BASF
We create chemistry

BASF in Greater China Report 2023

Cover photo:

Researchers are joining forces to develop cutting-edge technologies in efficient heating, waste plastic recovery, and CO_2 utilization for a more sustainable future.

On this page:

ecovio® is a high-quality, certified compostable biopolymer for which BASF established compounding capacities for the Asian markets from mid-2023.

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About this Report

The “BASF in Greater China” Report is published annually as a concise document about the performance of our activities across the three dimensions of sustainability – economy, environment and society – in Greater China. The reporting period for this publication is the financial year 2023. This report also carries an overview of the BASF Group along with its financial performance, prepared in accordance with the requirements of the International Financial Reporting Standards (IFRS), and, where applicable, the German Commercial Code as well as the German Accounting Standards (GAS). The emissions, waste, energy and water use of consolidated joint operations are included pro rata, based on our stake. The employee numbers refer to employees within the BASF Group scope of consolidation as of December 31, 2023.

In 2023, BASF completed the expansion of Innovation Campus Shanghai with two new R&D buildings, bolstering innovation and collaboration with customers in China and Asia Pacific.

BASF Group

2023 – At a glance

Sales

€68.9 billion
(2022: €87.3 billion)

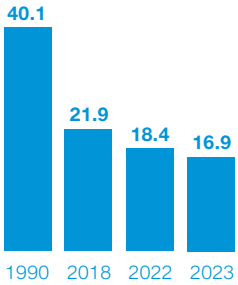
EBIT before special items

€3.8 billion
(2022: €6.9 billion)

ROCE

4.5%
(2022: 10.0%)

Greenhouse gas emissions
(million metric tons of CO_2 equivalents)



EBITDA before special items

€7.7 billion
(2022: €10.8 billion)

Free cash flow

€2.7 billion
(2022: €3.3 billion)

Capital expenditures (capex)

€5.2 billion
(2022: €4.1 billion)

Employees at year-end

111,991
(2022: 111,481)

Research and development expenses

€2.1 billion
(2022: €2.3 billion)

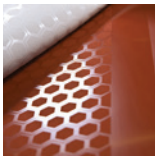
Personnel expenses

€11.0 billion
(2022: €11.4 billion)

Segment data

Chemicals

		Million €
Sales	**2023**	10,369
	2022	14,895
EBIT before special items	**2023**	361
	2022	1,956



Surface Technologies

		Million €
Sales	**2023**	16,204
	2022	21,283
EBIT before special items	**2023**	938
	2022	902

Materials

		Million €
Sales	**2023**	14,149
	2022	18,443
EBIT before special items	**2023**	826
	2022	1,840

Nutrition & Care

		Million €
Sales	**2023**	6,858
	2022	8,066
EBIT before special items	**2023**	107
	2022	618

Industrial Solutions

		Million €
Sales	**2023**	8,010
	2022	9,992
EBIT before special items	**2023**	625
	2022	1,091

Agricultural Solutions

		Million €
Sales	**2023**	10,092
	2022	10,280
EBIT before special items	**2023**	1,563
	2022	1,220

Welcome Letter
from the President

Dear stakeholders,

At BASF, we harness our strengths to perform well in Greater China, even under pressure. The year 2023 is marked by a sluggishly recovering world economy, a slowdown in trade and investment, and rising geopolitical tensions. Despite these challenges, the BASF Greater China team showed remarkable resilience and dedication, maintaining safety performance, timely deliveries, and business continuity at all times.

For the full year 2023, we posted sales of approximately €9.4 billion to our customers in Greater China. Our actions and goals point to the same direction: We are taking a firm stance to reinforce our position in Greater China, the largest chemical market in the world. We are also looking beyond the present by expanding our local production footprint, strengthening R&D capabilities, and spearheading sustainability efforts in China.

Continuously invest in the Chinese market

Our strategy is to produce where our customers are and where the market growth is, so we keep fortifying our market position in Greater China with our continuous investments. One example is the construction of our new Verbund site in Zhanjiang, which will be BASF's largest single investment with a total of around €10 billion. Following the startup of the engineering plastics plant in 2022, we announced the inauguration of the thermoplastic polyurethanes (TPU) plant in January 2024. This TPU plant is BASF's largest single TPU production line globally, catering to the soaring demand in Industrial, eMobility and new energy markets.

We want to stay close to our customers and develop our value chain accordingly. One way to achieve this is to forge strong joint ventures with local business allies. Together with our partner Sinopec, we inaugurated the expanded downstream chemical plants at the Nanjing Verbund site in November 2023. The expansion will increase the production of high-quality chemical intermediates. We also modified or expanded several production sites nationwide, especially in the Surface Technologies, Nutrition & Care, and Materials segments, to better serve the evolving needs of our customers in China.

Drive innovations for a sustainable future

For BASF, innovation is our key differentiator; we lead by advancing our local R&D capabilities. In June 2023, we inaugurated the expansion of the Innovation Campus Shanghai. From this nexus of collaborations with BASF's customers and partners in China and across Asia Pacific, we can expect more inspiring co-creations to come.

With leading customers in China, we keep innovating products and solutions that contribute to sustainable development and circular economy. In the long term, we aim to boost sales and earnings with new and improved products – especially with products that make a positive environmental impact along the value chain.

Transform towards climate neutrality

BASF has set itself the goals to achieve net zero carbon emissions by 2050. In China, we are making steady progress towards this goal. We are shifting our energy supply from fossil fuels to more and more renewable energy sources through a "make and buy" approach. We have also partnered with Mingyang to operate an offshore wind farm in South China, which will power renewable electricity to the Zhanjiang Verbund site as planned.

We make every endeavor to enlarge our portfolio of low-carbon products. In 2023, several plants in China obtained ISCC PLUS certifications, demonstrating BASF's commitment to sustainable development.

We strive to be a responsible corporate citizen. We joined hands with NGOs and business partners to promote sustainability topics. Our staff volunteered for the annual Clean-up activities and our Kids' Lab program continued to spark wonder among kids nationwide. We also hosted events with the Zhanjiang Mangroves and Wetlands Conservation Foundation to raise ecological awareness among the public.

Progress through teamwork

Our employees are key to BASF's success in China. We support our team members to develop their professional and personal skills, helping them thrive in every phase of their career journey. I am particularly pleased to share that BASF has been recognized as the Top Employer in Greater China for the 14th consecutive year. I want to express my gratitude to all our employees in Greater China for their contribution to our company's success.

I have faith that we will overcome the current challenges and continue to grasp growth opportunities in China. We have a solid plan in place and more importantly, we have a team who possesses resilience and wisdom to bring the plan to fruition. Together with our stakeholders, I look forward to making meaningful impact for a sustainable future in Greater China!

Dr. Jeffrey Lou
President and Chairman Greater China, BASF

The BASF Group

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. Around 112,000 employees contribute to the BASF Group's success worldwide. Our business comprises the Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions segments.

At a glance

111,991
Employees around the world

234
Production sites worldwide

- Six segments with eleven operating divisions
- Verbund structure ensures efficient and reliable production
- High-performance organization for greater customer proximity, increased competitiveness and profitable growth
- Over 78,000 customers[1] are at the core of our strategy
- More than 70,000 Tier 1 suppliers[2]

Sites and Verbund

As one of the world's largest chemical companies, BASF is present in 93 countries. We operate 234 production sites worldwide. We laid the foundation for the Verbund concept in Ludwigshafen, Germany, in 1865 – and it remains one of our key strengths to this day. Intelligently linking and steering our Verbund plants creates efficient value chains – from basic chemicals to high value-added solutions. The Verbund enables us to manage our production in a resource-efficient, carbon-optimized and reliable way. By-products from one facility are used as feedstocks elsewhere, for example. This saves raw materials and energy, avoids emissions, lowers logistics costs and leverages synergies.

In addition to Ludwigshafen, Germany, BASF operates five other Verbund sites in Antwerp, Belgium; Freeport, Texas; Geismar, Louisiana; Kuantan, Malaysia; and Nanjing, China. Another Verbund site is being built in Zhanjiang in the southern Chinese province of Guangdong. Following the startup of the first plant producing engineering plastics in 2022, the second plant for the production of thermoplastic polyurethanes came on stream in 2023 as planned and announced its inauguration in January 2024.

Organization of the BASF Group

We steer our six segments along our value chains to address the needs of our customers with differentiated solutions and business strategies.

- **Chemicals:** The segment supplies BASF's other segments and customers with basic chemicals and intermediates.
- **Materials:** The segment offers advanced materials and their precursors for the plastics and plastics processing industries.
- **Industrial Solutions:** The segment develops and markets ingredients and additives for industrial applications.
- **Surface Technologies:** The segment provides chemical solutions for surfaces and automotive OEM coatings, as well as battery materials and catalysts.
- **Nutrition & Care:** The segment produces ingredients and solutions for consumer applications such as human and animal nutrition, cleaning agents and personal care.
- **Agricultural Solutions:** The segment is an integrated solutions provider of seeds, crop protection and digital solutions for the agricultural sector.

This segment structure enables us to steer our businesses according to market-specific requirements and the competitive environment. We provide a high level of transparency around the results of our segments and show the importance of the Verbund and value chains to our business success. The operating divisions, the service units, the regions, research and development and the corporate center are the cornerstones of the BASF organization. This organizational structure lays the foundation for customer proximity, competitiveness and profitable growth. BASF aims to differentiate its businesses from their competitors to enable BASF to perform even more strongly in an increasingly competitive market environment.

The divisions bear strategic and operational responsibility and are organized according to sectors or products. They manage the 49 global and regional business units and develop strategies for 70 strategic business units.

Five service units provide competitive services for the operating divisions and sites: Global Engineering Services, Global Digital Services, Global Procurement, European Site & Verbund Management and Global Business Services (finance and controlling, human resources, safety, intellectual property, communications, procurement, supply chain and in-house consulting services).

BASF's regional and national companies represent the Group locally and support the growth of the operating divisions with local proximity to customers. For financial reporting purposes, we organize the regional companies into four regions: Europe; North America; Asia Pacific; and South America, Africa and Middle East.

Our specific research and development units are integrated into the divisions, and activities with broad relevance for our businesses are

1 The number of customers refers to all external companies (sold-to parties) that had contracts with the BASF Group in the business year concerned under which sales were generated.
2 BASF considers all direct suppliers of the BASF Group in the business year concerned as Tier 1 suppliers. These are suppliers that provide us with raw materials, investment goods, consumables and services. Suppliers can be natural persons, companies or legal persons under public law.

bundled in a research division. This division is globally positioned with research centers in Europe, North America and Asia Pacific. With this setup, we are focusing our research activities even more strongly on our customers and their needs.

The Corporate Center supports the Board of Executive Directors in steering the company as a whole. This steering includes central tasks from the following areas: strategy, finance and controlling, law, compliance and insurance, tax, environmental protection, health, safety and quality, human resources, communications, investor relations, corporate audit and the Net Zero Accelerator unit.

Procurement and Sales Markets

BASF supplies products and services to over 78,000 customers[1] from various sectors in almost every country in the world. Our customer portfolio ranges from major global customers and small and medium-sized enterprises to end consumers.

We work with over 70,000 Tier 1 suppliers[2] worldwide. They supply us with important raw materials, chemicals, investment goods and consumables, and perform a range of services. Important raw materials (based on volume) include naphtha, liquid gas, natural gas, benzene and caustic soda.

BASF sales by industry 2023
Direct customers

>20%	Chemicals and plastics | Transportation (respectively)
10%–20%	Agriculture | Consumer goods (respectively)
<10%	Construction | Electronics | Energy and resources | Health and nutrition (respectively)

Business and Competitive Environment

BASF's global presence means that it operates in the context of various local, regional and global developments. These include:

- Global economic and political environment
- Legal and political requirements
- International trade agreements
- Industry standards
- Environmental agreements (such as the E.U. Emissions Trading System)
- Social aspects (such as the U.N. Universal Declaration of Human Rights)

BASF holds one of the top three market positions in around 80% of the business areas in which it is active. Our most important global competitors include Arkema, Bayer, Celanese, Clariant, Corteva, Covestro, Dow, DSM-Firmenich, Evonik, Huntsman, SABIC, Sinopec, Solvay, Syngenta, Wanhua and many hundreds of local and regional competitors. We expect competitors from Asia and the Middle East in particular to continue to grow in significance in the years ahead.

Corporate Legal Structure

As the publicly listed parent company of the BASF Group, BASF SE takes a central position: Directly or indirectly, it holds the shares in the companies belonging to the BASF Group and is also one of the largest operating companies. In the BASF Group Consolidated Financial Statements, 260 companies including BASF SE are fully consolidated. We consolidate nine joint operations on a proportional basis and account for 21 companies using the equity method.

For more information on the companies belonging to the BASF Group, see basf.com/en/corporategovernance

Rethinking energy supply

Electricity from renewable sources is a key component for BASF on the path to climate neutrality. To ensure that we can meet our growing demand in the future, we are gradually converting our supply contracts to green electricity and investing in our own plants. In 2023, we successfully advanced our plan for a power supply from renewable sources.

Our Strategy

Chemistry is our passion. We make use of this passion for our customers: We want to offer them the best possible solutions and help them achieve their sustainability goals. With our products and technologies, our innovative and entrepreneurial spirit and the power of our Verbund integration, we want to grow profitably and, at the same time, create value for society and the environment. This is our goal, which is embedded in our corporate purpose: We create chemistry for a sustainable future.

Humankind is facing enormous challenges in order to preserve a world worth living in for future generations. The climate is changing, natural resources are becoming scarcer, pressure on ecosystems is increasing and our growing world population needs to be fed. More and more urgently than ever, solutions are needed for a sustainable future. Chemistry plays a key role here. In almost all areas of life, it can pave the way to greater sustainability and accelerate the transformation needed to achieve this. Our innovative products, solutions and technologies help to improve quality of life and protect the environment as well as the climate. We achieve this by using raw materials more efficiently, reducing waste and enabling the production of healthy and affordable food as well as climate-smart mobility.

At the same time, BASF is also undergoing profound changes. We are transforming our company and breaking new ground to increase our profitability and achieve climate neutrality. We are facing up to the challenge of making this change socially just. This involves managing long-term policy decisions like the European Green Deal, overcoming the consequences of current geopolitical conflicts and driving forward digitalization. Concurrently, these challenges also open up numerous opportunities for new business areas and innovative products. All of this requires a clear vision, responsible action as well as a high degree of creativity and flexibility.

