

SUSTAINABLE DEVELOPMENT



■ „We create chemistry for a sustainable future.“ – BASF further develops its corporate strategy

At BASF we plan to strengthen our position as the world's leading chemical company. In the further developed strategy "We create chemistry," presented at the end of November, the company outlines how it wants to achieve this. The Chairman of BASF's Board of Executive Directors Dr. Kurt Bock pointed out that the company had achieved its leading position thanks to its successful strategy in the past years: *"We will build on this and make a significant contribution to meeting the needs of a growing world population."* BASF sees population growth as a crucial trend that brings on the one hand enormous global challenges, but on the other hand offers many additional opportunities, in particular for the chemical industry. In accordance with sustainable development, BASF will play a role with regard to conserving resources, ensuring healthy food and nutrition

and improving people's quality of life. *"We have summarized what we do as a company in our corporate purpose: We create chemistry for a sustainable future,"* said Bock.

Sustainability is becoming one of the main drivers of growth and value creation. BASF's customers want sustainable products and system solutions, and the company's employees expect BASF to closely integrate sustainability into its day-to-day activities. *"More sustainability can only be achieved through innovation – and that is where chemistry plays an essential role,"* said Dr. Martin Bruder Müller, Vice Chairman of BASF's Board of Executive Directors. In the future, sustainability will therefore be even more strongly integrated into business decisions.

[more information](#)

Topics:

- "We create chemistry" – BASF further develops its corporate strategy
- BASF joins board of United Nations Global Compact China Network as founding member
- AgBalance™ – Measuring sustainability in agriculture
- Sustainability Consortium (TSC) opens European office
- Supplier Day in China – Engaging supplier through Sustainability
- European Water Stewardship gets started
- smart forvision: A look at the future of electric mobility
- BASF Sustainable Business Contest – Sustainable solutions for customers
- Chagas disease prevention program
- Drinking water comes home: Post-tsunami water and sanitation project

■ BASF joins board of United Nations Global Compact China Network as founding member

BASF, the world's leading chemical company, is joining other organizations and leading companies in China on the founding board of the United Nations Global Compact China Network.

"The Global Compact China Network will play an important role in integrating Chinese companies and multinationals in China into a more sustainable economy," said Mr. Georg Kell, Global Compact Executive Director. *"The UN Global*

Compact will provide its support in your sustainability endeavors."

BASF was a founder of the UN Global Compact platform in 2000, a call to companies around the world to align their strategies and operations with ten universal principles in the areas of human rights, labor, environment and anti-corruption, as well as the UN Global Compact LEAD initiative in early 2011, a platform that sets a new benchmark for corporate sustainability.



UN Global Compact Executive Director Georg Kell and UN Global Compact Board Member Fu Chengyu sign the Memorandum of Understanding.

[more information](#)

■ AgBalance™ – Measuring sustainability in agriculture

Based on its long experience with Eco-Efficiency Analysis and SEEBALANCE®, BASF has developed AgBalance, a method to measure and assess sustainability in agriculture.

As a provider of agricultural solutions, BASF aims to increase knowledge about sustainable agriculture and contribute to a fact-based dialogue, as well as using these insights for developing innovative and sustainable solutions for our customers.

In AgBalance, a variety of indicators and weighting schemes enable BASF to evaluate sustainable practices along the entire food value chain. To achieve this, 69 indicators, each linked to one of the

three pillars of sustainability (economy, environment and society) are calculated through an assessment of almost 200 evaluation factors. Therewith AgBalance allows the comparison of different farming systems, processes and products, by identifying weaknesses, drivers of sustainability and potential solutions.



New perspectives for more sustainability in agriculture.

[more information](#)

■ Sustainability Consortium (TSC) opens European office

In November 2011, TSC opened its European office in The Hague, Netherlands, with Princess Máxima of the Netherlands presiding over the official ribbon-cutting ceremony. BASF's commitment to sustainable



Charlene Wall-Warren, Sustainability Leader for BASF North America at her opening speech.

development and role as the first chemical company to become a founding member was featured on the agenda, along with the World Wide Fund for Nature, and several other member companies. The Wageningen University will house the new office.

"We are pleased to participate in TSC's global expansion" stated Charlene Wall-Warren, Sustainability Leader for BASF North America. "BASF is well-positioned to help our customers be more successful as value chain partners collaborate to

create more sustainable consumer goods over time, with our innovation capabilities in nearly all industries."

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■ Supplier Day in China - Engaging suppliers through sustainability

In October, the BASF Greater China Procurement team held the "2011 Supplier Day – Sustainability Loves Growth" in Shanghai, attracting some 70 external and 30 internal participants. The event paves the way for strategic partnerships between BASF and its suppliers by promoting a common understanding in the area of sustainability and identifying opportunities for further improvement.

Since 2007, the BASF Greater China Procurement team has hosted the annual BASF Supplier Day.

The Supplier Day gave evidence that sustainability is a joined effort and that sharing information and best practices is an important element to strengthen business relations and to move on to a globally sustainable economy.

