

Partnership Conference – Steering a Portfolio towards Sustainability, January 28th, Berlin

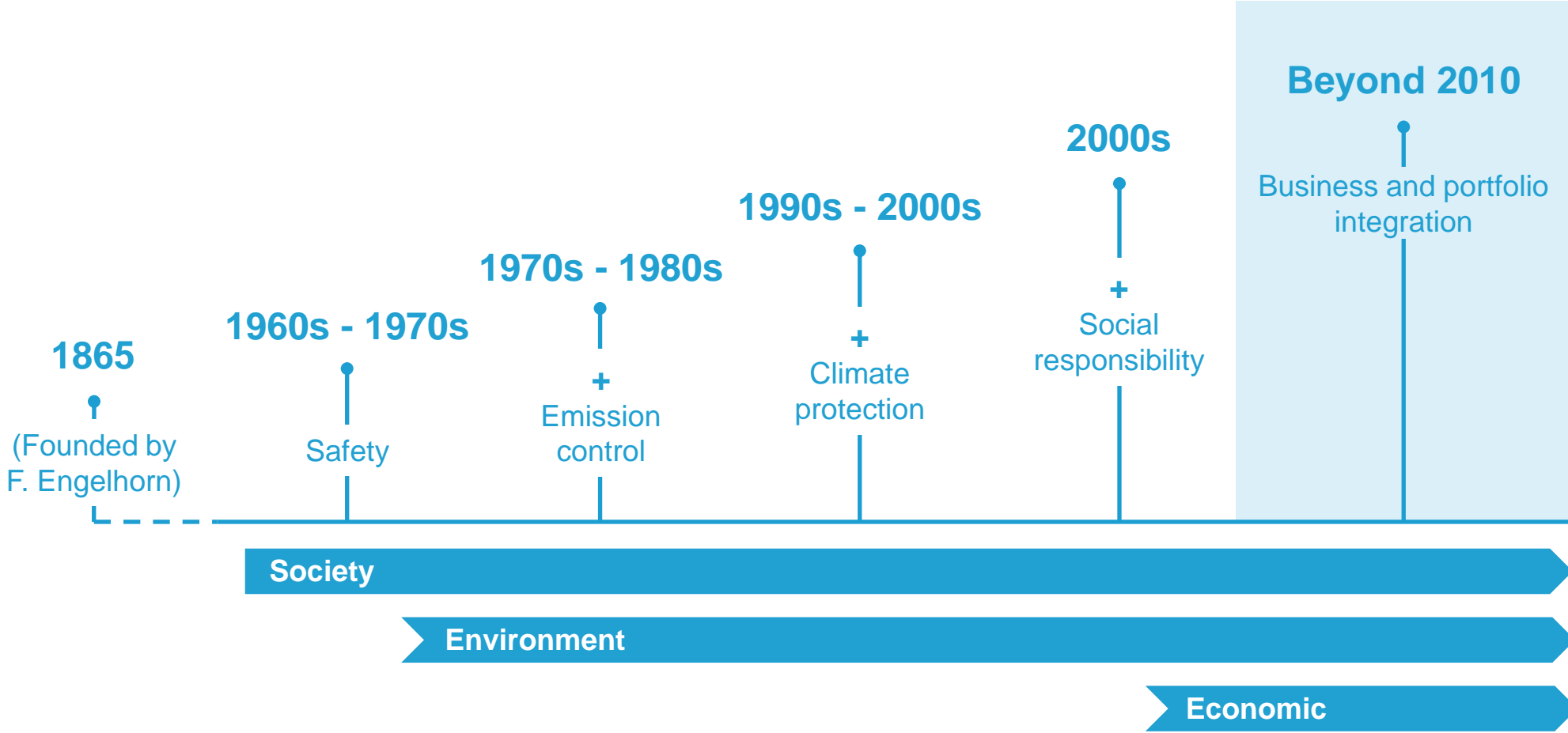


Portfolio segmentation – milestone on the way to more sustainability

Margret Suckale

Member of the Board of Executive Directors of BASF SE

BASF's sustainability journey



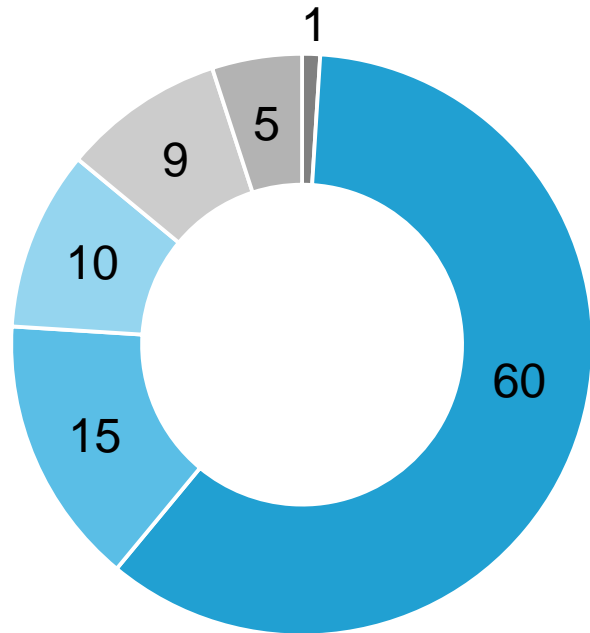
Our company purpose

We create chemistry
for a sustainable future

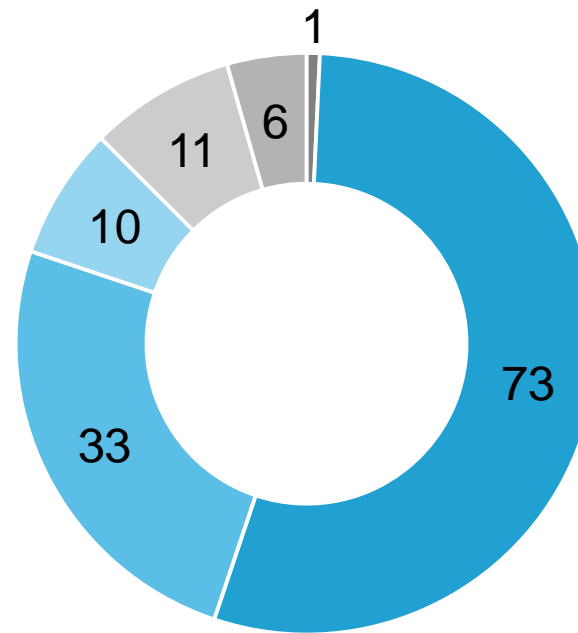


If the world were a village ...

2014 (100 inhabitants)



2050 (134 inhabitants)



- Asia
- Africa
- Europe
- South America
- North America
- Australia + Oceania