We want to grow profitably and sustainably. To this end, we have set ourselves ambitious targets and defined concrete measures to achieve them: To increase our profitability, we are strengthening our competitiveness with our cost savings program focusing on Europe and we are adapting our Verbund structures in Ludwigshafen, Germany, to ensure the site remains future-proof. We are investing in growth markets, particularly in Asia, with China as the largest and most important growth driver of global chemical production. Furthermore, we are undergoing a fundamental transformation in the way we steer our company. As part of our Differentiated Steering concept, we are implementing new financial steering indicators tailored to each business. Our operating divisions are also continuing to adapt their specific business models and processes – supported by customized process structures, IT systems and governance frameworks.

To further embed sustainability in our business activities, we are driving innovations for a sustainable future, focusing our portfolio on growth areas and developing products with a lower carbon footprint. We are pioneers in climate-neutral production. This means we are gradually converting our energy supply from fossil fuels to renewable sources, developing new, pioneering emission-free and low-emission production processes for our products as well as strengthening the circular economy through the use of alternative raw materials and new recycling technologies.

The success of these measures depends primarily on the ideas and commitment of our employees. This is why we want to create an environment in which they can thrive and contribute to BASF's long-term success. Moreover, the diverse potential of digitalization used in our processes and business models further contributes to the successful implementation of these measures.

Our transformation along the value chain

Supply chain

Energy

Renewable energy, low-emission hydrogen, combined heat and power generation

Raw materials

Renewable and recycled raw materials, raw materials based on the use of CO_2

Infrastructure

Network expansion and infrastructure for the transportation of hydrogen and CO_2

Suppliers

Sustainability evaluations, Supplier CO_2 Management Program

Production

Customer-focused production

Minimized transportation routes

Optimized Verbund structures

Efficient value chains

Digitalization and automation

Efficient processes

Operational excellence

Energy and resource-efficient processes

Emission-free steam generation

Electrified processes, energy recovery

Pioneering technologies

Emission-free and low-emission processes

Key technologies: batteries, polymers, biotechnology

Circular economy

New material cycles and recycling technologies

Products

Solutions for a sustainable future

Low-emission, innovative products (pioneers, contributors)

Climate-smart mobility; healthy, affordable food; efficient construction

Business models

Digitalized and circular approaches

Services

Transparency (product carbon footprint, corporate carbon footprint), take-back systems

Our Strategic Action Areas

BASF's strategic direction is based on a comprehensive analysis of our markets, competitors and the economic environment. We continuously monitor global trends and short-term developments and anticipate the resulting opportunities and risks. In doing so, we keep a close eye on the demands of our customers and the transformation of our company. The following six strategic action areas enable us to strengthen our leading position in a competitive environment.

Our six strategic action areas

Innovation, sustainability, production, digitalization, portfolio and employees

Innovation is the bedrock and driver of our success. BASF is a leader in the chemical industry with around 10,000 employees in research and development and R&D spending of around €2.1 billion in 2023. We want to further strengthen this position by driving forward our research activities, especially in agriculture, battery materials, polymer technologies and catalytic and biotechnological methods.

We see **sustainability** as an integral part of our strategy as well as our targets, steering processes and business models. Our approach covers the entire value chain – from the responsible procurement of our raw materials and safety and resource efficiency in production to sustainable solutions for our customers. We are focusing our product portfolio even more strongly on resource efficiency, climate change and energy as well as circular economy. That is why we have updated our Sustainable Solution Steering (TripleS) methodology for steering the product portfolio based on sustainability criteria.

For more information on TripleS see basf.com/en/sustainable-solution-steering

Our core business is the **production** and processing of chemicals. Our strength here lies in the Verbund and its integrated value chains. It opens up numerous synergies and advantages to us, for example in the development and application of new technologies. We are therefore continuing to invest in our Verbund structure. At the same time, we are strengthening our presence in growth regions in order to produce locally for the local markets and thus close to our customers.

We want to leverage the diverse growth potential of **digitalization** and seize the associated opportunities to the benefit of our customers. To achieve this, we promote digital skills among our employees, cooperate with partners and make digital technologies and ways of working an integral part of our business.

Investments, acquisitions and divestitures play a key role in stregthening our **portfolio**. Following major acquisitions in recent years, we plan to further develop our portfolio through smaller, bolt-on acquisitions in the future. We are steering our portfolio toward innovation-driven growth areas.

Our **employees** are key to BASF's success. That is why we believe that it is important to have an inspiring working environment that fosters and develops employees' individual talents and enables them and their teams to perform at their best.

Our Values and Global Standards

As an international chemical company, we operate in markets and countries with different requirements and conditions. We always follow our corporate values and standards in order to act responsibly and secure our license to operate. By living these values every day, we ensure a culture of respect for our customers, partners and employees.

Together with our Code of Conduct and our global standards, our CORE values lay the foundation for responsible conduct and trust-based relationships with our stakeholders. They define how we want to work together:

- **C – creative:** We make great products and solutions for our customers. This is why we embrace bold ideas and give them space to grow. We act with optimism and inspire one another.
- **O – open:** We value diversity, in people, opinions and experience. This is why we foster feedback based on honesty, respect and mutual trust. We learn from setbacks.
- **R – responsible:** We value the health and safety of people above all else. We make sustainability part of every decision. We are committed to strict compliance and environmental standards.
- **E – entrepreneurial:** We focus on our customers, as individuals and as a company. We seize opportunities and think ahead. We take ownership and embrace personal accountability.

Our standards are based on, and in some cases, exceed existing laws and regulations and take internationally recognized principles into account. We respect and promote:

- The Universal Declaration of Human Rights and the two U.N. Human Rights Covenants
- The 10 principles of the U.N. Global Compact
- The core labor standards of the ILO and the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy
- The OECD Guidelines for Multinational Enterprises
- The Responsible Care® Global Charter
- The German Corporate Governance Code

The main guidelines are primarily summarized in our Group regulations on compliance, human rights, labor and social standards and in the Supplier Code of Conduct. We want to ensure that we act in line with the applicable laws and uphold our responsibility to the environment and society with our comprehensive management and monitoring systems.

See basf.com/humanrights for more information on the Policy Statement on Human Rights and a comprehensive report on the implementation of due diligence in accordance with the requirements of the National Action Plan developed by the German government, and in accordance with the U.N. Guiding Principles on Business and Human Rights

For more information on the Human Rights Advisory Council, see basf.com/human-rights-council

For more information on labor and social standards, see basf.com/labor_social_standards

Our Targets and Target Achievement 2023

Our objective is profitable growth with the following targets up to and including 2023: We want to grow sales volumes faster than global chemical production, further increase our profitability, achieve a return on capital employed (ROCE) considerably above the cost of capital percentage and increase the dividend per share every year based on a strong free cash flow or at least maintain it at prior-year level.

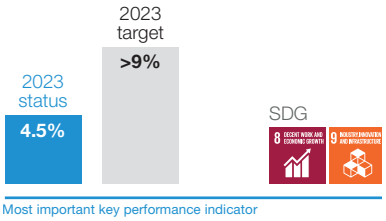
In addition, we have set ourselves broad sustainability targets. We want to considerably reduce our CO_2 emissions in the coming years. In addition to the targets for reducing our emissions from production (Scope 1) and the purchase of energy (Scope 2),[1] we set ourselves a new target for our purchase of raw materials (Scope 3.1)[2] in 2023. We have also added Scope 3.1 emissions to our net-zero target for greenhouse gas emissions by 2050.

We want to further improve safety in production and since 2023 we have been reporting according to a new system that focuses on high-severity work-related accidents and incidents.

We aim to increase the number of women in leadership positions and create a working environment in which our employees feel that they can thrive and perform at their best.

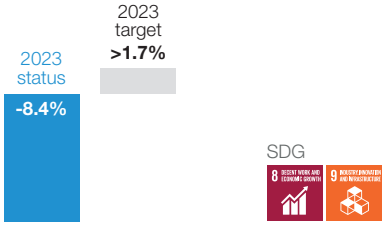
The objective of these targets is to grow profitably, and at the same time, contribute to the United Nations' Sustainable Development Goals (SDGs). We are focusing here on issues that we as a company can influence: especially SDG 2 (Zero hunger), SDG 5 (Gender equality), SDG 6 (Clean water and sanitation), SDG 7 (Affordable and clean energy), SDG 8 (Decent work and economic growth), SDG 12 (Responsible consumption and production) and SDG 13 (Climate action).

Profitable growth

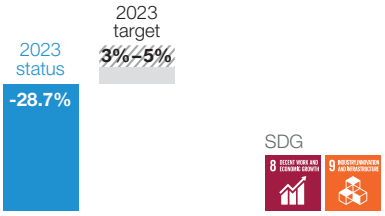


Most important key performance indicator

Achieve a **return on capital employed (ROCE)** considerably above the cost of capital percentage every year



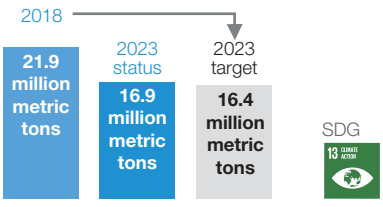
Grow **sales volumes** faster than global chemical production every year



Increase **EBITDA before special items** by 3% to 5% per year

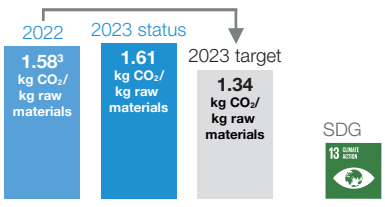
Increase the **dividend per share** every year based on a strong free cash flow

Effective climate protection



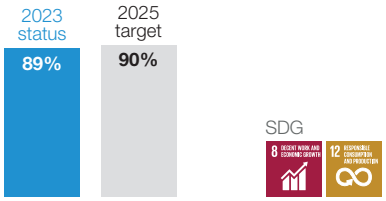
Most important key performance indicator

Reduce our absolute **CO_2 emissions (Scope 1 and 2)** by 25% by 2030 (baseline: 2018) [1]

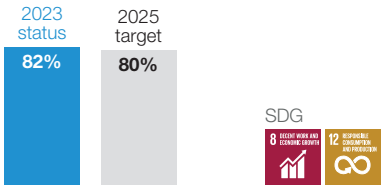


Reduce our specific **CO_2 emissions (scope 3.1)** by 15% by 2030 (baseline: 2022) [2]

Responsible procurement



Cover 90% of our relevant spend with **sustainability evaluations** by 2025

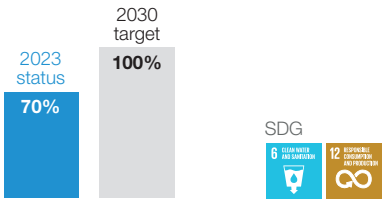


Have 80% of our suppliers improve their **sustainability performance** upon reevaluation

Resource-efficient and safe production

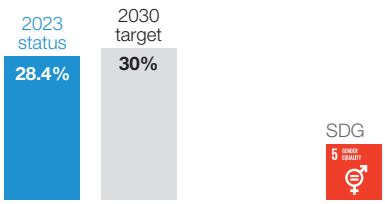
Reduce our worldwide **high-severity process safety incidents** per 200,000 working hours to ≤0.10 by 2030[4]

Reduce our worldwide **high-severity work process-related injuries** per 200,000 working hours to ≤0.05 by 2030[4]

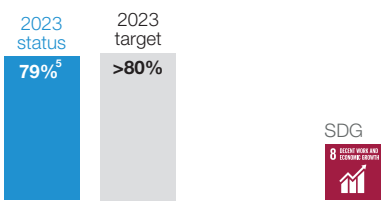


Introduce **sustainable water management** at our production sites in water stress areas and at our Verbund sites by 2030

Committed employees and diversity



Increase the proportion of **women in leadership positions** with disciplinary responsibility to 30% by 2030



More than 80% of our **employees** feel that at BASF, they can thrive and perform at their best

Reduction targets

1 Scope 1 and Scope 2 (excluding the sale of energy to third parties). The target includes greenhouse gases according to the Greenhouse Gas Protocol, which are converted into CO_2 equivalents (CO_2e). The baseline year is 2018.
2 Scope 3.1, raw materials excluding battery materials, services and technical goods, excluding greenhouse gas emissions from BASF trading business. Future adjustment of the baseline in line with the TfS guideline possible depending on the availability of further primary data. The baseline year is 2022.
3 The figure for 2022 was adjusted due to increased data availability.
4 We updated the safety targets in 2023.
5 We regularly calculate the employee engagement level. The most recent survey was conducted in 2023.