[more information](#)



At the event, a lively group discussion on social labor standards, different perspectives and suggestions for sustainable development.

European Water Stewardship gets started

European Water Stewardship (EWS) is a system for companies and agricultural organizations, in order to evaluate and review their use of water in regards to sustainability criteria. Four principles play a role: withdrawal amount (quantity), water pollution (quality), biodiversity and water management.

EWS was developed in pilot projects, which the European Water Partnership (EWP) initiated and coordinated as an independent non-profit organization representing the responsible use of water.

BASF played a significant role in developing EWS, as the new voluntary industry standard which was introduced in the presence of EU-Commissioner Janez Potocnik in Brussels end of November.

Before its introduction, BASF tested the system in a pilot at its Verbund site in Ludwigshafen.

By 2020 BASF will launch sustainable water management systems on the basis of the EWS standards at all sites, which are in „water stress areas“ – meaning in areas where water is a scarce good.



From left to right: Marc Gough (AWS), Eckhard Koch (BASF), Tom Vereijken (EWP), Nikolaus Tacke (Coca Cola), Friedhelm Schmider (ECPA)

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smart forvision: A look at the future of electric mobility

Together with BASF, smart demonstrates its leading role in the use of forward-looking technologies above and beyond the drive system. The joint concept vehicle smart forvision presented at the 2011 International Motor Show in Frankfurt combines a futuristic design with technologies relating to energy efficiency, lightweight design and temperature management.

This project not only shows that electric mobility can make emission-free driving possible. At the same time it paves the way for new technologies in the automotive sector. Many of these innovations are based on nano technology, the key to the development of sustainable solutions. Nano materials serve as drivers of innovation in the automotive industry, as they do in the fields of construction, energy, healthcare and electronics.

[more information](#)



Daimler and BASF have developed a new concept vehicle that combines both companies' ideas for holistic electric mobility.

BASF Sustainable Business Contest – Sustainable solutions for customers

In 2011, BASF held its first North American Sustainability Contest, selecting three top examples where BASF sustainable solutions helped its customers to be more successful while ensuring sustainable development.

The Functional Polymers and Construction Chemicals businesses partnered with external stakeholders in northern Latin America to demonstrate the high eco-efficiency of Butonal modified asphalt emulsions to protect concrete roads, reducing the noise while increasing safety and comfort. This technology was applied on the „Corredor Sur“ bridge, which is the main entrance to Panama City, Panama.

BASF Construction Chemicals Admixture Systems helped customers create more sustainable structures with Green Sense® Concrete, enabling lower energy and water consumption, lower emissions and better utilization of waste materials during construction.

Engineering Plastics developed a chair that uses 111 recycled PET (polyethylene terephthalate) bottles that might otherwise be sent to a landfill. BASF collaborated with The Coca-Cola Company and other value chain partners to create a useful chair built by Emeco, a renowned classic chair manufacturer



Butonal modified asphalt emulsions in use

that turns the goal of increasing the recycling of PET bottles into a reality.

■ Chagas disease prevention program

Chagas is a deadly endemic disease transmitted by parasites, an insect known as “Vinchuca”. The World Health Organization estimates that in Latin America 8 million individuals are infected by this parasite; in Argentina alone around 2 million. Poverty and marginal conditions enhance the presence of the insect close to the houses.

“Vamos por nuestro país” is BASF Argentina’s social responsibility program, which has been running since 2010. This program comprises different community promotion initiatives to approach poverty-related issues.

The first phase of the initiative is a Chagas disease prevention program in Concepción del Bermejo, a 10.000 inhabitant village in the north of Argentina, where people live in extreme poverty. The pro-

gram is being implemented as part of a cooperation agreement with the local government and the NGO Solidagro.

BASF undertook the commitment to contribute to the implementation of a joint public-private and community based initiative to apply a strategy comprising insect control, monitoring and treatment of

the disease with the purpose of significantly reducing the incidence of the disease in an affected area. BASF developed a self-sustainable and replicable model, one that will permit continuity and outreach to other communities after the three years of BASF’s participation in the program. [more information](#)



Children from rural areas receive supper at Merendero Nueva Esperanza every day.

■ Drinking water comes home – Post-tsunami water and sanitation project

BASF in partnership with UN-HABITAT and Foundation for Ecological Research Advocacy and Learning (FERAL) has taken up a water and sanitation project in Cuddalore district of Tamil Nadu, to provide sustainable relief to the victims of the 2004 tsunami. 13.500 people from 28 villages have been identified as beneficiaries and will receive access to clean water and toilets.

Drinking water comes home: the water project has changed many people’s life. Villagers like Shanthi, a single mother of five children, used to spend two hours a day to collect water from a tap located 5 kilometers away. Today fresh water is just a few steps away. Four community

hand pumps were installed in the village to supply clean and portable water to 180 families.



Shanthi, one of the beneficiaries of the drinking water project in Cuddalore, Tamil Nadu.

Contact:

Do you have questions or comments?
We are looking forward to your suggestions.

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The Sustainability Center wishes all readers a peaceful Holiday Season and all the best for 2012!