



We create chemistry

BASF Canada Construction Solutions

Our Purpose

We create chemistry for a sustainable future.

We want to contribute to a world that provides a viable future with enhanced quality of life for everyone. We do so by creating chemistry for our customers and society and by making the best use of available resources. We live our corporate purpose by: sourcing and producing responsibly, acting as a fair and reliable partner, connecting creative minds to find the best solutions for market needs.

For us, this is what successful business is all about.



Our targets: Measuring success



Financial targets

- Grow sales volumes faster than global chemical production
- Increase EBITDA before special items by 3% to 5% per year
- Achieve a ROCE* well above the cost of capital percentage every year
- Increase the dividend per share every year based on a strong free cash flow

* Return on capital employed (ROCE) is a measure of the profitability of our operations. We calculate this indicator as the EBIT generated by the operating divisions as a percentage of the average cost of capital basis.

** Accelerator products are intended to contribute to sustainable development.

Non-financial targets

- CO₂-neutral growth until 2030
- €22 billion of sales with Accelerator products** by 2025
- With sustainability evaluations we cover 90% of our relevant spend by 2025 and 80% of suppliers improve their sustainability performance upon re-evaluation
- More than 80% of our employees feel that at BASF they can thrive and perform at their best

Global key measures

- Decouple our CO₂ emissions from organic growth through a Carbon Management program.
- Invest in cutting-edge technologies to speed up the transition to a circular economy, such as our ChemCycling project.
- Further increase our sales from Accelerator products, which are designed to contribute towards the potential for sustainability in the value chain.

BASF Corporate Commitments

Our Corporate Commitments cover every part of our value chain and operations to deliver long-term business success

Suppliers

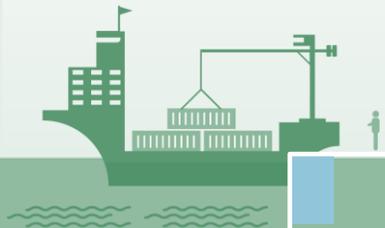
BASF operations

Customers

And along the value chain...

We source responsibly

We connect across our supply chain, we collaborate closely with suppliers, we source responsibly.



We produce safely for people and the environment

We take care of our employees, we operate responsibly, we produce safely – for people and the environment.



We produce efficiently

We use resources in a circular, efficient way – an approach that's at the heart of our Verbund principle – we continuously improve our operations, we produce efficiently.

We drive sustainable solutions

We bring innovative minds together to solve great challenges, we assess our solutions, which are designed to drive sustainability, then we shape our portfolio accordingly.