BASF in the Regions

BASF Group sales 2023: €68.9 billion
BASF Group employees 2023: 111,991

EUROPE

27.6
Sales (billion €)[1]

67,562
Employees[2]

NORTH AMERICA

19.0
Sales (billion €)[1]

16,060
Employees[2]

ASIA PACIFIC

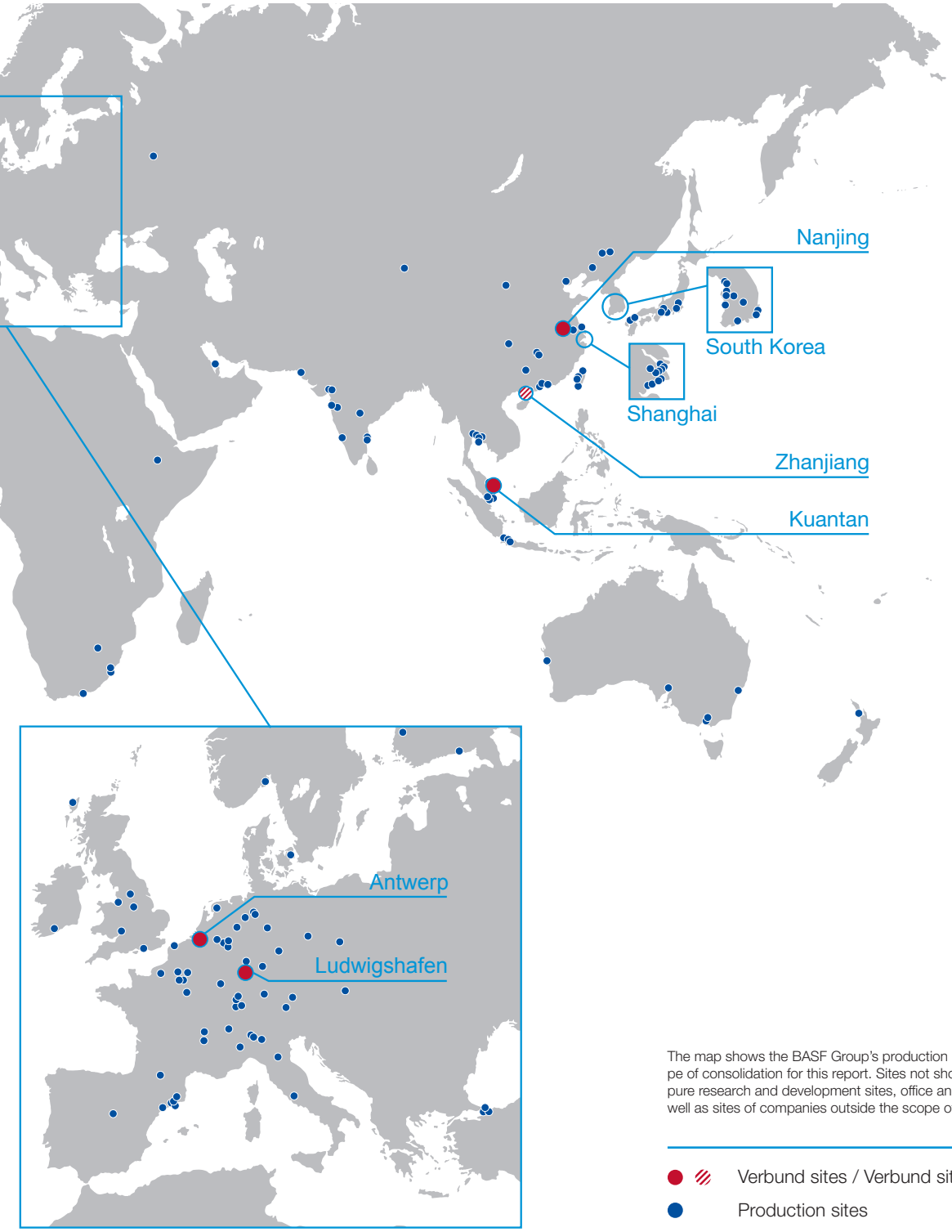
17.1
Sales (billion €)[1]

21,193
Employees[2]

SOUTH AMERICA, AFRICA, MIDDLE EAST

5.1
Sales (billion €)[1]

7,176
Employees[2]



The map shows the BASF Group's production sites according to the scope of consolidation for this report. Sites not shown on the map include pure research and development sites, office and warehouse locations as well as sites of companies outside the scope of consolidation.

Verbund sites / Verbund site under construction

Production sites

1 In 2023, by location of company
2 At year-end 2023

BASF in Asia Pacific

At a glance

Present in
19
markets

2
Verbund sites

1
Verbund site
(under construction)

Around
70
production sites

21,193
employees, of which
27.1% are female

2,164
new hires, of which
32.2% are female

Around
€17.5 billion
sales
by location of customer

Group Capex 2024-2027
€19.5 billion of which
40%
dedicated to Asia Pacific

2
Innovation
Campuses
in Asia Pacific

At BASF, we want to offer our customers the best possible solutions and help them achieve their sustainability goals. BASF's Monomers division is now ISCC PLUS and REDcert² certified globally in all major product lines. BASF can offer its customers regionally produced ISCC PLUS and/or REDcert² certified isocyanates and polyamides all over the world. The photo shows BASF's Chongqing site, which received the ISCC PLUS certificate in December 2023.

BASF in Greater China

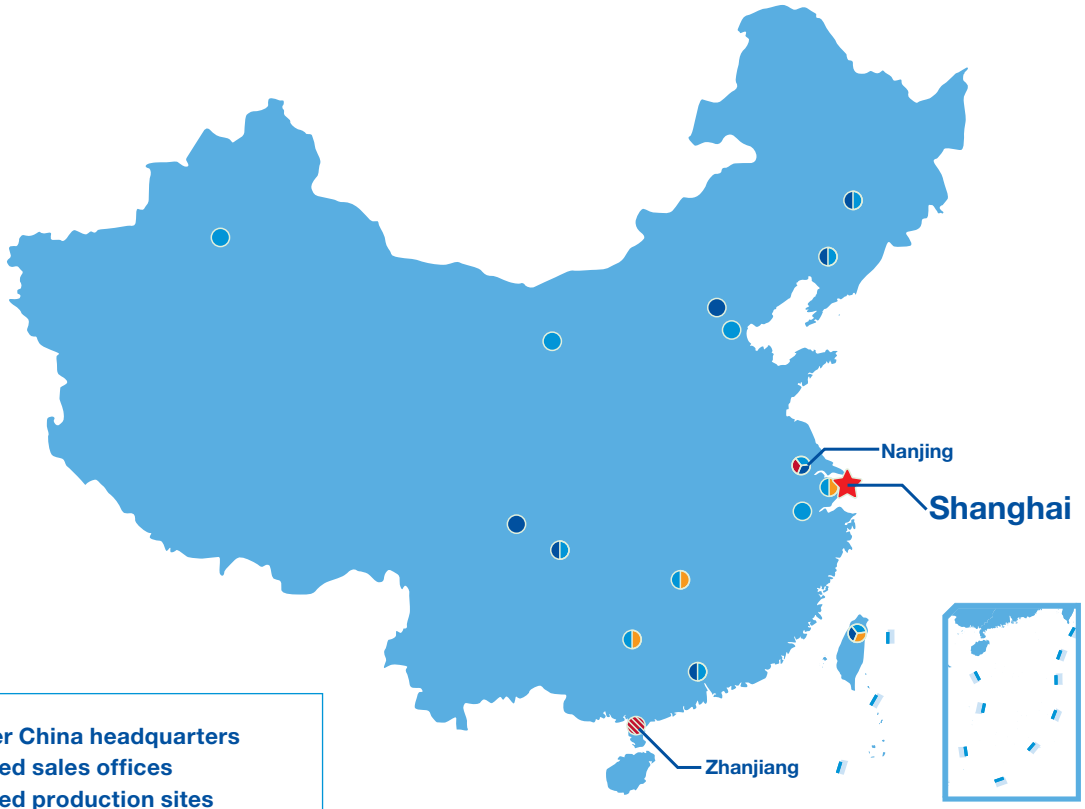
At a glance

BASF has been a committed partner to Greater China since 1885. With larger production sites in Shanghai, Nanjing, Chongqing, and Zhanjiang (under construction), BASF is a major foreign investor in the country's chemical industry, and operates the Innovation Campus Shanghai, BASF's largest R&D site in Asia. BASF posted sales of approximately €9.4 billion[1] in 2023 to customers in Greater China and employed 12,115 people as of the end of the year.

BASF currently operates 27 major wholly-owned subsidiaries, 11 major joint ventures, and maintains 25 sales offices in Greater China. BASF's business in Greater China includes Petrochemicals, Intermediates, Performance Materials, Monomers, Dispersions & Resins, Performance Chemicals, Catalysts, Coatings, Care Chemicals, Nutrition & Health, and Agricultural Solutions.

These solutions are used in almost all areas of daily life such as in houses, cars, food, agriculture, pharmaceuticals, textiles, household goods, electronic equipment, and packaging. Over the past 20 years, BASF has invested more than €10 billion in Greater China (approximately €14 billion with partners) to build a locally competitive production, marketing, sales, technical service and innovation network.

Our sites



- Greater China headquarters
- Selected sales offices
- Selected production sites
- Verbund site
- Verbund site under construction
- R&D/Technical centers

Some sites are not shown in the map due to scale.
Map reference: GS(2016)2923, Ministry of Natural Resources of China

BASF in Greater China

Sales in 2023 (by location of customer)
approximately
€9.4 billion

Employees (as of December 31, 2023)
12,115

1 Sales of BASF Group companies in the scope of consolidation, as of December 31, 2023. Sales of joint ventures and associated companies with BASF's investment of between 20% and 50% in general which are consolidated at equity (e.g., BASF-YPC Company Limited) are not included.

Major production sites in Greater China

BASF Shanghai Pudong Innovation Park

An integrated site with global, regional and local activities for research and development, production, sales and marketing, and functional units

Location: Gaoqiao, Pudong, Shanghai

Key milestones:
- Established in 1994
- Became a wholly-owned BASF entity in 2000
- Home to the BASF Greater China headquarters (legal entity since 2004; operations since 2012)
- Innovation Campus Shanghai established in 2012, phase II inaugurated in November 2015
- In 2023, Innovation Campus Shanghai phase III inaugurated
- Operating nine production plants and a wastewater treatment plant by the end of 2023

Products: Advanced materials including Ultramid® (polyamide, PA), Ultradur® (polybutylene terephthalate, PBT), polyurethane systems, Elastollan® thermoplastics polyurethane elastomers (TPU) and Cellasto® (microcellular polyurethane), acrylic dispersions and copolymers colorants, detergent, metal complex dyes, leather auxiliaries, polyvinylpyrrolidone (PVP), 3D printing materials and mobile emissions catalysts, etc.

BASF Shanghai Caojing site

A major production site with one wholly-owned company and three joint ventures

Location: Shanghai Chemical Industry Park, Caojing, Shanghai

Key milestones:
- Established in 2002
- First PolyTHF® production in 2005
- TDI/MDI commercial operation in 2006
- Operating 16 production plants by the end of 2023

Major companies:
- BASF Chemicals Co. Ltd. (wholly-owned)
- BASF Shanghai Coatings Co. Ltd. (joint venture with Shanghai Huayi Fine Chemical Co., Ltd)
- Shanghai BASF Polyurethane Company Limited (joint venture with Shanghai Huayi and Sinopec Gaoqiao)

Products: Polytetrahydrofuran (PolyTHF®), TDI (toluene diisocyanate), MDI (methylene diphenyl diisocyanate), polyisocyanate (Basonat®), precious metals-based salts and solutions, automotive coatings, resins and electrocoat, polyamide polymerization, process catalysts and antioxidant, etc.

BASF Chongqing site

A BASF wholly-owned production site for MDI (methylene diphenyl diisocyanate)

Location: Changshou Economic and Technological Development Area, Chongqing

Key milestones:
- First MDI production in 2015
- Completion of new steam methane reformer in 2018

Products: MDI (methylene diphenyl diisocyanate)

BASF Nanjing Verbund site

An integrated Verbund site jointly run by BASF and Sinopec (50 - 50)

Location: Nanjing Jiangbei New Materials High-Tech Park, Jiangsu

Key milestones:
- Established in 2000
- Commercial production since 2005
- Inauguration of its second phase in 2012
- Inauguration of its 2.8 phase in 2023
- Operating 38 production plants by the end of 2023

Products: Low density polyethylene, ethylene-vinyl acetate, ethylene glycol, polystyrene, acrylic acid and acrylic esters, non-ionic surfactants, superabsorbent polymers, n-butanol, iso-butanol, 2-propyl-heptanol, butadiene, polyisobutene, etc.

2023 facts and figures:
- Total investment of $6 billion
- 2,173 employees
- Sales in 2023: around €2.5 billion

BASF Nanjing site

A BASF wholly-owned production site for multiple products, including water-treatment monomers, amine products and coating additives

Location: Nanjing Jiangbei New Materials High-tech Park, Jiangsu

Key milestones:
- Became BASF's wholly-owned company in 2009, and renamed as BASF Specialty Chemicals (Nanjing) Co. Ltd. in 2011
- Operating nine plants as of the end of 2023

Products: ACM, AGEFLEX® FA1Q80MC, Anionic Flocculant, Cationic Flocculant, t-BA (tert.-Butylamine), DMAPA (3-(dimethylamino) Propylamine), PEA (polyetheramine), N-Octylamine A/P, 1,2-Propylenediamine, additives for painting, ink, coating and adhesive

BASF Zhanjiang Verbund site (under construction)

Built and operated under the sole responsibility of BASF. Upon completion, the site will be BASF's largest investment and ultimately BASF's third-largest site worldwide (following Ludwigshafen, Germany, and Antwerp, Belgium)

Location: Zhanjiang Economic and Technological Development Zone, Guangdong

Key milestones:
- MoU signed in Berlin in July 2018
- Commencement of the Verbund site project in November 2019
- Started piling of the first plants in May 2020
- Announced the inauguration of the first plant producing engineering plastics compounds in September 2022
- Started the full construction of the core of the Verbund since September 2022
- Announced the inauguration of the second plant producing thermoplastic polyurethanes (TPU) in January 2024

Investment: Around €10 billion in total

Plants and products:
- The first engineering plastics compound plant came on stream in 2022, followed by the announcement of inauguration of the second plant producing Thermoplastic Polyurethane (TPU) in 2024
- The site is now focusing on building its core of the Verbund and is targeted for startup by the end of 2025

Business Development

In 2023, BASF posted sales of approximately €9.4 billion to customers in Greater China. We are committed to being close to our customers and growing together with them. To date, BASF has invested more than €10 billion in Greater China (approximately €14 billion with partners) to build a locally competitive production, marketing, sales, technical service, and innovation network. Our investments enable us to serve our local customers' needs with sustainable and innovative products and solutions.

Sales (by location of customer)

Million €

2023	9,366
2022	11,624

Strategic investments in Greater China

- **Expanded downstream chemical plants of BASF-YPC**
- **Zhanjiang Verbund site: inaugurated the TPU plant and is now in full swing building its core of the Verbund**
- **Enhanced investments in anode binder, polymer dispersions, and UVA filters productions**

To respond to growing demand from various industries in the Chinese market, BASF is strategically expanding its local production, including sites construction and sustainable development projects.

In Nanjing, the further expansion project of the Verbund site operated by BASF-YPC Co., Ltd. (BASF-YPC), a 50-50 joint venture of BASF and SINOPEC, was completed in November 2023. The expanded plants include a new tert-butyl acrylate (TBA) plant, the first implementation of this advanced production technology outside Germany. The new facilities, powered by renewable electricity, will further reduce carbon emissions during production and provide sustainable products and solutions to the market.

