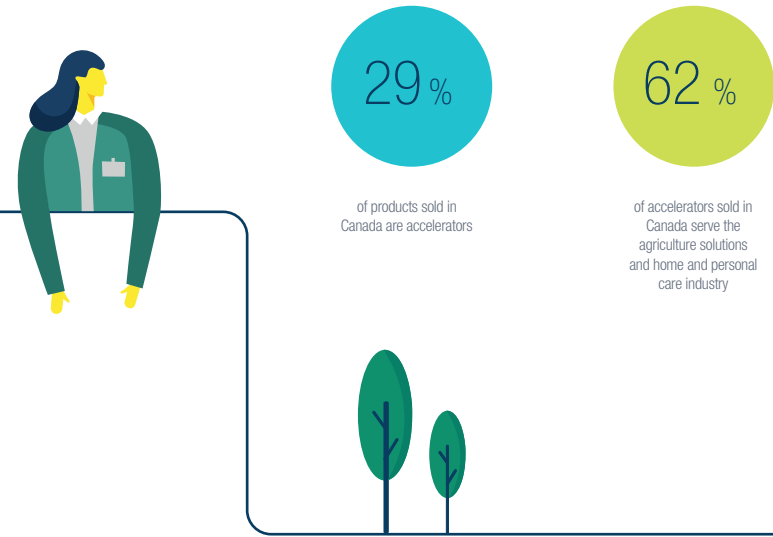


# community engagement

At BASF Canada, we take great pride in creating a safe environment that enables our people to thrive. We mobilized tools and resources to protect the health & well-being of all our employees. Such initiatives included providing personal protective equipment (PPE), access to telemedicine services and online support for mental health. We continue to take serious measures to ensure the protection of our employees. We shared our pandemic resilience best practices with industry stakeholders and were recognized by the Chemistry Industry Association of Canada for our swift and comprehensive response, which focused on the following aspects: awareness, preparedness, resistance, navigation, recovery and resilience.

PROACTIVE PRODUCT STEWARDSHIP

## Contributing to Canada's Clean Revenue



### Accelerator Product Highlight: Plantaren®

Plantaren® is a line of Alkyl polyglucoside (APG®) surfactants used in multiple applications, including face wash, body wash and liquid hand soap. Plantaren® products are made from 100% natural, renewable, plant-derived feedstocks and produced with a low carbon footprint. Products like Plantaren and others offered by BASF's home and personal care industry are used to support Hand Hygiene Formulation in Response to COVID-19.

### Supporting our Customers on Their Sustainable Development Goals (SDGs) Journey

In collaboration with Global Compact Network Canada, BASF Canada hosted a virtual SDG mapping workshop for our customers from various industries including, agriculture, automotive, personal care, energy, in 2020. Through our partnership activities, we continue to bring awareness, tools, and resources to help our customers link their products and solutions to SDG impact.

### Recognizing Customer Sustainability Leadership

BASF Canada launched the Customer Sustainability Awards Programme to recognize customers who are demonstrating leadership in building a sustainable future, and particularly those who are doing so through innovation and integration of sustainability goals into their business strategy. The Awards Programme applicants represented various sectors, including home and personal care, agriculture, automotive, construction and packaging. Winners were recognized across the following categories: Sustainability Champion, SDG Leadership, Sustainability Innovation and Small Business Sustainability Leader.

[Learn more](#)

## ENERGY AND GHG EMISSIONS

## Leveraging Renewable Energy

### with Bullfrog Power

Through our partnership with Bullfrog Power, we are reducing our environmental impact and supporting Canada's growing renewable energy industry.



8

BASF's Canadian facilities powered by renewable energy



1,598

Cars off the road for the year

The renewable energy commitment resulted in equivalent of taking nearly 1,598 cars off the road for the year.



50%

reduction in emissions

BASF Canada halved our emissions in Canada by allocating our purchase of renewable energy to our sites in Alberta and Saskatchewan



7,363 tCO2e

Saved with bullfrog power since 2018

By allocating our renewable energy purchase to our sites located Alberta and Saskatchewan, BASF Canada has reduced our site-level emissions footprint by 50%. During the twelve-month period ending in December 31 2020 BASF Canada purchased renewable energy from Bullfrog power in the form of EcoLogo® certified renewable electricity certificates. The following is the breakdown of the renewable energy mix as part of this purchase:

### Alberta

Of the renewable electricity certificates sold and retired by the Bullfrog on behalf of BASF Canada in Alberta:

- 100% of the renewable electricity was generated by wind generation facilities
- 100% of the renewable electricity was injected onto Alberta's provincial power pool

### Saskatchewan

Of the renewable electricity certificates sold and retired by Bullfrog on behalf of BASF Canada in Saskatchewan:

- 100% of renewable electricity was generated by wind generation facilities
- 100% of the renewable electricity was injected onto Saskatchewan's provincial power pool

### Ontario

Of the renewable electricity certificates sold and retired by Bullfrog on behalf of BASF Canada in Ontario:

- 100% of the renewable electricity was generated by wind generated facilities
- 100% of the renewable electricity was generated was injected onto Ontario's provincial power pool

BASF Canada and Bullfrog Power share our vision for creating a circular economy. As such, in 2020 we partnered to co-produce a documentary on circular economy called 'The Afterlife of Waste', which was premiered in April 2021. The documentary officially launches in Fall 2021.

[Learn more](#)

## Advancing Subject Matter Expertise



### Funding future leaders for transition to a circular economy

BASF Canada has partnered with McMaster University as the industry advisor to the first Circular Economy certificate course in Canada. We are invested in the growth and development of our employees to build knowledge and skills that contribute to a circular economy. We have also extended this program to our customers, providing them with the opportunity to gain foundational knowledge on this topic.

