Unlocking Our Customers' Potential

Advancing Sustainability Through Industry Partnerships

Jens Hildebrandt

Vice President, Government Relations Greater China

October 2026



BASF

We create chemistry

Our sustainability goals: clear targets on the way to net zero by 2050

Net-Zero by
2050
(Scope 1, 2 and 3.1)

Since 2021, PCFs for our raw materials collected from
>1,900
suppliers

10 **billion €**
sales from Loop Solutions by **2030**

50%
sales share from Sustainable-Future Solutions by **2030**

–15%
CO_2 from raw material procurement (Scope 3.1) by **2030** (base year 2022)

Maximum rate of
0.10
plant incidents (hsPSI) per 200,000 working hours by **2030**

We cannot reach these goals alone – they depend on partners along the whole value chain.

BASF
We create chemistry

Why now? Alternative feedstock is becoming a business case

Supply security

>$110

Brent per barrel, Oct 2026 – up from ~$72 in Feb 2026, amid Middle East tensions

Alternative feedstock reduces dependence on imported fossil oil

European Regulation

25%

recycled plastic in new cars within 10 years (15% within 6) – EU End-of-Life Vehicles Regulation

Exporters to the EU need verified recycled content

Chinese Regulation

8 trn yuan

resource recycling output by 2030 – 15th Five-Year Plan for Circular Economy

Stronger producer responsibility: more recycled materials in products

Supply security and market access – sustainable products are no longer only a climate topic.

BASF
We create chemistry

Two approaches transformations: changing the factory and changing the product

1 Low emission Factory

Cut the emissions of how chemicals are made

- **Renewable energy**
- **Operational excellence**
- **Low-emission steam generation**
- **Climate-smart technologies**

Our focus for decades – well under way

2 Low PCF Product

Replace the fossil carbon that chemicals are made from

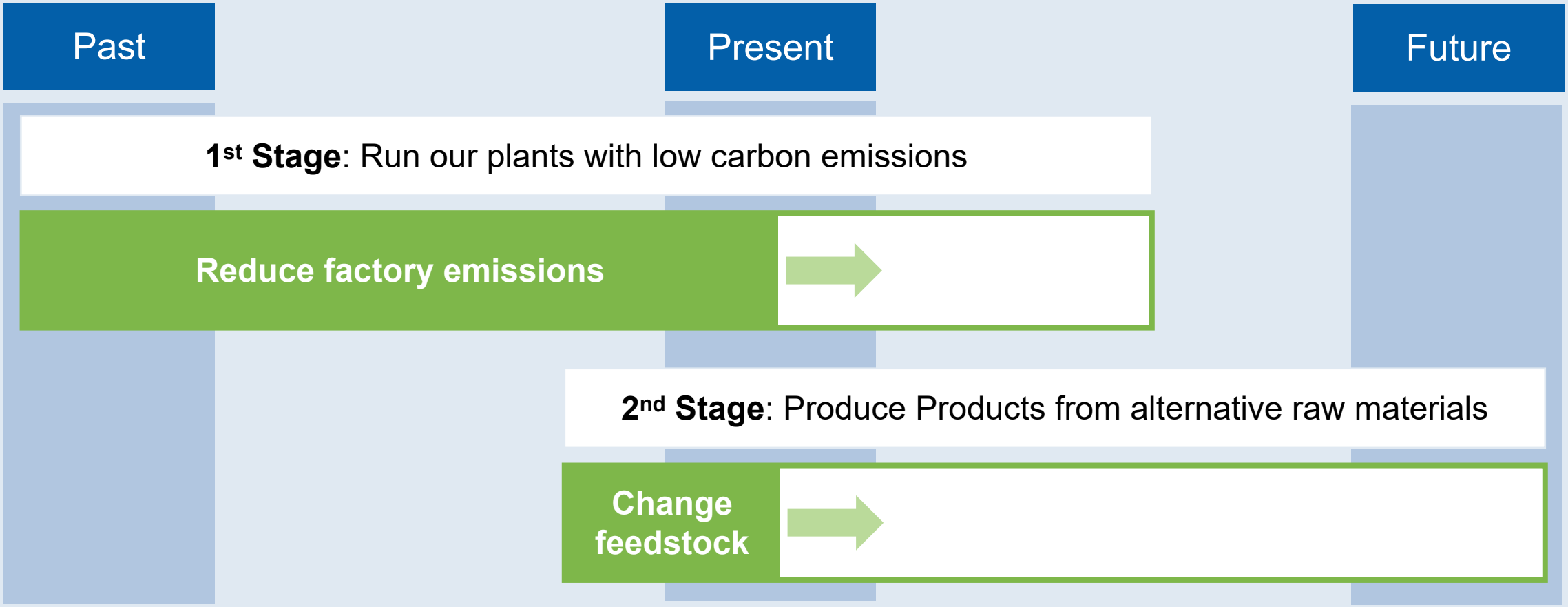
- **Renewable Feedstock**
- **Recycled Feedstock**