The BASF Zhanjiang Verbund site, with a total investment of around €10 billion, is progressing steadily as scheduled. The site is now focusing on building its core of the Verbund, including a steam cracker and several downstream plants.

In 2023, BASF broke ground on a nonionic surfactants plant, an acrylic acid complex, a neopentyl glycol plant, a citral plant, a polyethylene (PE) plant and a syngas plant. These facilities, fully integrated into the Zhanjiang Verbund site, are scheduled to start up from 2025 onwards.

In January 2024, BASF celebrated the inauguration of its Thermoplastic Polyurethane (TPU) plant at the Zhanjiang Verbund site, which is the company's largest single TPU production line for BASF globally. Built with advanced technologies, this new TPU plant will enhance BASF's capability to satisfy strong market demand for TPU in the Asia Pacific region, specifically in industrial, e-Mobility and new energy segments.

BASF further expanded its production plants to support electric vehicle growth. Two production plants in Jiangsu and Guangdong provinces were modified to produce a wide range of high-performance Licity® and Basonal Power® anode binders for lithium-ion batteries. Modifications enabled a capacity of more than 100,000 metric tons per year to support a stable supply of anode binders from mid-2023 onwards.

To serve the fast-growing architectural coatings, construction, and battery binder industries, BASF announced its plan to expand its polymer dispersions production capacity by adding a second production line at its Huizhou site in the Daya Bay Petrochemical Industrial Park in Guangdong province in March. The new line will support advanced innovations with acrylics and styrene butadiene-containing dispersions, enabling agility and sustainable growth for customers in the South China market. It is scheduled to start operations in 2024.

BASF expanded its footprint in the personal care segment. A new Uvinul® A Plus production plant came on full stream in Jinshan, Shanghai in September 2023. The state-of-the-art facility produces high-quality UVA filters included in sunscreen formulations, to meet the rising demand for modern UV filters globally.

BASF inaugurated its TPU plant at the Zhanjiang Verbund site.

BASF's new Uvinul® A Plus production plant came on full stream at its Jinshan site.

Increasing the use of renewable energy

- **Formed a joint venture with Mingyang for an offshore wind farm in South China**
- **Accelerated supply of renewable electricity**
- **Launched the Green Power Alliance with value chain partners**
- **Automotive OEM Coatings secured 100% renewable energy in China**

BASF is committed to climate protection and aims to achieving net zero CO_2 emissions by 2050[1]. Increasing the use of renewable energy is one of the key levers to achieve the company's net zero emissions targets.

In the transformation of our power supply, BASF is pursuing a "make and buy" approach. Firstly, BASF is investing in its own renewable power assets. Secondly, we are purchasing green power on the market through long-term supply agreements with plant operators, power purchase agreements or renewable energy certificates, depending on the region and market regulations.

As an important step to power the entire Zhanjiang Verbund site with 100% renewable electricity by 2025, BASF and Mingyang have agreed to jointly construct and operate an offshore wind farm in South China, and have therefore formed a joint venture named Mingyang BASF New Energy (Zhanjiang) Co., Ltd. (Mingyang: 90% and BASF: 10%). The planned wind farm will have a capacity of 500 megawatts and is expected to be fully operational in 2025, subject to construction approval from the relevant authorities, and the majority of the power generated will be used to supply renewable electricity to the BASF Zhanjiang Verbund site.

BASF has also built several key partnerships to secure the Zhanjiang Verbund site's renewable electricity needs. For example, in 2023, BASF signed a 25-year power purchase agreement with State Power Investment Corporation (SPIC). Under the latest agreement, SPIC will supply 1,000 gigawatt hours of renewable electricity annually for the site starting in 2025. The company also signed a Letter of Intent with China Energy Engineering Group Guangdong Electric Power Design Institute Co., Ltd. for a partnership in renewable energy and low carbon development for its Zhanjiang Verbund site, including a 25-year renewable power purchase plan, and the two parties will also further explore collaboration opportunities in the low carbon sector.

BASF aims to secure BASF-YPC's target of achieving 100% renewable external power by 2025. In 2023, BASF-YPC signed further long-term Power Procurement Agreements (PPA) with China Resources Power and China General Nuclear Power Group respectively, to help the company to reduce CO_2 emissions by more than 2 million tons over the next 10 years. BASF-YPC has also made efforts to modernize its existing natural gas-based power plant further, introducing the latest generation of turbine technology. The combined cycled power plant produces a significant part of power and steam for the Nanjing Verbund site in a highly efficient way, which is qualified in China as clean transition technology. With these efforts, BASF-YPC's current power mix already has a 30% lower CO_2 footprint compared to the average grid power in China.

SPIC's offshore wind farm in Guangdong will supply renewable electricity to the BASF Zhanjiang Verbund site.

In December 2023, BASF's Nanjing site received China's first Green Electricity Certificate Transaction Vouchers from the National Energy Administration. Before that, the Nanjing site entered a multi-year contract with a local supplier for a 100% green electricity supply, and the green certificate is an integral part of the contract's implementation.

BASF has secured 100% renewable energy across all China sites for its Automotive OEM Coatings in 2023. Approximately 19,000 tons of CO_2 equivalents were reduced by the end of 2023 through the combination of Renewable Direct Power Purchase (R-DPP), purchase of I-REC international renewable energy certificate, and other measures.

In 2023, the Green Power Alliance of Shanghai Chemical Industry Park (SCIP) was officially launched. Initiated by SCIP and BASF, and co-founded by several enterprises in SCIP, the Alliance aims to provide sustainable and competitive green power supply to relevant enterprises and promote their green transformation. It completed its first green power transaction, nearly 14 million kilowatt hours.

1 Scope 1, Scope 2, and Scope 3 (excluding the sale of energy to third parties, including offsetting). The target includes greenhouse gases according to the Greenhouse Gas Protocol, which are converted into CO_2 equivalents (CO_2e).

Growing capabilities in local production and R&D

- **Inaugurated a new technical center building in Shanghai for automotive OEM coatings**
- **Established a Bitumen Technology Center in Shanghai for expanding its infrastructure applications in the construction industry**
- **Obtained multiple ISCC PLUS certifications for sites in China**

At BASF, we prioritize investing in regions where our customers are located and where there is market growth. In line with this strategy, we are committed to strengthening our advanced production facilities and expanding our research and development capabilities in China. These investments are aimed at meeting the increasing demands of our local customers and ensuring that we can provide them with innovative and sustainable solutions.

In March 2023, BASF opened a new technical center building at its Minhang site in Shanghai. Based on its "color + innovation" studio, the new technical center building provides local automotive OEM customers with comprehensive solutions throughout the process, from color design, styling, and matching to product development and launch.

In September 2023, BASF unveiled a Bitumen Technology Center for Asia-Pacific at BASF Shanghai Pudong Innovation Park (Pudong site), which enhances synergy and collaboration between the asphalt technology platform and BASF's various research and development units, better meeting the construction industry's needs for innovative solutions.

As a leader in the chemical industry, BASF demonstrates its commitment to helping customers meet their sustainability goals and accelerate their green journey by rolling out more site sustainability certifications that verify its chain of custody.

BASF's Thermoplastic Polyurethane (TPU) plants in Greater China obtained the International Sustainability and Carbon Certification (ISCC PLUS) certification in June 2023. BASF Chongqing site received ISCC PLUS certification in December, highlighting its ability to produce biomass balanced Methylene Diphenyl Diisocyanate (MDI). The series of certifications validates BASF's capability to produce low-carbon footprint products through the mass balance approach, reduce greenhouse gas emissions and promote sustainable development across the value chain.

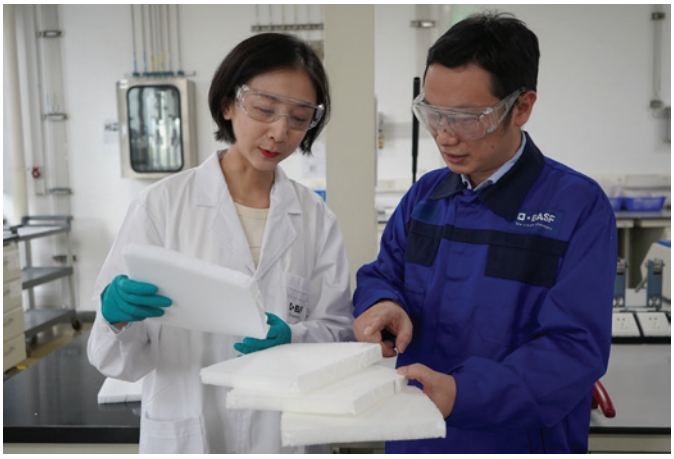
Partnering for low-carbon emission projects

- **Enhanced exchanges with partners of "Sustainability Covalence"**
- **Partnered with CPGC to accelerate onboard CO_2 capture system development**
- **Explored low-carbon technology applications in collaboration with cross-industry partners**

BASF proactively fosters collaboration and open dialogs with its partners to pursue sustainable development. As part of this commitment, BASF initiated and launched the "Sustainability Covalence" with 13 value chain partners to promote sustainable growth in China. In 2023, BASF organized summit forums in Changsha, Qingdao and Shanghai with the theme of "Journey to Carbon Neutrality", discussed with members of "Sustainability Covalence" and its customers across the value chain about the challenges in achieving cross-industry carbon neutrality, and explored potential business opportunities.

During the first Shanghai International Carbon Neutrality Expo in Technologies, Products and Achievements (Carbon Expo), BASF and CSSC Power (Group) Co., Ltd. (CPGC) signed a Memorandum of Understanding (MoU) to accelerate the development of onboard carbon capture (CO_2 capture) systems for commercial maritime applications. CPGC is developing an advanced CO_2 capturing system based on BASF's OASE® blue gas treatment technology. The cooperation aims to address the challenges of improving energy efficiency and reducing emissions in the maritime sector, to attain sustainable development in the global shipping industry.

In 2023, BASF inaugurated a new Maintenance Repair and Overhaul (MRO) Station in Shanghai. A technician is testing an ozone and ozone/VOC converter.



BASF launched Irgastab® PUR 71 in 2023, a cutting-edge antioxidant improving regulatory compliance and performance for polyols and polyurethane foams.

Certified home-compostable ecovio® for paper-based food packaging launched in 2023, suitable for home and industrial composting of cold and hot food packaging.

BASF presented its low-carbon concepts, innovative technologies and solutions at the first Carbon Expo.

BASF reaffirmed its commitment to advancing sustainable development and fostering innovation across multiple industries through cross-industry collaboration. In June 2023, BASF signed a strategic cooperation agreement with Tianneng Group and Central South University School of Metallurgy and Environment, aiming to develop processes for lead-acid battery recycling and foster the circular economy's growth.

In November 2023, BASF signed an MoU with DBC Group, Asia Pulp & Paper, and Hunan LIDO to accelerate the innovation of closed-loop solutions to recycling paper cups, thereby contributing to a low-carbon and circular economy.

In December 2023, BASF and China BlueChemical Ltd. initiated an exchange through a joint laboratory. The laboratory provides a platform for both entities to deepen their cooperation and conduct research and development in low-carbon technology applications, including green methanol and electrification of chemical processes.

BASF signed two innovative cooperation agreements with Mingyang Smart Energy in January 2024. These agreements sought to establish a joint laboratory, as well as a strategic partnership focused on polyurethane composite beam plates, with the aim of jointly promoting the high-quality and sustainable development of the wind turbine blade industry.

Co-creating sustainable solutions with customers

- **Cooperated with Midea to promote sustainable washing methods**
- **Collaborated with partners for applications in renewable energy industry**
- **Achieved technological breakthroughs through co-creation with customers**

At BASF, sustainable solutions are often achieved through collaborative efforts. With cross-industry co-creations, we seek to develop innovative and sustainable solutions to support our customers.

As a leading global supplier for the cosmetics industry as well as the detergent and cleaner industry, BASF further expanded into emerging markets and businesses in 2023. BASF and Midea Kitchen and Water Heater Appliances division inaugurated the “Midea-BASF Laundry Technology Lab” at Midea’s Shanghai R&D Center. The joint laboratory aims to create premium cleaning products for home appliances while also encouraging the use of efficient, sustainable washing procedures, thereby providing users with an exceptional washing experience worldwide.

BASF and cosmetic brand MISTINE embarked on a collaborative journey in January 2024. This cooperation aims to produce more effective, safer, and sustainable sun protection components that bridge the gap in shielding against long-wave UV and high-energy visible light.

At the Sixth China International Import Expo, BASF and China National Offshore Oil Corporation (CNOOC) signed a procurement agreement to promote the efficient utilization of CO_2-rich marine gas. BASF will provide catalyst solutions and technical support to enable CNOOC to convert high-CO_2 marine gas into syngas and downstream chemicals in an ecologically friendly manner.

BASF worked with partners in the renewable energy industry to co-create breakthrough materials. In October, BASF partnered with Oriental Yuhong to develop solar roofing membranes used in buildings, aimed to meet China’s rapidly growing demand for rooftop solar panels. In December, BASF formed a strategic cooperation with Jiangsu World Light New Material Co.,Ltd to develop a total solution cc (PV) frame, including polyurethanes (PU) composite and water-borne coatings.

In 2023, BASF collaborated with clients to create advancements in 3D printing materials, expanding its portfolio of sustainable and innovative solutions. Forward AM teamed with CREALITY, a leading consumer 3D printer manufacturer, to develop a new 3D

printing material that works flawlessly with high-speed machines. This method has a stunning 10 times speed boost over typical 3D printing materials, considerably increasing production.

BASF and Inditex jointly announced a breakthrough in January 2024 to boost textile recyclability. BASF introduced loopamid®, a polyamide 6 (PA6) made wholly of textile waste, as the first circular solution for nylon garments made entirely of textile waste. Zara repurposed the material into a 100% loopamid® jacket that is currently sold worldwide.

