



The Chemical Company

SD Update

Newsletter Sustainable Development

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About this issue

Sustainability is a journey that BASF shapes with manifold examples from different areas. This variety is reflected by the topics we selected for this second 2013 issue of "SD Update – Newsletter Sustainable Development". They range from social housing in

France to diversity management in the US, from sustainability indices and certification to the topic of water. Moreover, the newsletter gives insights into the initiatives and networks BASF supports in order to drive Sustainable Development. On the last page we have collect-

ed links to additional sustainability topics and events – to keep you informed with just a few clicks.

We hope you enjoy reading the new issue.

The editorial team

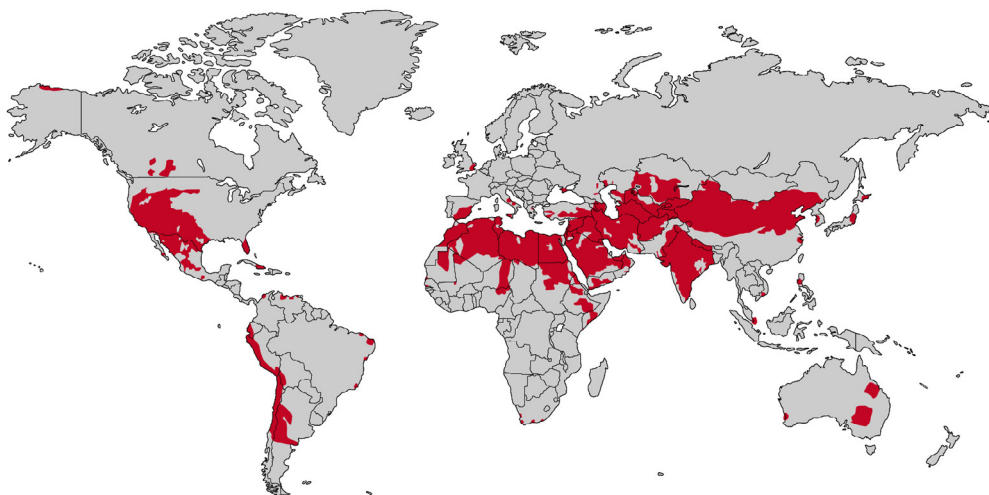
BASF receives European Water Stewardship certificate

BASF is the first chemical company to achieve gold-level certification according to the European Water Stewardship (EWS) standard for its production site in Tarra-gona, Spain. In order to attain this

certificate, auditors of third party certification body TÜV Nord Integra assessed the entire water management performance of BASF's production site, from extraction of water at its source to its reintroduc-

tion in downstream water bodies. The European standard was developed by governments, businesses and NGOs under the leadership of the independent organization European Water Partnership (EWP) and became effective at the end of 2011.

The application of the EWS standard aims to lower the quantity of water used by companies and farms while simultaneously safeguarding the integrity of local ecosystems within the vicinity of the site. The assessment includes more than 50 indicators, addressing the four principles of water stewardship: sustainable water abstraction, ensuring good water status, protection of high conservation areas and equitable water governance. Amongst others, the assessment requires a water recycling strategy and a cohesive crisis management strategy to be in place.



Severe water stress areas
Adapted from: Pfister et. al., 2009

In „water-stressed“ regions (marked red) more than 60 percent of the naturally available water sources are exploited by humans. Especially in these areas BASF aims to improve its water management even further.



North of France: First passive house in social housing

3,616 square meter living space, 49 units, two buildings. Unimaginable that an object of this size annually needs just 15 kilowatt hours per square meter for heating, or about 1,5 liter heating oil. The talk is of „Béthune 49“, a building project, in which experts of the European Construction Competence Center of BASF in France are participating together with other partners. The inauguration took place last weekend in Béthune near Lille, France. It is the first social housing that meets passive house standards in the North of France. „Right before the ground-breaking in 2010 we all agreed about achieving the passive

house standard with this project,“ said Johann Souvestre, who supported the project. „We even exceeded this aim.“

Requiring 15 kilowatt hours per square meter annually for heating, the energy performance of the dwellings is better than the targets set by the French law. As Oliver Ubrich, Managing Director of BASF France underlined within his inauguration speech: “With this construction project, we are anticipating European energy targets of 2020.” Different construction materials of BASF contribute to this: Neopor® was used for the insula-

tion of the external facade, Elastopor® polyurethane rigid foam for roofing and polyurethane spray foam for the flooring.



