

# Employees and Society

## ■ Employees

Employee engagement and empowerment are key to BASF's success. For years, BASF has been dedicated to fostering an inspiring work environment that connects employees and enables them to perform at their best. At BASF, we attract and retain talents while supporting their career development.

### BASF Corporate Commitment

**We value people and treat them with respect.**

## Recruitment and employer branding

- **15<sup>th</sup> year as a Top Employer in China: a milestone reflecting our commitment to our employees**
- **TOP START: a new program to nurture future leaders**
- **Talent preparation at Zhanjiang Verbund site is in full swing**

BASF is committed to creating a work environment where employees are valued and respected, with their development, well-being, and career aspirations prioritized. In 2024, BASF was awarded China's Top Employer for the 15th consecutive year, underscoring our consistent efforts to create an inclusive and innovative work environment.

In 2024, BASF introduced the TOP START international business leaders program in Greater China. The program is designed to enhance the company's talent pool, as well as attract and develop future leaders. This three-year program targets young university graduates and business professionals, with proven leadership potential and a global perspective. Participants based in China will spend at least one year abroad, benefiting from job rotations, training, and coaching programs.

At the Zhanjiang Verbund site, BASF is in full swing with its recruitment efforts, preparing for the full-scale production in late 2025. In 2024, over 200 fresh graduates joined Zhanjiang Verbund site from the dedicated BASF Class with collaborative vocational schools, and the "Blooming in Zhanjiang" graduate program has attracted more than 10,000 applications from university recruitment. Moreover, with an enhanced candidate database, BASF can swiftly screen applicants based on various job requirements. In 2024, hundreds of new employees with diverse backgrounds joined BASF at the Zhanjiang Verbund site.

## Career development

- **#moretalent in Operations: key initiatives empowering our technical teams**
- **"Grow": BASF's young graduate trainee program accelerates career development**
- **APAC Campus: exploring BASF's value chain**

The skills and competencies of the employees are essential for BASF's profitable growth and long-term success. We regularly update our career development plans to enhance employees' self-learning in independent and guided forms. We also empower frontline leaders through diversified upskilling programs to help them improve productivity and achieve operational excellence.

To strengthen the skill set and talent pool for operation positions (#moretalent in Operations) in Greater China, BASF initiated new programs with focus on enhancing technical expertise by offering comprehensive training resources, in order to ensure that employees are well-versed in their respective professional domains. We place great emphasis on skill identification in operation talents, thus we offer opportunities for job rotation to facilitate their career development as well as the growth of the company.

Established in 2009, BASF's "Grow" Graduate Program® (Grow) has attracted and developed numerous young talents. The program offers a comprehensive training curriculum and opportunities to engage with senior executives. Popular activities like "Flipped Class" and "Mentor4Grow" enable young talents to learn independently, participate in group discussions, and receive career guidance from senior management and alumni.

In 2024, the APAC Campus-Greater China session brought together 350 colleagues from across Greater China at the Shanghai Pudong and Zhanjiang Verbund sites. This two-day event connected employees with leaders, featuring interactive demonstrations and presentations on BASF's value chain. Programs and panel discussions delved into topics like operations, innovation, sustainability, and talent development, demonstrating their contributions to BASF's century-long success. BASF also places great emphasis on the practical implementation of the "Winning Ways" strategy by its employees. During the event, workshops were also held on how to integrate the "Winning Behaviors" into daily work.

To enhance frontline leadership and production efficiency, BASF launched two upskilling programs in 2024: the "Shift Foreman Master Forum" at the Shanghai Pudong site and the "Frontline Leadership Acceleration Program" at the Zhanjiang Verbund site. These courses integrated theoretical knowledge with practical skills, comprehensively enhancing the skill set of frontline employees.

Through these projects, we are committed to cultivating a strong talent pool that can not only solve current challenges, but also prepare for a safe, efficient, and sustainable future.