Collaborating towards green transportation

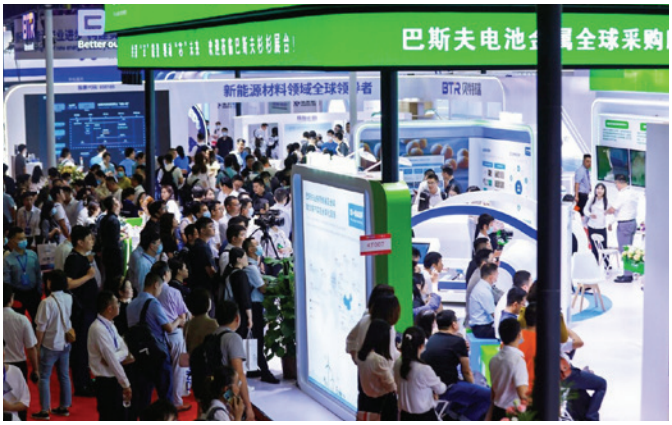
- **Participated in the development of battery cooling standard for NEV**
- **Collaborated to develop battery materials, charging system innovations**

For years, China is the world's largest market for new energy vehicles (NEV). To keep up with the rapid advancements in NEV technology and cater to the increasing demand from domestic customers, BASF collaborates with partners and relevant departments to jointly promote green transportation in China.

In March 2023, the Highway Research Institute of the Chinese Ministry of Transportation and BASF hosted a seminar on electric vehicle coolant standards. The seminar brought together key OEMs, battery manufacturers, mineral oil companies and other relevant organizations, to collaborate on brainstorming and advancing the development of a standardized coolant specifically for electric vehicles in China.

In July 2023, BASF signed a strategic cooperation agreement with Gotion High-tech to strengthen their collaboration in battery materials and new energy industries, including engineering plastics and polyurethane products in the battery sector. BASF also inked a strategic cooperation agreement with partners Ebusbar and Clariant in November. The three parties will collaborate to develop the global high-power charging system business.

BASF developed loopamid®, a recycled polyamide 6 made entirely from textile waste, and Inditex turned the material into a capsule jacket.



At the China International Battery Fair 2023, BASF and BASF Shanshan Battery Materials Co., Ltd. (BASF: 51%; Shanshan: 49%) presented a broad portfolio of chemical innovations.

Business adjustment and Venture Capital

- **Restructured existing businesses to focus on growth market**
- **Invested in photonic crystal metamaterial engineering and microsphere manufacturing**

In July 2023, BASF completed the carve-out of its mobile emissions catalysts and precious metal services businesses, establishing a new independent entity called BASF Environmental Catalyst and Metal Solutions (ECMS). With this successful carve-out, BASF has seized market opportunities to meet the more stringent and heavy-duty emissions regulations, while further developing circular solutions and the hydrogen economy.

BASF and Huntsman, together with their Chinese partner companies – Shanghai Hua Yi (Group Company), Sinopec Shanghai Gaoqiao Petrochemical Co., Ltd., and Shanghai Chlor-Alkali Chemical Co., Ltd. separated their joint MDI production at Shanghai Lianheng Isocyanate Co., Ltd. (SLIC) in 2023. The companies now operate the two MDI plants independently. Huntsman together with Shanghai Chlor-Alkali Chemical Co., Ltd, and BASF together with Shanghai Hua Yi (Group Company) and Sinopec Shanghai Gaoqiao Petrochemical Co., Ltd each take over one of the MDI plants. The new organizational setup allows BASF and its partners to further develop the MDI operations in Shanghai while serving local customers more effectively.

BASF Venture Capital announced its investment in Phomera Metamaterials Inc. (Phomera), a leading technology company specializing in photonic crystal metamaterial engineering and microsphere manufacturing. The investment positions BASF on the frontlines of the technology revolution, and Phomera's innovative application to the various industries will help both companies achieve their corporate sustainability goal.

Located in the Innovation Campus Shanghai, the Creation Center China, which was newly inaugurated in 2023, features a new facility, 'Creator's Lab', as well as enhanced digital tools to introduce visitors to various Creation Center projects and BASF's extensive materials database.

Innovation

Innovation is the bedrock of BASF's success as a leading chemical company and is the key driver for its profitable growth. China is now the largest chemical market in the world and there is a growing demand for more sustainable products and solutions. We focus on developing sustainable solutions for our customers by helping them to reduce their products' carbon footprint, to use resources more efficiently or to manufacture products in a more eco-friendly way. This is how we safeguard our competitiveness in the long term and make our contribution to the society.

Growing R&D capabilities in China

- **Total investment in Innovation Campus Shanghai of around €280 million**
- **Growing R&D capabilities will further accelerate innovations for BASF's customers in China and across Asia**

BASF has been continuously expanding its research and development footprint in China to drive innovation by integrating customer and market needs at an early stage. The Innovation Campus allows BASF to bring together all the stakeholders in the innovation chain including research and development (R&D), business and production units in an integrated site. Innovation Campus is an integral part of BASF's global Know-How Verbund and runs global, regional, and local R&D projects.

The Innovation Campus Shanghai, located at the BASF Shanghai Pudong Innovation Park, was inaugurated in 2012, and expanded in 2015, 2019 and 2023. Combining technical development capabilities of the operating divisions with industrial design expertise, the Innovation Campus Shanghai serves the demand of almost all major industries.

In 2023, BASF inaugurated the expansion of its Innovation Campus Shanghai, consisting of two new R&D buildings. The company has invested a total of €280 million since 2012 to its Innovation Campus Shanghai, thus enhancing its innovation capabilities and better supporting its customers in China and across Asia. The expansion includes new facilities and laboratories that are used to advance chemical research projects and create new sustainable solutions.

BASF Shanshan Battery Materials Co., Ltd, a joint venture of BASF (51%) and Shanshan (49%) has already built up mature supply to customers with a closed-loop offering including raw materials, precursors, cathode active materials and recycling. Cathode active materials play a crucial role in improving the performance of lithium-ion batteries in electric vehicles and consumer electronics. BASF Shanshan Battery Materials focuses on independent research and development and already has obtained strong technical innovation strength. With its advanced innovation center, strong R&D platform and patent matrix, as well as the synergy of BASF's global innovation network, researchers of BASF Shanshan Battery Materials are now working together to accelerate product and application development which meets the diverse needs of customers in China and around the world and make e-mobility a reality for everyone.

Driving open innovation with academia and industry

- **The Network for Asian Open Research (NAO) promoting collaboration between BASF and researchers in Asia**
- **BASF and National Natural Science Foundation of China (NSFC) collaborated to advance green process value chains towards carbon neutrality**
- **"BASF-IOPLY joint research center for e-mobility and energy storage" unveiled in Liyang, Jiangsu province**

At Innovation Campus Shanghai, our researcher is exploring the frontier of emulsion polymers and colloid science.

Researchers in the new materials and parts testing lab are evaluating newly developed material solutions to meet local needs in e-mobility, renewable energy, and other fast-growing sectors.

BASF's largest R&D center in Asia Pacific

Innovation Campus Shanghai

Focus: R&D for chemicals and catalysis, materials, specialty chemicals, analytics, digitalization for R&D, Creation Center

BASF places great value on open innovation through close collaboration with academic and industry partners around the world. It maintains a global network of around 280 partners from universities, institutes, and companies, forming a key pillar of BASF's global Know-How Verbund. In Asia Pacific, the Network for Asian Open Research (NAO) has been a joint platform steered by BASF as well as leading universities and institutes in the region since 2014.

Since the establishment of NAO, BASF and its partners have completed more than 170 joint research projects. Currently, NAO projects cover a wide range of research areas including sustainable materials, advanced process, digitalization, smart manufacturing, as well as solutions for e-mobility.

In 2023, BASF was recognized as one of the "Blue Whale 50 – Top 50 Global Large Enterprises in Open Innovation" by the Technology Innovation Research Centre of Tsinghua University (TIRC) and Plug and Play China. A judging panel of renowned academic and industry experts commended BASF's commitment to scientific and technological innovation, particularly its advancements in open innovation.

In 2023, BASF and National Natural Science Foundation of China (NSFC) signed a Letter of Intent for Cooperation (LOI) to drive joint innovation and to advance green process value chains towards carbon neutrality targets. The collaboration brings together industry innovation capabilities of BASF and capabilities of NSFC in supporting fundamental research and original innovation. The LOI focuses on research into sustainable process technologies, for example, development of new catalysts and reactors, utilization of carbon dioxide as raw materials, advanced digital tools, and analytical methods. The joint cross-industry research and development will accelerate the transfer of green process value chains into industrial applications.

BASF and South China University of Technology (SCUT) signed a strategic partnership framework agreement, covering various fields including innovative technology development, university-industry collaboration, and talent development in June 2023. Through this partnership, BASF and SCUT aim to deepen the cooperation and build an innovation eco-system with the focus on chemicals, materials, and industrial intelligence solutions. Both parties will identify the research directions based on technologies, products, and markets in various segments, and carry out industry-university collaboration in fundamental research, application-driven fundamental research, technology research and development, and forward-looking technology reserves. BASF and SCUT will also leverage this opportunity to enhance talent development for the chemical industry, as talents play a key role in driving innovations.

BASF and Yangtze River Delta Physics Research Center (IOPLY), a science and technology innovation enterprise, in July 2023 unveiled a joint research center in Liyang, Jiangsu province. Named "BASF-IOPLY joint research center for e-mobility and energy storage" (BIRC), this joint research center aims to accelerate innovations in advanced materials and solutions for e-mobility and energy storage. Under the agreement, both parties will collaborate on materials and solutions for battery cells and packs with focus on solid-state batteries (SSB) and sodium-ion batteries. These are widely considered to be the next generation batteries for e-mobility and energy storage, respectively. At the same time, both parties will leverage digital R&D capabilities to improve innovation efficiency. Liyang is a thriving hub for the new energy industry. BIRC will leverage the strengths of industry cluster in the city and collaborate with partners along the value chain to drive joint innovation and accelerate time to market.

"BASF-IOPLY joint research center for e-mobility and energy storage" was unveiled in Liyang, Jiangsu province.

Supplier Management

BASF aims to improve its supply chain sustainably and exceed customer expectations through its industry collaborations and digitalization approaches.

BASF Corporate Commitment

We source responsibly.

Sustainable procurement

- **Set new targets to reduce specific Scope 3.1 emissions[1] by 15% by 2030 and to achieve net zero Scope 3.1 emissions by 2050**
- **Continued Supplier CO_2 Management Program**
- **Expanded the content of Supplier Code of Conduct**

BASF is committed to improving sustainability in the overall supply chain of the chemical industry by having suppliers adhere to the internationally recognized environmental, social and governance (ESG) standards and regulations. We focus on the potential to reduce upstream, raw materials-related carbon emissions, thus contributing to our new raw materials-related climate protection target defined in 2023. We continued our Supplier CO_2 Management Program which was launched in 2021. We aim to increase the transparency and reduce the carbon footprint of our value chain together with our suppliers. By 2030, BASF aims to reduce its specific Scope 3.1 emissions[1] by 15% compared to 2022 across the portfolio from 1.58 to 1.34 kilograms of CO_2 per kilogram of raw material bought.

BASF's Supplier Code of Conduct is based on internationally recognized guidelines which include compliance with human rights, anti-discrimination, and anticorruption policies, and protecting the environment, etc. In 2023, BASF's Supplier Code of Conduct has been expanded to new topics such as people's livelihoods and prohibition of unequal treatment in employment. Our existing suppliers have been informed of these changes. In 2023, over 2,700 new suppliers in Asia Pacific region were committed to our Supplier Code of Conduct.

Under the joint initiative "Together for Sustainability" (TfS), 50 companies from the chemical industry, including BASF, are actively working on standardizing the calculation methods of Scope 3 greenhouse gas emissions in the supply chain and on a digital exchange platform for Product Carbon Footprint data. BASF continues to conduct supplier assessments and trainings based on the established high standards of the TfS framework. A total of 89 raw materials supplier sites were audited on sustainability standards on our behalf in 2023. We received sustainability evaluations for 579 suppliers. In Greater China, BASF conducted 71 on-site audits and 206 online assessments of its local suppliers in 2023.

An important component for supplier development in 2023 were the webinars on the topic of sustainability. More than 2,100 participants worldwide joined the webinars. In addition, the TfS Academy is a new online learning platform aiming to support its value chain partners for further optimization. This platform covers full range of ESG-relevant topics, with over 390 courses available in eleven different languages.

In Greater China, BASF continued its collaboration with East China University of Science and Technology (ECUST) to conduct the 10th annual sustainability training. The training covers all aspects of sustainable procurement and operations that helps the local suppliers meet industry standards. 102 participants from 88 Chinese suppliers joined this training in 2023.

Green and sustainable supply chains

In the supply chain and logistics, BASF is piloting the adoption of renewable energy technologies as part of its commitment to tackling climate change. Among various initiatives there is a pilot for using electric vehicles (EVs) for domestic transportation. The EVs result in lower level of greenhouse gas emissions compared to conventional diesel trucks, catalyzing cleaner air and a reduced carbon footprint in the logistics sector.

EV trucks also bring about a fundamental shift in reducing environmental impact without compromising on operational efficiency and incurring additional cost. The adoption of EV trucks demonstrates BASF's sustainability commitments.

BASF partnered with logistics service provider to use an electric vehicle truck for transportation between Cellasto® tollers and warehouses in Shanghai.

1 Scope 3.1, raw materials excluding battery materials, excluding services and technical goods, excluding greenhouse gas emissions from BASF trading business.

At BASF, safety is our utmost priority. Our EHS professionals play a critical role in preventing incidents and accidents, as well as reducing any possible adverse effects resulting from the operating conditions.

Environmental Protection, Health and Safety

Health and Safety

At BASF, our first priority is to protect both people and the environment. Our core business – the development, production, processing, and transportation of chemicals – necessitates a responsible approach. We address environmental, health and safety risks with a comprehensive Responsible Care Management System. With this system, we expect our employees and partners to understand the potential hazards of working with our products, substances and plants and handle them appropriately.

BASF Corporate Commitment

We produce safely and efficiently.

Product Stewardship

- **High product stewardship standards worldwide as an integral part of our business**
- **Safety and risk assessment enables safe and sustainable products**

BASF is committed to continuously minimizing the negative effects that our products possess on people and environment. This commitment to product safety is enshrined in our Responsible Care Management System. We aim to meeting the requirements of our customers worldwide with our products and contributing to sustainability while complying with all relevant national and international laws and regulations. Our sites and Group companies implement internal and legal requirements to ensure high standards of product safety worldwide. This is regularly audited by the Environmental Protection, Health, Safety and Quality (EHSQ) unit in the Corporate Center. BASF experts exchange product safety relevant information and best practices regularly.

