BASF Canada
Mobility

We create chemistry
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

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.

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

**Suppliers**

**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.

**BASF operations**

**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.

**Customers**

**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.

**And along the value chain...**

**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

1. Waste companies supply recyclers with plastic waste
2. Plastic waste is converted into feedstock
3. Which can be used to create all kinds of chemicals and products, including new plastic
4. Customers use these to make their own products
5. Consumers and companies use and dispose of products
6. The waste is collected and sorted by waste companies
We drive Sustainable Solutions
Leverage our innovation power to achieve $32 billion in Accelerator sales in 2025

Sustainability Indicators

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- 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

Through our business we contribute to the UN SDGs

Multi-stakeholder Initiatives

Sustainability Leadership

Industry Associations

This is a sample of industry associations that BASF Canada belongs to.
BASF operates closely with customers all over the world. We supply and develop functional materials and solutions that enable vehicles to be built and to operate more efficiently.

Our product range includes engineering plastics, polyurethane and specialty foams, coatings, pigments, catalysts, axle and transmission lubricants, fuel additives, coolants and brake fluids, as well as battery materials.
Contributions to Canada from Mobility Industry

Vehicle emissions accounted for approximately 50% of Canada GHG emissions, and 12% percent of the country’s total emissions.

The electrification of transportation is one of the most effective strategies for achieving sustainable transportation.

Canada surpassed 2 million new motor vehicles sold for the second year in a row in 2018.

$229 million in support of Clean Energy and Clean Transportation Innovation Programming

$120 million investment for electric vehicle and alternative fuelling infrastructure
Trends

Growth towards 10 billion people in 2050, with 70% living in cities, will trigger transformation to enable sustainable transport of goods and people.

Transitioning transportation to emission-free, while expanding public transport and car sharing services.

Electric vehicles are projected to be the most relevant trend in emerging technology, key regions for EVs are Asia, Europe and North America.
BASF Solutions

- Products designed to be efficient and promote sustainable development and growth for our customers

### Reducing emissions through innovative technologies

- Our innovative technologies shorten the coating process, save materials and improve productivity.
- Advantages of our Integrated Process II include:
  - Reduced CO2 emissions up to 20%
  - Save energy by as much as 15 – 20%
  - Lower material consumption
- Our technologies offer low volatile organic compounds (VOC) solutions or alternatives to critical substances
- Waterborne coatings
  - BASF is a pioneer of waterborne basecoats reducing emissions of volatile organic compounds (VOCs).

### Solutions to achieving a circular economy

- Our coatings protect and extend the lifetime of products
- Oxsilan®
  - An efficient and multi-metal pretreatment process.
  - The innovative thin-film technology is used for the pretreatment of premium car bodies and for the automotive component industry, appliance and construction industries.
- We offer services for our customers designed to improve their sustainability performance:
  - Global Training Network
  - Events for efficient painting
  - Eco-Efficiency Analysis of application processes