Olivier Ubrich, Managing Director of BASF France (2. f. l.) and officials of Béthune inauguration.

More sustainability in the chemical supply chain

In order to enhance sustainability within the supply chain the chemical companies BASF, Bayer, Evonik Industries, Henkel, LANXESS and Solvay joined forces in the Together for Sustainability (TfS) initiative. The TfS initiative has successfully concluded its first year of piloting sustainability assessments and audits in global supply chains.

TfS aims at developing and implementing a global supplier engagement program that assesses and improves sustainability sourcing practices, including ecological and social aspects. Participating suppliers will now only have to com-

plete one form instead of multiple questionnaires with the relevant sustainability information provided to all participating buyers who would otherwise need separate sustainability assessment or audits from these suppliers. The initiative is based on good practices and builds on established principles – such as the United Nations Global Compact (UNGC) and the Responsible Care Global Charter as well as standards developed by the International Labor Organization (ILO), the International Organization for Standardization

(ISO), Social Accountability International (SAI) and others.



„Together for Sustainability“ aims at enhancing sustainability within the supply chain.



BASF again included in two renowned indices

In September 2013, BASF was again included in the global Dow Jones Sustainability Index (DJSI World) and CDP Global 500 Climate Disclosure Leadership Index (CDLI).

The BASF share is included in the DJSI World for the 13th consecutive year. The company has been recognized for its engagement in

risk and crisis management, human capital management and plant biotechnology. The DJSI World is one of the most renowned sustainability indices and represents the top 10 percent of the largest 2,500 companies included in the Dow Jones Global Index.

According to CDP, an international organization that compiles environmental information from companies, BASF is among the leading companies in climate protection reporting worldwide. The company is listed in the CDP Global 500 Cli-



mate Disclosure Leadership Index (CDLI) for the ninth time.

The CDLI 2013 contains 60 companies that disclose their data in a particularly transparent and comprehensive manner. As in previous years, BASF is the top scorer in the Materials sector.



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**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM

BASF Corporation recognized for Diversity Management

BASF Corporation has been named a Top 50 Company for Diversity by Diversity Inc, a leading organization that rates companies for diversity management. This major achievement and recognition validates efforts by many in North America to help BASF attract, retain and develop the best talent from all backgrounds, and create a diverse, inspiring and inclusive work environment.

This is the first time BASF has made the Top 50 list, which in recent years has included some of the world's most successful companies such as Procter & Gamble, Kraft Foods, Colgate-Palmolive, Johnson & Johnson, American

Express, IBM, Cummins, Toyota, Northrop Grumman, Rockwell Collins, Monsanto, Chrysler, and Coca-Cola, among others. The full 2013 Top 50 list can be seen [here](#).

"At BASF, we create chemistry for a sustainable future. One of the most important ways we do this is by recognizing, appreciating and leveraging diversity. This important Top 50 distinction confirms we are on the right track with our efforts to form the best team, and use the power of diversity as a competitive advantage and key to personal and professional growth," said Hans Engel, Chairman and CEO, BASF Corporation.

This year, more than 900 companies participated in the survey that determines the 50 finalists on the highly visible list.



BASF was recognized for the first time ever by Diversity Inc as a Top 50 Company for Diversity at a special gala in New York City.

Praise for sustainability initiative "Chemie³"

In their second review on the sustainability strategy of the Federal Republic of Germany, international experts in the field of sustainability have commended "Chemie³", a joint initiative of the German chemical industry. The experts' report entitled "Sustainability – Made in Germany" was launched at the Federal Government on September 23. It states: "We welcome more industry-specific sustainability strategies that follow the example of the chem-

ical industry in which employers, the responsible trade union and experts have agreed on a joint commitment called "Chemie³". The Government should further encourage industry-specific strategies and roadmaps and push for a reporting system that is easy-to-understand and informative for people both inside and outside of companies."