### Driving circular economic models: reciChain Pilot Program

### Envisioning plastics circularity

As a whole, Canada recycles just 9% of its plastics, which means that \$7.8 billion of total value is trapped in non-recycled recyclables! In response to one of the most pressing environmental challenges – plastic waste, BASF Canada launched the reciChain pilot in British Columbia in partnership with Deloitte as a strategic advisor.

reciChain is aimed at introducing a more sustainable alternative to the linear economic model, reducing plastic waste, maximizing its value, and enhancing resource efficiency. The platform combines the power of blockchain with a digital badge and loop count technology that enables the secured sharing of data among market participants while improving the sorting, tracing, and monitoring of plastics throughout the value chain. Looking forward, our vision is to expand reciChain to a nationwide solution in order to position Canada as a leading country in the recycling and recovery of plastics.

[Learn more](#)

### Mobilizing Knowledge Sharing & Building Capacity

### Contributing to an industry playbook

The Enabling a Circular Economy for Plastics Working Group was launched in 2020 by BASF Canada and Global Compact Network Canada to find solutions that optimize recycling processes, encourage product design and innovation for recycling, and capture the value of plastic waste to enable a circular economy. This cross-sectoral working group released the How to Launch a Plastics Circularity Pilot Industry Playbook to enable companies to advance circular economy efforts.

[Learn more](#)

## CIRCULAR ECONOMY

## Pandemic Resilience

### Pandemic Resilience

With the goal of helping overcome bottlenecks for hand sanitizer resulting from a significant increase in demand, BASF Canada pivoted its production site in Windsor, Ontario, to instead produce hand sanitizers for donation to health care facilities, essential services, and Indigenous communities, including the Hiawatha First Nations Health Centre, Naandwechige-Gamig Wikwemikong Health Centre, Assignak Family Health Team and Keewatin Tribal Council. This was the result of the agility and diligence of our employees, who came together to respond to the critical need.

>10,000 litres of hand sanitizers donated across Canada

We also joined forces with industry stakeholders to support the development of Rapid Response Platform, a central supply and demand matchmaking platform aimed at quickly addressing supply shortages of PPE and critical COVID-19 related products.

40,000+ matches made through the Rapid Response Platform to address PPE related supply shortages

## CARING FOR OUR PEOPLE & COMMUNITIES



Moreover, BASF Canada's Agricultural Solutions team launched a virtual food drive in partnership with Food Banks Canada to help maintain access to healthy, safe food for Canadian communities during this time.

3,000+ food banks and community agencies supported across Canada through the virtual food drive

\$64,000 contributed to Food Banks Canada

### Diversity, Equity & Inclusion

Openness is one of our corporate values, which is why we welcome all talent and more importantly, once they are hired, we want them to feel a sense of belonging. We aim to foster an inclusive workplace that values the diversity of our employees' talents, experiences, and ideas. In 2020, we established our Diversity, Equity & Inclusion Strategy to integrate our efforts across the organization and make this a hallmark of our work and customer experience. We are committed to looking inward to accelerate the work we must do to become a more diverse and inclusive organization.

Blueprint for Gender Equality Leadership in Private Sector: BASF Canada is a member of this project coordinated by the Global Compact Network Canada, which aims to develop, test, and implement tools to eliminate barriers faced by women in the workplace.

Target Gender Equality: BASF Canada is also a participant of this accelerator programme, which is designed to support companies in setting and reaching ambitious corporate targets for women's representation and leadership, starting with the Board and Executive Management levels.

# ENABLING POSITIVE IMPACT



## Measuring Holistic Impact

BASF is a founding member of the Value Balancing Alliance (VBA), which aims to change the way companies report on their performance by introducing a global measurement that integrates sustainability into financial reporting. The result: a more holistic view of corporate activity – one that combines financial performance and contribution to society! At BASF Canada, we are piloting the VBA methodology to measure the holistic impact of corporate activity on the environment and society in monetary terms. Together with VBA, BASF Canada led roundtable discussions at GLOBE Capital 2021 with key stakeholders representing various sectors of the Canadian economy, including energy, manufacturing, financial, waste management, real estate, and the public sector. The sessions were designed to build awareness among the Canadian business community about the importance of enabling inclusive value creation and incorporating natural, social, and human capital into accounting to strengthen integrated thinking, decision-making and reporting.

## Supporting the UN Sustainable Development Goals

At BASF Canada, we contribute to the achievement of the UN Sustainable Development Goals (SDGs). We are a founding member of Global Compact Network Canada and implement the ten principles conceived by the Global Compact within the organization. BASF Canada has consistently achieved recognition for its sustainability performance and leadership including in 2020 when we were recognized for the Canadian SDG Accelerators Awards for our commitment to SDG #17: Partnership for the Goals.

## Our Contribution



Primary Focus

Partnerships for the Goals  
Goal 17



Zero Hunger  
Goal 2



Decent Work and  
Economic Growth  
Goal 8



Gender Equality  
Goal 5



Responsible Consumption  
and Production  
Goal 12



Affordable and  
Clean Energy  
Goal 7



Climate Action  
Goal 13

## Awards & Recognition

Global Compact Network Canada 2020 Canadian SDG Accelerators Awards (Large Company Category)  
Corporate Knights Top International Corporate Citizens of 2020  
2021 Canada's Top 100 Employer Award  
2020 Canada's Safest Employer Award (Chemistry Category)  
2021 Greater Toronto's Top Employers  
2021 Top Employer for Canadians Over 40