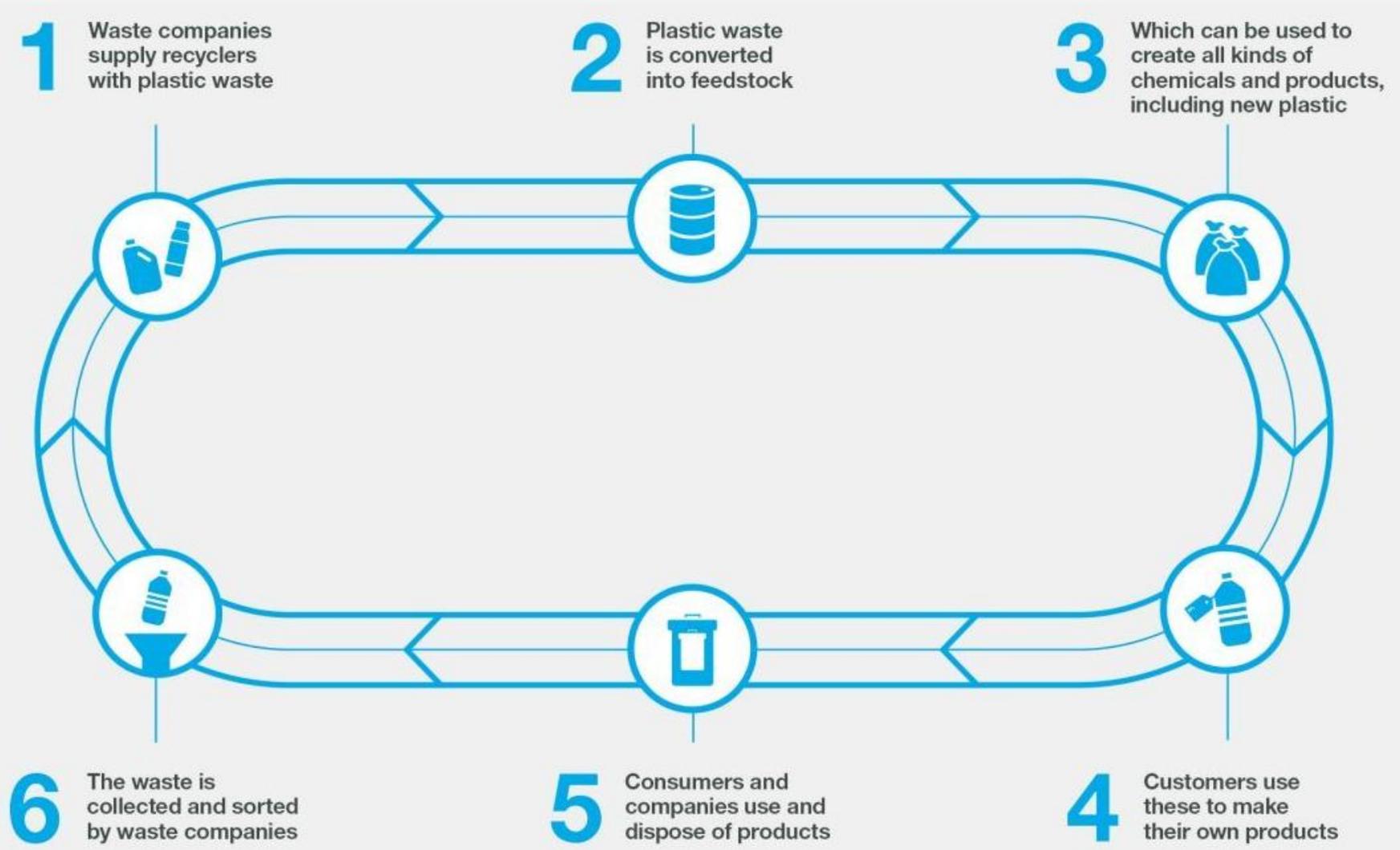


We value people and treat them with respect

We motivate and engage, we champion appreciation and fairness, we value people and treat them with respect.



Contributing to a circular economy through ChemCycling



We drive Sustainable Solutions

Leverage our innovation power to achieve €22 billion in Accelerator sales in 2025

Sustainability Indicators

Economy



Cost Savings

Society



Health and Safety



Hunger and Poverty

Ecology



Biodiversity



Renewables



Climate change



Energy



Emissions



Biodegradability



Resource efficiency



Waste reduction



Durability



Water



- We aim to increase the sale of products classified as Accelerators.
- Accelerators are products within our portfolio that contribute most to sustainability based on economic, ecological and societal indicators.
- Sustainable Solutions Steering, a BASF trademarked methodology externally verified by PwC GmbH, uses these indicators to classify our products

Partnerships

Through our partnership and memberships, we strive to be a lead contributor towards corporate sustainability in Canada.

Sustainability and Business Partnerships



Multi-stakeholder Initiatives



Sustainability Leadership



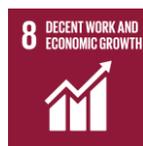
Industry Associations



This is a sample of industry associations that BASF Canada belongs to.



Through our business we contribute to the UN SDGs



Construction Solutions

BASF works closely with industry stakeholders to enable successful sustainable construction projects. With BASF chemistry, buildings can be more durable and require fewer resources for maintenance, making them more energy efficient.

Our comprehensive construction solutions portfolio includes:

- spray foam insulation
- pervious paving
- adhesives & sealants
- wall systems

Contributions to Canada from Construction Solutions Industry



Canada invested \$85 million in infrastructure assets



80% of residential energy consumption is used for space and water heating



Population projected to reach 9 billion people in 2050 with 3/4 of this population living in cities



Canada is actively engaged in lowering fossil fuel use in building construction and operation



All new buildings, developments and major renovations carbon neutral by 2030 to meet national target



20% of construction workforce in Canada retiring over next decade, increasing the need for technology and automation



Trends

Renewable energy and energy efficiency for buildings related to cooling, heating and electricity supply.

Renewable and low carbon and (e.g. wood or low carbon cement) as well as health and safety-compliant materials (e.g. reducing toxic materials).



Renewable materials such as recycled/recyclable, and bio-based materials.



Construction Solutions

BASF works closely with industry stakeholders to enable sustainable construction projects. With BASF chemistry, buildings can be more durable and require fewer resources for maintenance, and making them more energy efficient.



Infrastructure

Pervious Paving

Expansion Joints

UG Construction

Shoreline Protection



Building Envelope

Roofing

Wall Systems

Adhesives & Sealants

Spray Foam Insulation



Raw Materials

Adhesives & Sealants

Construction Materials

Prefabricated Products

BASF Solutions – WALLTITE® CM01

BASF is helping lead the January, 2021 regulatory phaseout of hydrofluorocarbons (HFCs) with the introduction of WALLTITE CM01. Using hydrofluorolefins (HFOs) with lower global warming potential (GWP) compared to HFCs, WALLTITE CM01 is the next generation of spray foam insulation.

COMFORT

Helps prevent air leaks from outside, improving overall comfort of the home



ENERGY EFFICIENCY

Less energy required for heating and cooling resulting in lower utility usage



IMPROVED INDOOR AIR QUALITY

A tighter home envelope contributes to lower levels of humidity, dust and pollen inside the home



BASF Solutions – Elastopor®

Intelligent sandwich technology for efficient insulation, cooling, storage and transportation.

- Increased resource efficiency and decreased energy consumption
- High insulation effect even with low material thickness
- Extremely low thermal conductivity levels
- Prefabricated panels allow for rapid, and straightforward installation





We create chemistry