We ensure our products undergo necessary tests and assessments before launching or even earlier to identify potential hazards and risks. This ensures that protective measures, precautions and

At BASF, we value the health and safety of people above all else. Wherever we do business, we act responsibly – not just complying with all relevant regulations but going the extra mile to reduce risks and minimize our environmental impact.

BASF operators use various intelligent inspection tools to monitor the production process at the site. BASF has been at the forefront of digital transformation, covering topics from safe manufacturing to operational excellence.

recommendations are in place for safe handling of products from its production to disposal. At BASF, we use a global database to document the environmental, health, and safety data for all our substances and products which for example serves as a basis for hazard communication documents. Globally Harmonized System (GHS) is used to classify and label our products worldwide considering the legal requirements in each country.

BASF actively promotes product stewardship code and practices in Greater China through events and close collaboration with industry associations, academia, and local authorities. In 2023, our Greater China PS&R team co-organized workshops with Chinese academic associations, attracting more than 200 representatives from the industry to deep dive in new technologies and experiences for new pollutants detecting and controlling.

In 2023, we successfully implemented some new digitalization solutions in SAP, which efficiently facilitated compliance with the new regulatory requirements for hazardous chemicals and substances reporting, ensuring the smooth operations of our sites in China. A regulation dashboard called the PS&R Greater China Regulation Database was also launched, which shared over 150 regulations and standards pertaining to chemical regulations, industry regulations, and trade compliance regulations in Greater China. By December 2023, more than 540 employees had utilized this valuable resource.

We support our customers, suppliers and other partners to fulfill their industry or application-specific product requirements through product safety and regulations events in China. In 2023, over 200 customers and suppliers participated in such events with positive feedbacks.

Process safety

- **Process safety experts conduct regular safety reviews**
- **Lower hsPSI rate as a result of the Process Safety Incident Reduction Program**
- **Process safety specialist development program in Greater China**

Ensuring safe, efficient, and sustainable production is integral to our operations, with a commitment to rigorous safety standards in the planning, construction, and operation of our global plants. Our worldwide guidelines establish the framework for the secure construction and operation of plants, prioritizing the well-being of both people and the environment. Our process safety experts together with the employees from sites developed safety concepts for each plant encompassing key aspects such as safety, health, and environmental protection, from initial design to production completion, with detailed safety measures outlined. Regular implementation checks are conducted to verify ongoing compliance with the safety concept and to keep processes up-to-date.

The new safety KPI, High Severity Process Safety Incidents (hsPSI) rate, was introduced in 2023. The result of hsPSI in Greater China in 2023 is zero, and the corresponding High Severity Process Safety Incidents Rate (hsPSIR) is 0.00. It aligns with the BASF's Group global target to reduce the High Severity Process Safety Incident Rate (hsPSIR) to 0.1 in 2030. We continuously worked on the process safety culture improvement in Greater China in 2023 via webinars, trainings, good practice sharing and regular EHS meetings.

BASF's process safety specialist development program is to strengthen the competency in process safety of the sites. In the program, candidates are given opportunity to involve themselves in EHS reviews and variety of process safety-related trainings such as explosion prevention and protection, thermal stability, hazard identification, etc. This program takes two to three years to train the site operators to the level of process safety experts.

To continuously improve process safety performance, a series of initiatives were taken in Greater China, including the conduct of the Environment, Health and Safety (EHS) review for new project, Revalidation and/or Clean Sheet review for existing plants, the Pre-Startup Safety Review (PSSR) after plant turnaround and the Responsible Care audit. To further enhance the expertise of our employees, customized process safety workshops and trainings on topics such as Energy Isolation, Explosion Prevention and Protection were organized. We continue to adopt a globally uniform strategy to manage changes in regulatory requirements to ensure the effective identification and control of risks at plants.

High Severity Process Safety Rate (hsPSIR)

per 200,000 working hours

2023	0.00

Occupational safety

- **Cultivating a safety culture through diverse activities and campaigns**
- **Overarching risk classification being assessed in the individual HIRA**
- **Implementation of the new BASF occupational safety KPI**

At BASF, we commit to establishing a safe and secure work environment, fostering risk-based behaviors and adhering the secure work practices. Leveraging our expertise, we consistently refine and enhance our requirements and training initiatives.

BASF launched the nationwide Global Safety Day (GSD) campaign 2023 in Greater China under the theme “Safety, our way of life!”. More than 300 activities were organized both online and offline, attracting over 37,000 person-times participation from 39 legal entities including both BASF employees and contractors to strengthen their safety knowledge and awareness.

In 2023, the 4th Greater China EHS Awareness and Knowledge Competition (GEAR) was officially launched to promote continuous learning and positive safety culture at BASF. Over 3,300 participants, representing a 5% increase compared to the previous year, enrolled in the self-learning and daily test modules.

Fatalities

Total

2023	0
2022	1

High Severity Work Process Related Injury Rate (HSIR)

per 200,000 working hours

2023	0.00

Hazard Identification and Risk Assessment (HIRA) is one of BASF occupational safety core elements. For all the routine tasks and workplaces, a systematic approach must be established to identify and analyze hazards, assess risks, evaluate and document the existing and new control measures. In 2023, the corporate requirement was revised to specify the overarching risk classification with revision cycle implementation, and the HIRA process elements streamlined as well.

BASF is committed to reporting according to the Global Reporting Initiative (GRI), which is the world’s most widely used standards for sustainability reporting and includes the standard GRI 403 for Occupational Health and Safety.

At BASF, we commit to establishing a safe and secure work environment, fostering risk-based behaviors and adhering the secure work practices.

Since January 2023, BASF has started to use a new KPI for occupational safety - High Severity Work Process-Related Injury Rate (HSIR) for steering and target setting. The new KPI focuses on continuous reduction of high severity incident whose root causes are work-related and influenceable by BASF's day-to-day management. It follows official recommendations of authorities and associations to concentrate on high-risk incidents in employees' working environment. The target of High Severity Work Process-Related Injury (HSI) for BASF is no more than 0.05 per 200,000 working hours by 2030.

In 2023, BASF has successfully recorded zero high severity work process related injury across all the sites and offices in Greater China.

Occupational health

- **Worldwide standards for occupational health guided by experts**
- **Health promotion continues to be a priority in improving the overall physical, mental and well-being of BASF employees**
- **Ensuring medical emergency preparedness at sites and providing adequate health support to employees**
- **Continuing to improve occupational health awareness to enhance health and safety**

A key component to the success of creating a safe and healthy work environment is commitment and awareness. At BASF, occupational health experts are dedicated to help keep employees healthy and safe at work and manage any relevant risks that are likely to give rise to work-related illnesses.

We continued to improve the overall physical, mental and well-being of employees with health promotion and initiated the "I Care" project to promote health topics in Greater China. We also introduced the Health Campaign "Go for Fun" to all sites in 2023. Monthly health talk materials on general or specific health topics were developed and distributed to all sites for health awareness improvement.

Prompt first aid is crucial in a medical emergency. To ensure the first aider's capability, an enhanced first aid training program was launched in Greater China in 2023. It included increasing the training frequency, focusing on hands-on practice, introducing special effects make-up drills, enhancing trainers' skill and first aiders screening.

The success of health care performance at BASF is measured using the Health Performance Index (HPI). The HPI consists of five main components: recognized occupational diseases, medical emergency preparedness, first aid, preventive medicine, and health promotion. With the highest score being 1.0, each component contributes a maximum of 0.2 to the total score. At BASF, we aim to reach a value of more than 0.9 every year. With the excellent HPI score of 0.97 in Asia Pacific for 2022, we once again reached the goal with HPI score of 0.99 for Greater China in 2023.

Competencies are vital for employees to succeed in the workplace and contribute to creating a safe and healthy work environment. Thus, a Mass Casualty Incident (MCI) workshop and a Chemical Health Risk Assessment (CHRA) workshop were conducted in Greater China to develop participants' knowledge, improve their job skills as well as provide a better quality of work. These in-person workshops were led by both internal and external trainers. Topics on occupational health are also available online at BASF's EHS Academy.

Transportation and distribution safety

- **Extension of the national assessment scheme for storage facilities**
- **Sharing expertise to support dangerous goods transport regulation development and implementation in China**
- **Country TDS expert continuously conducts regular TDS related reviews and assessments**

The overall goal of Transportation and Distribution Safety (TDS) related requirement is to further strengthen BASF's commitment to safely transporting and distributing our products. It aims at continually improving BASF's safety performance and further minimizing transportation incidents, thus lowering the impact of our products to people and environment. Thus, we collaborate with reliable stakeholders and logistics partners in ensuring full compliance of the BASF group activities with international, national and local transport regulations and more particularly with all legal provisions that govern the movement of dangerous goods all over the world. These include the execution of various TDS related reviews and programs via the internal TDS Review for BASF sites, a Chemical Road Safety Assessment System (CRSAS) and a Chemical Warehouse Safety Assessment (CWSAS) amongst all our Logistics Service Providers (LSPs).

CWSAS is a national assessment in China which was developed to evaluate the quality, safety and environmental performance of

We work with trusted partners to ensure BASF activities align with all relevant transport regulations and legal provisions.

warehouse service providers based on European Chemical Industry Council (CEFIC), Safety and Quality for Sustainability (SQAS) and other local legal requirements. Through this third party approach, a highest level of standardization as well resources management are achieved, compared to individual assessments. The TDS representative from BASF is the pioneer and part of the technical committee, and CWSAS has gone live in 2024 with completion of 11 assessments to warehouse service providers. Further to CWSAS, 32 warehouse service provider's report assessments have been completed with additional 75 transport service providers' report assessments completed for CRSAS.

All internal procedures are reviewed on a regular basis in accordance with global questionnaires and methodologies to ensure compliance with both local regulations and BASF standards.

Emergency response

- **Prompt emergency response with extensive preventive measures**
- **BASF recognized for "Best Practices in Fire Protection in Pudong New district" for seven consecutive years**
- **Participated in the 2nd Yangtze River Delta International Emergency Disaster Reduction & Rescue Expo**

BASF strives to avoid safety-related incidents as much as possible. We have implemented preventative measures with clearly defined responsibilities and procedures at all sites. A highly skilled emergency response team reacts quickly to any incident that occurs in operations, transportation, or along the supply chain.

In 2023, fire prevention assessments were successfully conducted at over 20 sites in Greater China to ensure the effectiveness of infrastructure, constructive, technical, and organizational fire prevention of all BASF facilities. At the same time, it safeguards people, property, and the environment from the destructive impact from the fire.

The BASF emergency response on chemicals is highly acknowledged by the Shanghai Emergency Management Bureau. We participated in the 2nd Yangtze River Delta International Emergency Disaster Reduction & Rescue Expo with the best practices sharing on emergency response management. During the Sixth China International Import Expo (CIIE), BASF was invited to participate in a roundtable discussion at Hongqiao International Economic Forum, with focus on production safety and emergency management.

We continued to contribute to emergency and standard formulation in Greater China. BASF Shanghai Pudong Innovation Park has been recognized for the best practices in firefighting protection for seven consecutive years largely due to BASF's excellent firefighting management.

Security

- **Enhance cross-site synergy and collaboration with cyber security**
- **Raise employees' security awareness via an online reporting portal**
- **Rollout new Travel Security program to fulfill 'Duty of Care'**

The objective of security measures at BASF is to safeguard our employees, assets, products, and confidential information. Our comprehensive network, comprised of 34 designated site security managers across the country, is interconnected through various innovative means. These include the Annual Security Conference, monthly Security Forum, EHS Webinar, and Regional Security Teams Channel, which provide regular updates from the global security community, facilitate the exchange of best practices, and share lessons learned from incidents. Through an open and agile communication approach, this network effectively addresses a wide range of security topics encompassing both physical security and cyber security, while promoting efficiency and collaboration.

The early detection and prevention of security incidents can be greatly enhanced through heightened security awareness. To foster such awareness, various initiatives have been implemented to promote security consciousness and encourage incident reporting. These initiatives include the implementation of customized security surveys for employees, site security managers, and site managers, in order to gather diverse perspectives and feedback. Additionally, we are active in promoting the use of a regionally developed an online portal called 'See Something, Say Something', which facilitates the easy and swift reporting of any potential security breaches.

Over the last two years, geopolitical conflicts have intensified, which brings more challenges to ensure the safety of employees travelling. This conversely underlines the importance of duty of care on behalf of employers who are morally and legally obligated to preserve the health, safety, and security of employees also while traveling. In this context, Corporate Security has achieved an important milestone in 2023 by adjusting our travel security concept and joining forces with a leading crisis response and global protective solutions firm.

The objective of security measures at BASF is to safeguard our employees, assets, products, and confidential information.

Energy efficiency & environmental protection

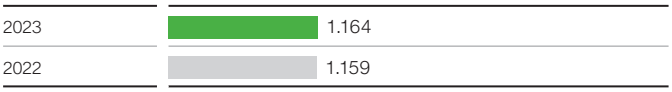
We are committed to energy efficiency and global climate protection in this energy-intensive industry. We aim to significantly reducing our carbon footprint through our carbon management programs, which include adopting advanced technologies and processes, constantly upgrading facilities, and increasing our use of renewable energies. Our production processes are being optimized to be as energy efficient as possible with the help of comprehensive energy management. Over the long term, we will continue to develop new processes and technologies to reduce our carbon emissions in Greater China.

Energy

- **Total energy consumption increased as a result of overall higher production**

The total energy consumption of BASF sites in Greater China in 2023 increased, primarily due to the higher production compared to 2022. Overall higher production led to higher consumption of electricity, steam and residue fuel and fossil fuel. Electricity consumption increased by 0.4% to 1.164 million megawatt hours (MWh) in 2023 (2022: 1.159 million MWh). Steam supply totaled 3.229 million megawatt hours, 4.5% more than 2022 (2022: 3.091 million MWh). The usage of fossil and residue fuels in power plants for production was 0.954 million MWh in 2023, 2.9% higher than last year (2022: 0.927 million MWh).

Electricity consumption
(Million MWh)



Steam supply
(Million MWh)

Fossil & residue fuels use for own generation in power plant
(Million MWh)

BASF Shanghai Caojing site; BASF Shanghai Coatings Minhang and Caojing sites, and BASF Coatings' resin plant in Caojing, Shanghai, realized 100% renewable energy usage across its operations in 2023.