German chancellor Angela Merkel commissioned this second interna-



tional report on German sustainability policy in 2012.

"Chemie³" started at the end of May 2013. It is a joint initiative of the German business association VCI, the IG BCE trade union and the employers' association BAVC.



European Business Forum – Sustainability in Europe

How can BASF implement its "We create chemistry" strategy more efficiently across national, industrial and cultural boundaries, deliver research and innovation to customers in the European region, and meet the needs of society now and in the future? The management team of the BASF region Europe addressed these issues in collaboration with representatives of the Board of Executive Directors, divisions and customers at this year's European Business Forum (EBF) in Ludwigshafen.

"Sustainable development has many faces in a multifaceted region such as BASF's European regional area, which extends from Siberia to the Arab Emirates and South Africa. To address these differences, we discussed our understanding of sustainability with selected cus-

tomers from a variety of industries and countries at the EBF, and showed the solutions that BASF offers," stated Jacques Delmoitiez, then President of the Europe regional division. "In emerging markets especially, international companies like BASF play an important role in promoting a more holistic approach to the topic of sustainability," said Harald Schwager, member of the Board of Executive Directors of BASF SE.

During the EBF, the participants also sent out a visible signal: In tribute to International Earth Day, they renovated and replanted parts of the Alwin Mittasch Park at BASF. Schwager and Delmoitiez agreed that the EBF created a common starting point to deliver sustainability initiatives and projects: "For BASF sustainable development means combining long-term commercial success with environmental protection and social responsibility."



Harald Schwager, Member of the BASF Board of Executive Directors, at the European Business Forum in Ludwigshafen, Germany.

BASF signs WASH pledge

BASF signed the “Pledge for Access to Safe Water, Sanitation and Hygiene at the Workplace” (WASH) of the World Business Council for Sustainable Development (WBCSD). By signing the pledge, BASF commits itself to provide ac-

cess to water, sanitation and hygiene at the workplace at an appropriate level of standard for all employees. The pledge was officially introduced during World Water Week in Stockholm, Sweden, on September 5, 2013.



BASF launches Nutrition Compact

On September 23, 2013, BASF launched a “BASF Nutrition Compact” at the UN General Assembly in New York.

The compact aims at further improving the nutrition of BASF’s more than 100,000 employees. Moreover, BASF pledges to support its partners and stakeholders in providing affordable access to essential nutrition to an additional 60 million people per year who live at risk of food and nutrition insecurity.



The Nutrition Compact aims at improving access to essential nutrition to people living at risk of food insecurity.

German Global Compact Network: Reelection of steering committee

The business representatives of the steering committee of German Global Compact Network (DGCN) have been reelected September 2013. For the second time, Thorsten Pinkepank, Director Corporate Sustainability Relations at BASF, was elected member of



Deutsches
Global Compact Netzwerk

the committee. About 80 companies participated in the election. The committee defines the strategic orientation

of DGCN and steers the office thematically. A list of all members of the steering committee can be found [here](#).

Read on:

[Investments for agriculture in Asia Pacific](#)

[GBI Business Voice Series – Thorsten Pinkepank, BASF](#)

[Environmentally sustainable syngas production](#)

[Bio-based acrylic acid process](#)

[Applied sustainability for the foodstuffs industry \(GC International Yearbook\)](#)

[Interview with Kurt Bock about Integrated Reporting \(GC International Yearbook\)](#)

[Sustainability assessment of own office buildings](#)

[BASF coatings protect wind turbine](#)

[BASF receives Pierre Potier Award](#)

[Mass balance method saves fossil resources](#)

Events:

[Beijing: Company conference on Human Rights](#)

[Beijing: International CSR forum](#)

[Istanbul: Green Business Conference](#)

[Tianjin: IDA World Congress 2013](#)

[London: Sustainable Brands Conference](#)

Contact

Do you have questions or comments?

We are looking forward to your suggestions.

BASF SE

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BASF, Detlef Schmalow

Adapted from: Pfister et. al., 2009

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