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.

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* 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.
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

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

Multi-stakeholder Initiatives

Sustainability Leadership

Industry Associations

This is a sample of industry associations that BASF Canada belongs to.
Our comprehensive construction chemicals portfolio includes:

- concrete admixtures
- waterproofing solutions
- concrete repair and protection solutions
- performance grouts
- performance flooring 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.
Contributions to Canada from Performance Materials Industry

- 80% of residential energy consumption is used for space and water heating.
- Canada invested $85 million in infrastructure assets.
- 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. no toxic materials).

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

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.
This home features the **HP+™** – an incredibly energy-efficient wall enclosure technology from BASF.

This advanced high-performance wall system uses the following BASF products:

+ WALLTITE® – a spray foam insulation and air/vapour barrier material
+ Neopor® – a graphite-enhanced rigid thermal foam insulation
+ MasterSeal® NP1™ – polyurethane sealant

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**Your HP+™ Wall System**

Your builder has chosen to work with our materials – backed by building science – to create a durable, more comfortable home for you.

**How does HP+ help make a home better?**

Several innovative construction materials combine to create a complete wall system that can offer advantages over a typical wall.

- **MORE COMFORTABLE**
  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.

- **DURABILITY**
  Reduced air leakage improves moisture control and increases the home’s durability.

- **STRONG**
  Walls with increased lateral load resistance.
Elastotite® ROCK GLUE

Resilient and durable, ROCK GLUE is a highly effective solution for erosion control and shoreline protection. It’s an open-pored revetment solution that maintains structural integrity and can be used in a variety of applications including shorelines, rivers, drainage channels, and other embankments.

- Porous and water-permeable
- Strong and resistant to weathering
- Reduces wave run-up
- Lower cost for construction and maintenance
- Seamless integration into environment
- Restores flora and fauna; protecting neighboring habitats

- ROCK GLUE is comprised of 50% renewable raw materials.
- ELASTOCOAST® uses renewable raw materials in its composition. The bulk structure is aggregate that can potentially be sourced from materials such as railway ballast or iron / steel slag.