## Digitalization

### ■ Innovative HR solutions improved employee engagement

BASF Greater China launched the HR Service4you platform in 2024, to enhance employee engagement and streamline workflows. Integrated with the WeChat-based Employee Portal, it provides employees with 24/7 access to HR services. Additionally, the digital transformation of recruitment and onboarding processes, such as online offer and virtual orientation modules, enhanced the experience for new hires.



## Employee engagement and well-being

- **Global employee survey: Employee Voices**
- **Local initiatives enhanced employee well-being and engagement**

Employee engagement is crucial to BASF's long-term business success. Employee surveys and pulse checks are used as feedback tools to actively involve employees in shaping their work environment. Results are communicated to employees, the Board of Executive Directors, and the Supervisory Board.

In the 2024 global employee survey, BASF Greater China reported an 89% engagement rate (2023: 89%). 93% of employees in Greater China expressed motivation to contribute to BASF's success, reflecting their trust in the company and commitment to its goals. Employees also felt their suggestions on workplace safety were valued, underscoring BASF's focus on safety.

BASF prioritizes the physical and mental well-being of employees. In 2024, BASF organized a variety of activities to improve employee well-being, including diversified workshops, Health Day events, Gratitude Week celebrations, and the Women in BASF (WIB) activity series.

## Creating a diverse and inclusive workplace

- **Progress in Gender Equality: promoting female leadership**
- **Diversified Workforce: fostering inclusivity**
- **Women in Operations: building an equitable workplace**

At BASF, employees contribute their unique perspectives and skills in an inclusive environment. As a global company serving diverse industries, we promote workplace diversity to enhance creativity, motivation, and a sense of belonging.

BASF has set a global ambition to increase the proportion of women in leadership positions to 30% by 2030<sup>1</sup>. As of 2024, the global proportion of female leaders with disciplinary responsibility was 29.3% (2023: 28.4%). In Greater China, the proportion of female leaders was 29.4% (2023: 29.8%).

BASF supports an equal, respectful, and inclusive workplace. In 2024, BASF Greater China established Women in Operations (WiO), which aims to address workplace biases, give female operators a platform to voice out, and promote gender equality. Together with WIB, WiO serves as a role model for an inclusive and fair work environment.

**Number of employees in Greater China**  
(as of December 31, 2024)

2024

12,687

**Gender among BASF employees in Greater China**  
(as of December 31, 2024)

**73.4 %**

Male

**26.6 %**

Female

<sup>1</sup> In doing so, we act in accordance with applicable local laws.

## ■ Compliance

BASF is committed to upholding a high standard of legal compliance and business ethics. The group-wide Compliance Program aims to ensure adherence to legal regulations, the company's internal guidelines, and ethical business practices. Our Code of Conduct firmly embeds these mandatory standards into the day-to-day operations of our employees.

### Compliance Program and Code of Conduct

- **Code of Conduct as the core of BASF's Compliance Program**
- **Further developed BASF's compliance management system**

BASF's Compliance Program is based on the company's corporate values and voluntary commitments, as well as international standards. It describes BASF's commitment to responsible conduct and expectations of how all BASF employees interact with business partners, officials, co-workers, and the society. The Compliance Program's core is the global, standardized Code of Conduct. All employees and managers are obligated to adhere to its guidelines, which cover topics ranging from corruption and antitrust laws to human rights, labor, and social standards, conflicts of interest, whistleblower protection, trade control, and data privacy protection. The online version of the Code of Conduct is designed to be user-friendly and easy to understand, and it includes features such as case studies, FAQs, and additional references.

Through our Code of Conduct, we also aim to generate positive impacts on compliance culture in our own business activities and in the upstream and downstream value chain. Accordingly, we have embedded our responsibility for human rights in the BASF Code of Conduct and Supplier Code of Conduct and specified this in our Policy Statement on Human Rights.

Abiding by compliance standards is the foundation of responsible leadership. This has also been embedded in BASF's values. We are convinced that adhering to these standards will be critical in ensuring the company's long-term success. Our efforts are principally aimed at preventing violations from the outset.

BASF conducts continuous and systematic risk analysis to identify and assess material risks of compliance violations. Such analysis is conducted both at the divisional and Group company level through implementation of targeted local and unit-specific requirements, management and stakeholder dialogs and specialized trainings, as well as regular compliance audits performed by the Corporate Audit department. These audits serve as an additional source of information for the systematic identification of risks.