We translate megatrends into products - our contribution to sustainability needs

Megatrends



Population increase



Middle class growth



Aging population



Urbanization

Industry / Market Needs / Chemical Industry



Cost savings downstream



Biodiversity



Climate change



Renewables



Energy



Emission reduction



Resource efficiency



Water



Health and safety



UN Millennium Development Goals

Chemie hoch 3 – joint sustainability initiative of German chemical industry

CHEMIE³



German Federation of
Chemical Employers'
Associations



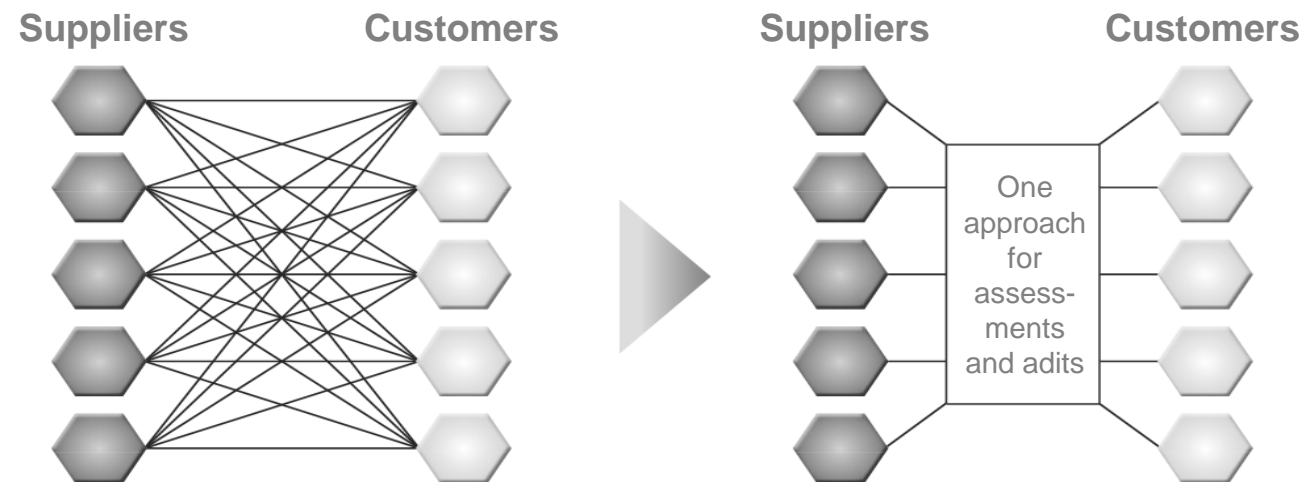
Mining, Chemical and
Energy Industrial Union