Emissions to the air

- **Decrease in greenhouse gases (GHG) due to effective carbon management**

BASF aims to achieving net zero emissions by 2050[1]. By 2030[1], we aim to reducing our global greenhouse gas emissions (Scope 1 and 2) by 25% compared with 2018. We have implemented various measures in all BASF sites in Greater China to contribute to this ambitious goal.

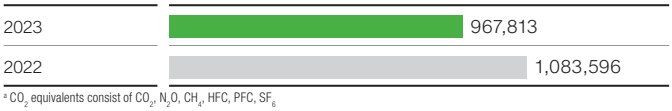
In 2023, GHG emissions from BASF's chemical operations in Greater China totaled 0.968 million metric tons, down by 10.7% compared with last year (2022: 1.084 million) despite higher production output. All sites in Greater China actively implemented ways that greatly contributed to CO_2 emission reduction. One site in Greater China reduced the emissions through the whole operation process by applying a series of solutions, including sustainability solutions, use of digital applications, innovative technology development and production technical optimization. This involved the whole process from recycled raw materials application, optimization of packaging materials, transportation, to energy application and optimization of production processes. The good initiatives were shared as best practices with other sites.

In 2023, two sites in Greater China whose GHG emissions were considerably large were nominated for auditing by a third-party auditor for greenhouse gas emission reporting assurance. Vigorous audits were conducted with data review and site visits. Both sites successfully accomplished the audit with very good results without any material findings.

Aside from greenhouse gas emissions, BASF also monitors non-GHG air pollutants such as inorganic compounds like carbon monoxide (CO), sulfur oxides (SOx), nitrogen oxides (NOx) and ammonia, as well as dust or non-methane volatile organic compounds (NMVOC). Air pollutants from BASF's chemical operations in Greater China were 385 metric tons (up by 21% compared with 318 metric tons in 2022).

Greenhouse gas emissions

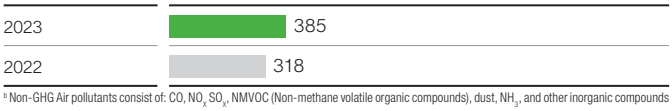
Metric tons of CO_2 equivalents[a]



[a] CO_2 equivalents consist of CO_2, N_2O, CH_4, HFC, PFC, SF_6

Non-GHGs[b] (without CH_4)

Metric tons



[b] Non-GHG Air pollutants consist of: CO, NO_x, SO_x, NMVOC (Non-methane volatile organic compounds), dust, NH_3, and other inorganic compounds

In order to further reduce the volatile organic compounds (VOC) emitted from fugitive emission, one site in Greater China had implemented a "Leak Hunter" program whereby they want to achieve a zero loss of containment at the site. Site employees implemented a constant identification of leak program and immediately rectify the leak if applicable. This not only reduces the fugitive emissions from the site operations, but also improves the overall safe operations of the site.

Water

- **Sustainable water management with mandatory protection plans**
- **Using water responsibly**

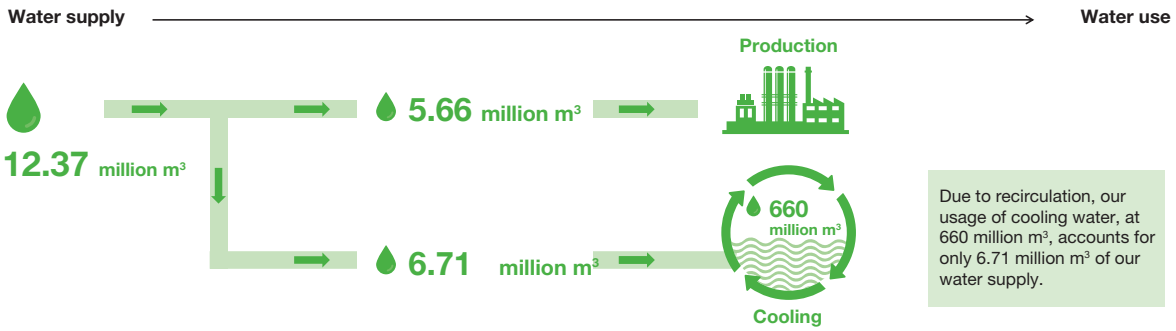
Water is a precious and critical resource in the chemical industry. It is used as a coolant, a solvent, a cleaning agent, and in the manufacturing of our products. BASF has set global goals for sustainable water management, including the responsible use of water in our production sites' water catchment areas and along the entire value chain. BASF sites in Greater China adhere to group requirements that are aligned with the globally applicable standards and are exploring associated initiatives. The European Water Stewardship (EWS) Project has been completed at 15 BASF locations in water-stressed parts of Greater China, with three more sites planned by 2030.

To avoid unforeseen emissions and the pollution of surface or groundwater, BASF developed a water protection strategy for each manufacturing site, as a mandatory part of the global Responsible Care® initiative, of which BASF is a member. The wastewater protection plan involves assessing the risks of wastewater and drawing up suitable monitoring methods. Wastewater risk assessment helps identify the potential risks of unexpected wastewater releases. Regular audits are carried out to ensure that appropriate measures are implemented and complied with.

Emissions of water pollutants in Greater China increased in 2023 compared with 2022, mainly due to the higher production in 2023. Emissions of organic substances (COD) totaled 119.0 metric tons (2022: 108.6 metric tons). Phosphorus emissions were at 0.7

1 Scope 1, Scope 2, and Scope 3 (excluding the sale of energy to third parties, including offsetting). The target includes greenhouse gases according to the Greenhouse Gas Protocol, which are converted into CO_2 equivalents (CO_2e).

Water use in Greater China



Water supply Million cubic meters		Water use Million cubic meters	
		Production	Cooling
2023	12.37	5.66	659.81
2022	11.99	5.67	620.87

metric tons (2022: 0.6 metric tons). Nitrogen emissions were at 13.1 metric tons (2022: 15.2 metric tons), while heavy metal emissions rose to 0.06 metric tons (2022: 0.04 metric tons). Increase of water pollutants of COD, phosphorus and heavy metals were due to overall higher production volume while nitrogen decreased in 2023 due to installed higher nitrogen removal at a particular high emitter site.

The total water supply was 12.37 million cubic meters in 2023 (2022: 11.99 million cubic meters). Among them, 5.66 million cubic meters were used in production (2022: 5.67 million cubic meters), with the remaining predominantly used for cooling purposes. We conserve water by recirculating as much water as possible. The recirculated water used for cooling at BASF's Greater China sites amounted to 660 million cubic meters in 2023 (2022: 621 million cubic meters).

We implemented initiatives for water conservation by reusing industrial waste water for production and equipment cleaning at one of the sites in Greater China, which won the Third Prize of Shanghai 2023 Industrial waste water (IWW) Reuse Case Selection. Two BASF sites in Nanjing were also recognized by Jiangsu province for winning the leadership of green development enterprise prizes.

Waste

- **Continuous efforts to reduce and recycle waste**
- **Audits of external waste management companies**

BASF strives to design products and processes that minimize waste as much as possible. If waste is unavoidable, we explore recycling or energy recovery options at BASF's Verbund site. Waste from BASF's chemical operations in Greater China totaled 104,070 metric tons in 2023, an increase of 7.6% compared to last year (2022: 96,680 metric tons). Higher production and maintenance activities involving several sites generated more waste and contributed to the overall increase of waste in 2023.

In 2023, the total amount of waste recovered was 76,526 metric tons (2022: 69,378 metric tons), while the total waste disposed was 27,544 metric tons (2022: 27,302 metric tons).

External waste management providers are audited on a regular basis to ensure that hazardous waste is appropriately processed and disposed of. Since 2013, we have been closely monitoring the soil and groundwater status of all sites in Greater China.

Emission to water

Metric tons

	2023	2022
Organic Substance (COD)	119.03	108.62
Phosphorus	0.70	0.60
Nitrogen	13.05	15.23
Heavy metals	0.06	0.04

Waste

Metric tons

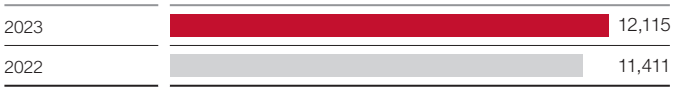
	2023	2022
Total generated waste	104,070.13	96,680.00
Waste recovered	76,526.02	69,378.00
Waste disposed	27,544.21	27,302.00

Employees and Society

Employees

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

The number of employees in Greater China (as of December 31, 2023)



BASF Corporate Commitment

We value people and treat them with respect.

Recruitment

- **"Grow" Graduate Program® identifies and nurtures young talents**
- **Talent preparation for the readiness of the operation at BASF Zhanjiang Verbund site well on track**
- **Recruitment marketing via social media campaigns boosts talent attraction to support the organization buildup for BASF Zhanjiang Verbund site**

BASF's success relies on its capability of matching the right people with the right jobs. In Greater China, we have implemented multiple recruitment programs to attract potential candidates.

We are committed to empowering employees and promoting a culture of openness, collaboration, and continuous learning.

BASF "Grow" Graduate Program® is an attractive young talent program to identify and develop talented and passionate graduates. Selected graduates will benefit from customized rotations, systematic learning opportunities and on-the-job training while working alongside experienced leaders and professionals on a variety of projects. In 2023, a newly launched series of Open Day events together with a Simulated Workplace Training Camp allowed graduates to understand BASF's culture and work environment through site tours, exchanges with management teams and online activities.

The recruitment initiatives for BASF Zhanjiang Verbund site are progressing well. At the beginning of July 2023, the Zhanjiang Verbund site welcomed over 300 new employees in one day. Among them, 185 are graduates from the Zhanjiang Verbund Site Oriented Training Class, while the others joined through professional and campus recruitment. To facilitate their seamless integration, BASF organized a series of orientation workshops for them.

In 2023, BASF Zhanjiang Verbund site established a dedicated online showcase page on its WeChat account to promote the job opportunities, recruitment themes, as well as relevant offline events at the site. Among the multiple topics, the Zhanjiang Vlog series (known as "ZJVlog" series) feature diverse employee experiences about working at the BASF Zhanjiang Verbund site and life experiences in the new city of Zhanjiang, attracting talents to explore career opportunities and enhance talent retention in BASF Zhanjiang Verbund site.

Career Development

- **"#Mentor4grow": Connecting talents and fostering growth**
- **APAC Campus: Exploring the world of BASF value chains**
- **#moreCORE Learning Program: Leadership excellence initiatives**
- **STAND-OUT Talent Development Program: Learning with business cases**

Learning and development are success factors for a strong and future-oriented company culture. The skills and competencies of our employees are critical for company's profitable growth and lasting success. With this, we further modernized our learning programs and increased our efforts to promote continuous, self-directed learning and learning from others.

BASF launched the "#Mentor4grow" program in 2023, connecting the company's high potential talents with Grow graduates through mentorship. This program has fostered meaningful mentor-mentee relationships, facilitating active listening and idea exchange. With 18 high potential talents and 35 Grow graduates participating in 2023, the "#Mentor4grow" program is poised to continue its momentum in 2024.

In June 2023, BASF held its first virtual APAC Campus event, which is a first-of-its-kind virtual introduction to the world of BASF value chains, in a customized metaverse environment. Over 600 colleagues from 14 countries or locations (of which approximately half were from Greater China) participated in the APAC Campus event. It offered them an immersive experience in the metaverse exploring the BASF Verbund and value chains, with guidance and commentary from BASF leaders, as well as opportunity to network in person at various locations.

In November 2023, the APAC Campus - Greater China session was held at the Pudong site in Shanghai, gathering over 250 colleagues from different business and service units for two days. The session offered employees valuable insights, networking opportunities, and the chance to take a site tour at Pudong, which was a unique opportunity for employees to learn, be inspired, and make meaningful connections.

At BASF, we support our leaders to understand and develop the CORE leadership values and behaviors through the CORE Leadership Program. The global program provides our leaders with opportunities throughout their career journey and various formats that allow them to learn from both their peers and external experts.

In Greater China, an additional learning program #moreCORE was introduced, complementing the Global CORE Leadership Upskilling courses. The program consists of live webinars that focus on cultivating behavior aligned with the CORE leadership values. A total of 1,323 employees participated in these interactive webinars in 2023. Through the program, employees enhanced their ability to effectively apply CORE values in their day-to-day work.

The APAC Campus provides a unique opportunity for participants to learn, connect and be inspired.

As a global company, we serve many different customer needs. We want to reflect, value and promote this diversity among our employees in order to increase their creativity, motivation and sense of belonging to BASF.

Since 2018, the STAND-OUT Talent Development Program has successfully run for six years. This program fosters collaboration among employees from different locations and units, enabling them to gain diverse perspectives on business challenges. The curriculum, rooted in action learning concepts, empowers participants to learn from business scenarios. Throughout the program, leaders and seasoned specialists coach and guide participants, assisting them in developing their personal and leadership capabilities.

Digitalization

- **Enhancing recruitment effectiveness through digital platform**
- **Digital learning and training tool optimized the learning experience**

To meet the demands of the Chinese talent market, BASF developed a digital one-stop local recruitment platform. This platform improved the user experience as well as considerably boosted talent recruitment in Greater China, especially for Zhanjiang Verbund site. Since its launch in 2022, the job website has garnered over 2.2 million visits and received more than 420,000 applications.

The BASF Zhanjiang Verbund site introduced a new digital learning and training management tool, Technical Training Accelerator (TTA) in 2023, showcasing our commitments to the digitalization of HR practices. This tool provides operational employees with a structured, adaptable, and user-friendly technical training solution, supporting the ongoing development of their technical skills.

Employee engagement and well-being

- **Global employee survey: Employee Voices**
- **Local initiatives to enhance employee engagement and support their well-being**

BASF's employees and their engagement are key to enable our long-term business success. Employee surveys and pulse checks are used as feedback tools to actively involve employees in shaping their work environment. The results are, among others, communicated to employees, the Board of Executive Directors and the Supervisory Board.

In the 2023 annual worldwide employee survey, Employee Voices, BASF scored an impressive 89% engagement rate (2022: 88%) in Greater China. Employees appreciate BASF's firm commitment to safety, with 93% feeling valued when they raise safety issues. 93% of BASF's employees in Greater China replied they feel "motivated to contribute to BASF's success", demonstrating their trust in the company and their commitment to meeting our ambitious goals. Also, 92% respondents are proud to work for BASF, demonstrating their strong sense of belonging to the company.