One of the key elements that we implement to prevent or mitigate the likelihood of compliance violation is requiring our employees to attend compulsory compliance trainings and workshops, which are conducted either in-person or virtually. Within a prescribed timeframe, all employees in Greater China are required to take part in basic trainings, refresher courses, and special tutorials dealing with, for example, issues relating to antitrust, money laundering, trade control, or other regulations that are relevant to such employees. Refresher trainings must be repeated every two years. Course materials and formats are constantly updated, considering the specific risks of individual target groups and business areas. In 2024, employees around the world were requested to refresh their knowledge in due course by attending the interactive online training courses.

### Compliance culture at BASF Greater China

We firmly believe that for corporate responsibility to be successful, there must be an active and high-standard compliance culture within the company that lives by these guidelines. We expect all employees to act in line with the principles embedded in BASF's Global Code of Conduct. Managers play an important role here – they serve as examples, communicating the company's values and culture both internally and externally. In line with this, we have conducted Code of Conduct trainings specialized for China leadership team of the research and development unit, and the Global Digital Service unit in 2024.

### Monitoring adherence to the compliance principles

At the global level, BASF's Chief Compliance Officer (CCO) reports directly to the Chairman of the Board of Executive Directors and manages the further development of the company's global compliance organization and Compliance Management System. The CCO is supported in this task by the Corporate Compliance unit and more than 100 compliance officers worldwide in the divisions, regions, and countries, including Greater China.

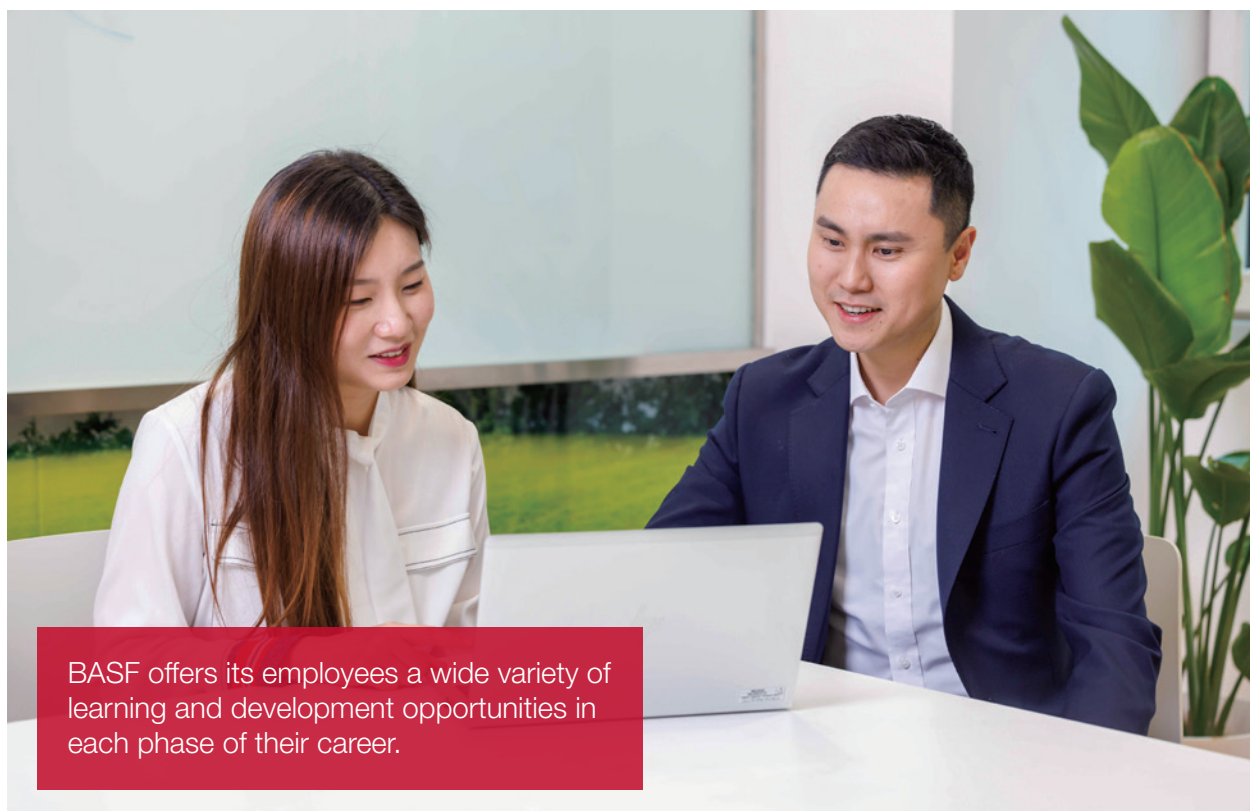
We encourage our employees (should they be in doubt) to seek guidance actively and promptly by consulting with their managers and specialist departments, such as the legal department, compliance officers and representatives of the company. Our employees can report potential violations of laws or company guidelines through a hotline or online reporting system, which are then documented according to specific criteria and investigated in line with standard internal procedures in a timely manner. The outcome of such compliance investigations and any measures taken are included in the relevant internal reports.