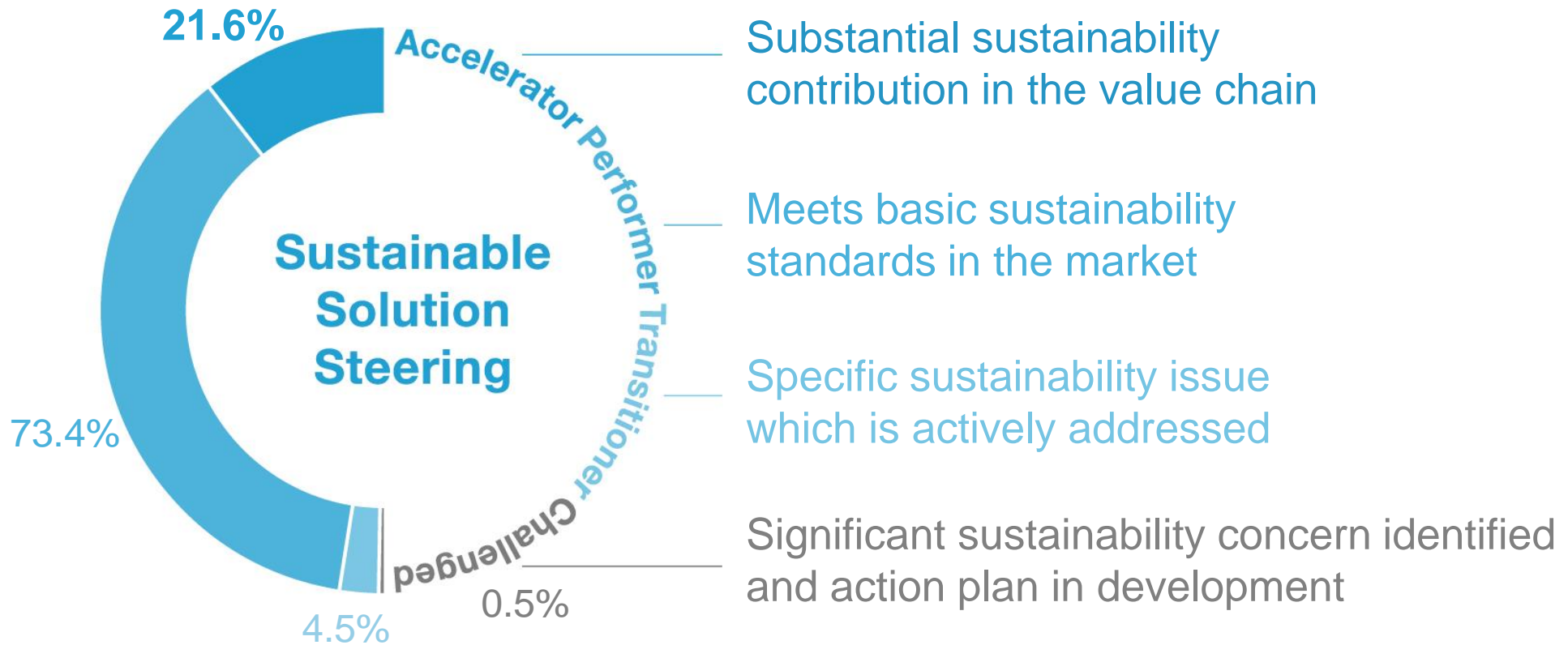
German Chemical Industry
Association

Chemical initiative 'Together for Sustainability' – focus on supply chain

- Founding members: BASF, Bayer, Evonik, Henkel, Lanxess, Solvay
- Common industry approach focused on suppliers performance (e.g. environmental protection, health and safety, labor and corporate governance)



We categorized all our products into four categories



› Our goal: Increasing the sustainability contribution of our solutions

We constantly improve the sustainability performance of our portfolio

Example:

1. **Identification of “Challenged”**
polyfluorinated substances
(environmental concern)
2. **Development of action plan:**
start of research project
3. **Launch of “Accelerator”**
recyclable Epotal[®] SP-101 D
and biodegradable ecovio[®] paper coating

 **Resource efficiency**

 **Renewables**



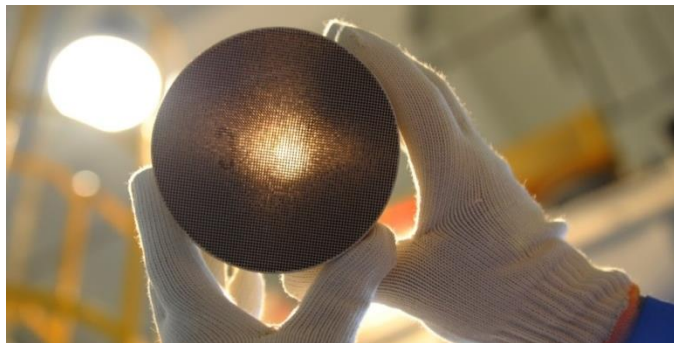
Customer needs are met with our Accelerators



Fuel additives



Lightweight plastics



Catalysts



Integrated coating processes

Partnership conference – benefits

Common understanding:

Discuss different tools, approaches and needs regarding portfolio segmentation and steering

Partnering:

Opportunity to cooperate with leading companies for further common activities in Portfolio segmentation

Agenda setting:

Opportunity to shape sustainability topics

Relationship building:

Strengthen relationships with front running and trendsetting stakeholders

Business opportunity:

Lay foundation for long-term business success



We create chemistry