At BASF, we care about the physical and mental well-being of our employees. A range of programs have been implemented to support this, including health lectures, on-site clinic services, and a 24-hour psychological counseling hotline. With the support of the Joint Trade Union, BASF provides employees with diversified activities, to enrich their work and life. Similar activities are customized to the local culture at the BASF Zhanjiang Verbund site, fostering a sense of connection not only among our personnel but also with the community. Furthermore, one Union organized a summer camp engaged over 90 children of BASF employees. The camp provided a blend of educational and enjoyable activities with an emphasis on sustainability.

BASF "Grow" Graduate Program® is an attractive young talent program to identify and develop talented and passionate graduates.

Creating a diverse and inclusive workplace

- **Progress made in promoting gender equality**
- **Fostering a diversified workforce**

At BASF, employees are able to contribute their individual perspectives and skills in an inclusive work environment. As a global company, we serve a diverse portfolio of customer from numerous industries. We are reflecting and promoting workplace diversity among our employees to increase their creativity, motivation and sense of belonging to BASF.

BASF has set a global target to promote female leadership and aim to increase the proportion of women in leadership positions to 30% by 2030. We have made important progress toward this objective and continually review our target. In the BASF Group, the global proportion of female leaders with disciplinary responsibility was 28.4% at the end of 2023 (2022: 27.2%). In Greater China, the proportion of female leaders with disciplinary responsibility is 29.8% (2022: 29.3%).

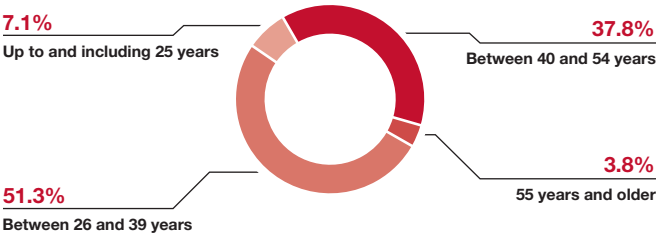
We are committed to providing equal opportunities to all employees, regardless of gender, age, and nationality. In 2023, 26.8% of BASF employees in Greater China were women (2022: 27.1%). The majority of BASF employees in Greater China (51.3%) were between the ages of 26 and 39.

Gender among BASF employees in Greater China (as of December 31, 2023)

73.2 %	26.8 %
Male	Female

BASF employee age structure in Greater China

Proportion of employees %



Compliance

BASF is committed to upholding a high standard of legal compliance and business ethics. Our 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 our Compliance Program**
- **Systematic further development of our compliance management system**

BASF's Compliance Program is based on our corporate values and voluntary commitments, as well as international standards. It describes our commitment to responsible conduct and our expectations of how all BASF employees will interact with business partners, officials, co-workers, and the community. At the core of our Compliance Program 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 and trade control, and data privacy protection. The online version of our Code of Conduct is designed to be user-friendly and easy to understand, which includes features such as case studies, FAQs and additional references.

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

We perform 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 management and stakeholder dialogues as well as regular compliance audits performed by the Corporate Audit. These audits are served 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 by requiring our employees to attend compulsory training 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 training, refresher courses and special tutorials dealing with, for example, issues relating to antitrust, trade control or other regulations that are relevant to such employees. Course materials and formats are constantly updated, considering the specific risks of individual target groups and business areas. Employees around the world were also requested to refresh their knowledge by attending new 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 as embedded in our Global Code of Conduct. Managers play an important role here – they serve as examples, communicating our values and culture both internally and externally. In line with this, special workshops on integrity as a leadership task were again conducted in 2023 for newly appointed senior executives in Greater China.

Monitoring adherence to our 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 our global compliance organization and our Compliance Management System. The CCO is supported in this task by the Corporate Compliance unit and more than 100 compliance officers and representatives worldwide in the regions and countries as well as in the operating divisions, service units and in the Corporate Center, including Greater China.

We encourage our employees (should they be in doubt) to seek guidance actively by consulting with their managers and specialist departments (e.g., legal department, compliance officers and representatives of the company). Employees can report compliance issues or allegations through the compliance phone hotline or online compliance reporting system. Each concern is documented according to specific criteria, properly investigated in line with standard internal procedures and answered timely. The outcome of investigations, and any measures taken is documented and reported accordingly.

The compliance team in Asia Pacific accomplished a number of tasks in 2023, including rolling out interactive online training courses, delivering tailor-made trainings, conducting systematic risk analysis at the divisional and Group company level, mitigating risks identified accordingly, and providing practical guidance to business units and management.

In 2023, the compliance phone hotline and online reporting system (and other channels) in Greater China received calls and emails with allegations related to the violation of certain categories of our Code of Conduct. We conducted a comprehensive investigation into all suspected misconduct cases and responded by implementing individualized countermeasures, including improving control mechanisms, providing training, and taking disciplinary actions as needed.

In 2023, the compliance team in mainland China adjusted the risk management system to respond to the developments and complexities of the China's Corporate Social Credit System. We also established an internal risk assessment mechanism, digitalized the monthly monitoring process, and offered timely regulatory updates, numerous compliance trainings, and one-on-one systematic dialogues with relevant key stakeholders.

Societal Engagement

Societal engagement is a cornerstone of our corporate responsibility and part of our sustainability management. Through our activities, we aim to strengthen the connection with the communities surrounding our sites worldwide, contribute to the achievement of the Sustainable Development Goals (SDGs) and have a long-term positive impact on the environment and society. In 2023, we reaffirmed our commitments to improving people's quality of life and making a positive contribution to society by leveraging our expertise and resources.

In 2023, the first meeting of the second CAP of BASF Shanghai Pudong site and the cooperation between BASF and Shanghai Binjiang Forest Park (Park) was inaugurated in the Park in Gaoqiao.

Stakeholder and community engagement

- **Continuing dialogs with local communities through Community Advisory Panels**
- **Stakeholder dialog with NGOs in China**
- **Showcased Glasurit® in the WorldSkills Museum and developed a textbook to train refinish talents**

At BASF, we aspire to grow our business in ways that are sustainable from economic, environmental, and social perspectives. To foster and enhance mutual understanding with our neighboring communities and stakeholders in an open and transparent manner, we have been actively conducting community programs in China over past two decades.

The Community Advisory Panels (CAP) are one of the most important platforms where BASF actively engages with local communities around its major production sites. CAP members selected from the local communities meet up with BASF site management to discuss topics of common interests on a regular basis. In Greater China, BASF supports CAPs in Shanghai, Chongqing, Nanjing, and Zhanjiang.

During BASF's annual stakeholder dialog, participants understood the importance of sustainable development while playing the board game "Sustainable Monopoly".

In Shanghai, the second Community Advisory Panel (CAP) of BASF Shanghai Pudong Innovation Park (Pudong site) organized their first meeting in April 2023. During the meeting, the projects between BASF and Shanghai Binjiang Forest Park was inaugurated. As part of the cooperation, BASF Agricultural Solutions Science Base and Experimental Zone for Crop Protection and Mosquito Prevention & Control Solution has been established in Shanghai Binjiang Forest Park, to support the park's green ecology.

In Zhanjiang, the 7th CAP meeting was held in July 2023 with the focus on BASF Zhanjiang Verbund site project's progress, as well as information sharing on traffic safety and health topics and typhoon hazards mitigation. In December, the 8th CAP meeting brought the group together for a festival year-end gathering where the group enjoyed a memorable time.

The Shanghai Green Trees Culture and Art Development Center (SGDC) visited the BASF Pudong site in 2023. BASF team presented a comprehensive company overview, offering invaluable information and insights about BASF. Participants also enjoyed innovative and engaging activities, including collaborative painting and practical chemistry experiments.

In November, around 20 representatives from influential environmental and educational non-government organizations (NGOs) in China participated in BASF's annual stakeholder dialog in Shanghai. BASF executives and experts highlighted the company's role in green transformation and the impact of chemical innovations on climate protection to NGO representatives, promoting knowledge sharing between BASF and the NGOs.

The world's first WorldSkills Museum opened in Shanghai last year. Glasurit®, the premium refinish paint brand of BASF and a global partner of WorldSkills International, showcased raw materials and their applications in refinish paint. BASF Automotive Refinish Coatings introduced a comprehensive training textbook, titled "Auto Maintenance and Painting Technology" in China. This textbook is the result of a year-long collaboration between BASF experts and teachers from eight vocational schools. It serves as a valuable resource for vocational school teachers and industry professionals.

Science education

- **BASF Kids' Lab 2023 attracted over 3,500 kids across seven cities in Greater China**
- **Strengthened strategic partnership with SSTM to promote science education**

Education is key to personal success and the future viability of society. That is why BASF is committed to working with partners at numerous sites to achieve greater educational equality, especially for children and young people. Science education and education for sustainable development are particularly important to us.

During summer holidays in 2023, BASF's Kids' Lab program returned to physical events and engaged with over 3,500 schoolchildren across seven cities in Greater China, including Taipei, Kaohsiung, Beijing, Shanghai, Ningbo, Chongqing and Zhanjiang. Through hands-on experiments with focus on eco-friendly printing and climate change processes in 2023, the Kids' Lab event enabled children to stimulate an interest in chemistry science, foster their curiosity and spirit of exploration and cultivate their sustainable lifestyle.

Kids' Lab is a global program of BASF and has been promoting science education in Greater China since 2002, inspiring over 214,000 children across the country with interactive, fun, hands-on experiments.

In December, BASF and Shanghai Science & Technology Museum (SSTM) strengthened their strategic partnership by renewing the Strategic Cooperation Framework Letter of Intent. BASF will fully leverage its experience in science education to support redesigning of the Materials Exhibition Area at SSTM, aiming to create a more innovative and interactive platform for science education among younger generations.

BASF Greater China expenses for societal engagement activities in 2023

more than

€0.34 million

BASF Kids' Lab made its debut in Zhanjiang, sparking scientific aspirations among children.

Volunteering for the people and the planet

- **Organized various employee volunteering programs, including annual cleaning up campaign, donating idle electronic products and visiting elders**
- **Contributed to the biodiversity protection in Zhanjiang and strengthened its local community engagements**

BASF aspires to contribute to a better planet and encourages its employees to participate in various local volunteering projects.

During 2023 World Clean-up Day, as a co-founder of the Alliance to End Plastic Waste (AEPW), BASF initiated its annual employee volunteer clean-up campaign. The campaign was successfully conducted in 11 cities, including Shanghai, Changsha, Guilin, Korla, Nanjing, Pinghu, Rudong, Shenyang, Shizuishan, Taipei, and Zhenjiang. Nearly 600 BASF employee volunteers and their families collected over 1,300 kilograms of waste from riverbanks, beaches, mountain paths, and urban streets. The campaign successfully elevated environmental awareness while promoting sustainable lifestyles and consumption concepts.

At the headquarters of BASF Greater China, over 50 colleagues contributed to a special cleanup program by donating 60 personal idle electronic products, such as laptops, iPads, keyboards, etc. These products were donated to the NGO Zhonggu Public Welfare for professional regeneration or disposal to protect the environment and promote resource reuse.

Employee volunteers collected waste at the annual BASF beach clean-up campaign.

"Mangrove Art Contest" was held by BASF and MCF in Zhanjiang, raising awareness about protecting mangroves in the local communities.

BASF actively engages with the local community in Zhanjiang to raise awareness of environmental protection by partnering with local NGOs.

In January 2023, experts from Zhanjiang Bird Watching Society and BASF volunteers gave a lecture to students of Linxi Village in Mazhang Districts on bird conservation and protection, followed by a field trip to observe and record various bird species.

BASF and the Zhanjiang Mangroves and Wetlands Conservation Foundation (MCF) organized the "Mangrove Art Contest" in November 2023, which attracted over 60 primary school students as well as participation from the local government, community, and BASF employees.

In November, the 4th Station of Science Talk on the protection of Chinese White Dolphin took place in Zhanjiang, attracting around 50 participants.

In March, BASF engaged in the "Carbon Road Zhanjiang" program, signing a letter of intent to join the efforts to the protection and restoration of mangroves, and contribute to the local green and low-carbon development.

BASF in Taiwan paid visits to a social welfare organization in Taoyuan city during Mid-Autumn Festival as well as Christmas. More than 60 BASF volunteers and their families participated in both events, in which, volunteers prepared delicious food and designed interactive programs with the aim of spreading the festive spirit among people living in the organization.

In Taiwan, BASF participated in the "Shoes for Life" donation campaign and successfully gathered a total of 642 articles of clothing, 56 pairs of shoes, and 32 bags. These items were subsequently dispatched to East Africa, where they would be used to assist those in need.

Prizes and awards

In 2023, BASF received multiple public recognitions for its long-standing contributions and achievements of corporate social responsibilities, and sustainable development with positive social impact.

On 2023 World Earth Day, BASF was honored with the "Carbon Neutrality Role Model Award" at the 1st China Enterprises Carbon Neutrality Performance Award Ceremony, which was co-hosted by Yicai, one of the most influential business media in China, and the Research Institute of Carbon Neutrality of Shanghai Jiao Tong University.

At the 10th China Responsible Care Promotion Conference, BASF was recognized for the 2023 "AICM Responsible Care Company Award" and "AICM Responsible Care Initiative Carbon Footprint Award".

BASF was awarded the "China CSR 20 Years Special Contribution Award" by Southern Weekly, one of China's most influential news publications.

BASF's Joncryl® 9503AP and Acronal® EDGE 7073 received "2023 Ringier Technology Innovation Award".

BASF Taiwan's Kids' Lab & Kids' Farm projects were recognized by the German Trade Office (GTO) Taipei as the top CSR campaign implemented by German companies in Taiwan.

BASF was also named China's Top Employer 2024 for the 14th consecutive year.

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Follow us

Electrification of our steam crackers

Steam crackers split petroleum into olefins and aromatics – both important groups of substances for numerous chemical value chains. Heating concepts that use electricity from renewable sources could reduce process-related emissions by at least 90% in the future. We want to test the feasibility of this new process together with our partners SABIC and Linde in a demonstration plant. At the beginning of 2024, this plant was completed at our Ludwigshafen site in Germany and has since then been gradually being put into operation.

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