In 2024, the Regional Compliance team in Asia accomplished multiple tasks, such as rolling out the BASF Personal Information Protection Statement to employees in mainland China to ensure BASF's strict compliance with China data privacy laws, providing tailored compliance trainings on topics such as antitrust, workplace harassment and sexual harassment, and conducting systematic risk analysis at the divisional and Group company level and mitigating risks identified accordingly, as well as providing practical and timely guidance to business units.

During the Global Compliance Week in October 2024, the Regional Compliance team in Asia organized a face-to-face "Lunch & Learn" event with role plays at the Shanghai Pudong site. Effective training is essential to proactively address issues and prevent employees from inadvertently breaching the Code of Conduct and company policies. By identifying frequently violated compliance areas, the Regional Compliance team in Asia developed three role-play scenarios that highlight key compliance risks, including posting sensitive information like passwords in visible locations, privacy breaches from unauthorized social media videos, mishandling of personal data, as well as rules for exchanging commercially sensitive information with competitors. The Regional Compliance team in Asia collaborated with business trainees and young talents to create engaging scenarios based on well-designed storylines. It not only made the role plays user-friendly but also ensured that key messages resonated with the participants.

In 2024, the compliance phone hotline, online reporting system and other channels in Greater China received reports of alleged violations of BASF's Code of Conduct. BASF thoroughly investigated all cases of suspected misconduct and took appropriate measures, including enhancing control mechanisms, providing additional information and training, offering clarifications, and implementing disciplinary actions if necessary.

In 2024, the compliance team in Greater China has been dedicated to monitoring and maintaining our risk management system to respond to the continuous developments and complexities of China's Corporate Social Credit System (CSCS). The company has established an internal risk assessment mechanism and conducted monthly monitoring under a digitalized system with inputs from various divisions and Group companies. The company also offered timely regulatory updates, numerous compliance trainings, and one-on-one systematic dialogues with the key stakeholders. As a result of these initiatives, BASF has ensured a consistently high level of compliance performance in the CSCS area.



BASF offers its employees a wide variety of learning and development opportunities in each phase of their career.

## ■ Societal Engagement

Societal Engagement is a bedrock of BASF's corporate responsibility and an integral part of our sustainability management. Through our initiatives, we aim to strengthen ties with communities surrounding our global sites, contribute to the Sustainable Development Goals (SDGs), and create a long-term positive impact on the environment and the society.

### Stakeholder and community engagement

- **Engaged the Community Advisory Panels (CAP) to deepen community relations**
- **Continued dialogue with NGOs to enhance understanding**

At BASF, we strive to expand our business sustainably from economic, environmental, and social perspectives. To foster mutual understanding with neighboring communities and stakeholders transparently, BASF has implemented community programs in China for over two decades.

The Community Advisory Panels (CAP) serve as a vital platform for BASF to engage with local communities around its major production sites. CAP members, selected from local communities, meet regularly with BASF site management to discuss topics of mutual interest. BASF supports CAPs in Shanghai, Chongqing, Nanjing, and Zhanjiang.

In Shanghai, 20 representatives from the CAP and the community attended the 3rd meeting of the second session of the CAP at BASF Pudong site in May 2024. Participants visited the BASF Agricultural Test Station in Fengxian, where they learnt BASF's innovative agricultural solutions, participated in a plant protection knowledge contest, and engaged in field harvesting activities.

In Zhanjiang, the 9<sup>th</sup> CAP meeting was held in July 2024. BASF presented the latest progress on the construction of the Zhanjiang Verbund site to over 30 community and government representatives. The event also included a lecture on traffic safety and health knowledge, followed by exchanges and discussions on community-related topics. In December, the 10th CAP meeting, themed "New Beginnings, New Wishes", combined festive celebrations with discussions on future sustainable development plans. The meeting provided participants with a guided tour of the site, showcasing the latest construction progress and operational status of the Zhanjiang Verbund site. A dedicated session related to the commissioning and startup phase of the site has been provided to the participants as well.

BASF conducts regular dialogs with key non-governmental organizations (NGOs) to enhance understanding and build trust. The annual BASF Stakeholder Dialog was held in Shanghai in January 2025, attracting 20 representatives from key environmental and educational NGOs. With the theme of "Co-creating a Sustainable Future through Innovation", BASF executives and NGO representatives exchanged on topics related to green transformation, circular economy, and future solutions for co-creating sustainable innovation. BASF highlighted its sustainable solutions, while also encouraging various stakeholders to support the sustainable value chain.

### Science education

- **Inspired scientific aspirations among children through Kids' Lab**
- **Cultivated young talents through co-creation during Hackathon 2024**

Education is the key to personal success and social sustainability. For two decades, BASF has been committed to promoting science education in Greater China, and supporting the United Nations Sustainable Development Goals of #4, "Quality Education".

BASF Kids' Lab has inspired children in Greater China since 2002, reaching over 217,000 children in Greater China with interactive, hands-on experiments. In 2024, BASF organized its annual Kids' Lab program in seven cities across Greater China. More than 3,300 schoolchildren participated, engaging in safe and fun chemical experiments.

In Shanghai, Beijing, Chongqing, and Zhanjiang, two new experiments, "Fantasy Foam" and "Water Absorbent Magic", were introduced, allowing children to explore polymers and understand how material innovation enhances daily life. BASF also set up themed displays showcasing how its advanced materials improve sports performance and promote a healthy lifestyle.

In Taipei and Kaohsiung, the BASF Kids' Lab program engaged over 500 children in experiments like "Water Absorbent Magic

## BASF Greater China expenses for societal engagement activities in 2024

more than **€0.27 million**

World” and “Magic of Temperature”. The children learned about material properties and chemical phenomena, experiencing how innovation drives progress. Through the “BASF Little Farm”, they also learned about crop pests and diseases, appreciating the hard work of growers.

To cultivate young talent for the chemical industry, BASF supported Hackathon 2024 “X Yixun Youth”, a co-creation program organized by the China Petroleum and Chemical Industry Federation (CPCIF) and Business Ecology studio. For the fifth consecutive year, BASF supported the Hackathon event. BASF mentors guided the “Circular Economy Team”, exploring the recycling and reuse of disposable paper cups. They also enhanced participants’ understanding of circular economy and its business models.

## Social charity and volunteer activities

- **Called on employees to participate in donation, fundraising, beach cleaning and other public welfare activities**
- **Promoted sustainable community building and protected biodiversity in Zhanjiang**

BASF is committed to generating positive impact on the society through its engagement initiatives. Each year, BASF organizes various charity and volunteering programs in China, encouraging its employees to take part in creating a sustainable future together.

During 2024 World Earth Day, BASF donated 50 idle laptops, 60 sets of accessories, and 8 monitors to the NGO partner Shanghai Zhong Gu Charity Youth Development Center. The donation supported Zhong Gu’s “I Share – Green IT Classroom” project, providing schoolchildren in rural areas with access to digital skills.



The annual BASF Stakeholder Dialog, themed “Co-creating a Sustainable Future through Innovation,” discussed with NGO representatives on green transformation and circular economy.

BASF's Environmental Catalyst and Metal Solutions (ECMS) service unit organized the "Spread the Love and Donate" campaign in 2024. Employees from Shanghai and Guilin donated second-hand books, toys, and learning materials, which were sent to schools in Jiqu County, Qinghai, and Xiangshan district in Guilin. The division also organized the beach clean-up activities, promoting environmental awareness and sustainable living.

Following the earthquake in Hualien, Taiwan in April 2024, BASF and its employees raised NT\$562,200, which was donated to the Taiwan Foundation for Disaster Relief's "0403 Hualien Earthquake Fundraising Project", supporting local post-quake reconstruction.

In November, BASF participated in a beach clean-up activity at Baisha Bay in New Taipei City, jointly organized by the European Chamber of Commerce Taiwan (ECCT) and Taipei European School. 28 BASF employees and their family members collected approximately 115 kilograms of waste.

In Zhanjiang, BASF engaged with the local community through diversified programs such as free health clinics, environmental protection lectures, safety classes, bird-watching activities, mangrove-themed activities and Chinese White Dolphin conservation activities. These efforts promoted biodiversity, environmental protection, and community well-being.

In April 2024, BASF partnered with Zhanjiang Central People's Hospital to deliver free medical services in Tiaoshan Village, enabling villagers to access quality healthcare locally. The hospital dispatched 15 experts providing consultations to over 300 residents to enhance community health accessibility.

BASF also strengthened its commitment to biodiversity conservation through collaborations with local NGOs in Zhanjiang. In addition to initiating partnerships with the Zhanjiang Bird Watching Society since 2022 and the Zhanjiang Mangrove Wetland Conservation Foundation in late 2022, BASF expanded its efforts by joining the Zhanjiang Chinese White Dolphin Conservation Association in August 2024. Key activities included a mangrove-themed painting exhibition featuring 60 artworks by local primary school students, a mangrove planting event with over 100 volunteers planting 200 saplings on Donghai Island, and a community lecture on bird and Chinese white dolphin conservation. These initiatives highlighted the importance of environmental protection, promoted sustainability practices among the public, and fostered collective action to safeguard biodiversity.



In 2024, BASF organized Kids' Lab program in seven cities across Greater China. More than 3,300 schoolchildren participated, engaging in safe and fun chemical experiments.

## Prizes and awards

BASF received numerous accolades for its contributions to corporate social responsibility and sustainable development in Greater China. These included:

- China's Top Employer 2025 (15<sup>th</sup> consecutive year)
- "Star of Responsible Care" in CPCIF's 2023 Responsible Care Report
- "2024 Yangtze River Delta Region Annual ESG Responsibility Achievement Award", presented by the organizing committee of Charity Ceremony in the Yangtze River Delta
- "Social Contribution Award" by CPCIF MNC
- The honorary title to 2024 "Intellectual Assistance of the Disabled" Outstanding Collective Medal, presented by the Shanghai Association of People with Physical Disabled

Moreover, BASF also received multiple local recognitions for unwavering commitment to sustainability, innovation, and societal engagement.

- BASF was honored as one of the Top 10 "Invest in China" Excellent Cases 2024 by CMG Business Channel
- BASF (China) Co., Ltd. was listed in "Shanghai's Top 100 foreign-funded companies" for sales revenue, imports and export value, tax contributions, and job creation
- BASF Taiwan was honored with the "Golden Merchant Award" in the "Outstanding Foreign Companies" category at the 78th Golden Merchant Awards Ceremony
- BASF Zhanjiang Verbund site passed the national high-tech enterprise certification in 2024



BASF reinforced its biodiversity commitment by collaborating with local NGOs in Zhanjiang. Along with the Zhanjiang Mangrove Wetland Conservation Foundation, BASF hosted a "Mangrove Art Contest" to raise awareness about mangrove conservation in local communities.