The next transformation – starting now

A clean factory still makes products from fossil carbon – that carbon now has to change too.

BASF
We create chemistry

Entering a New Era:From Energy Transition to Feedstock Transformation



As plants become efficient and electrified, BASF moves to new opportunities: Loop Solutions

BASF
We create chemistry



Step 1: Reducing Factory Emissions

2018

2025

2030
Ambition

BASF is on track to gaining access to 60% renewable power worldwide by 2030

BASF
We create chemistry

Verbund site Zhanjiang uses latest technologies to reduce carbon footprint

- 100% **renewable electricity** supply
- **Electrification**: First cracker in the world using 100% renewable energy to drive its main compressors (eDrives)
- **CO_2 is captured and** utilized as carbon feedstock for syngas generation



Step 1: Reducing Factory Emissions

BASF new generation of plants are world-leading in electrification and efficiency

BASF
We create chemistry

By using alternative raw materials, we can reduce fossil feedstock demand

Step 2: Replacing Fossil Feedstock

Renewable Feedstock

Biomass balance
Dedicated bio-based production

Recycled Feedstock

Chemical recycling (ChemCycling®)
Dedicated mechanical recycling

Instead of fossil oil and gas

BASF Verbund

Existing world-scale plants process alternative feedstock – mass balance approach

Same products

Same quality and performance – with less fossil carbon

We use sustainable feedstock to produce the same product, in the same quality.

BASF
We create chemistry

Examples for BASF's Sustainable Products

From footwear and textiles to automotive components – the solutions are already tangible.

Step 2: Replacing Fossil Feedstock



Infinergy® 230 RC

Lower-PCF shoe midsole

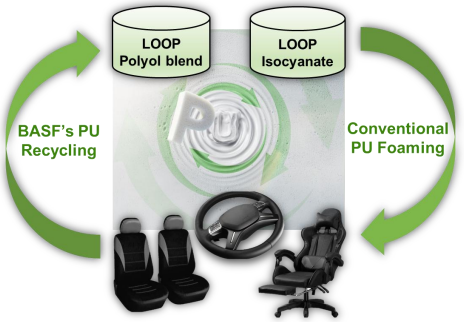
PCF reduction shown



loopamid®

Nylon from textile waste

Apparel launched



LOOP PU

Recycled polyurethane

Partner-demonstrated



Ultramid® Ccycled®

Circular PA66 connector

Launched 2024–25

Technologies are demonstrated in real applications; broader adoption needs value-chain partners

BASF
We create chemistry

Loop PU foam: from old car seats to new steering wheels

Step 2: Replacing Fossil Feedstock



Product

A polyurethane foam designed for recycling, for car seats and steering wheels.

Feedstock & technology

Up to 20% of the new foam is recycled PU from end-of-life seats and steering wheels.

Market

Developed with customer and line-tested in steering wheels; presented at CHINAPLAS 2024.

Old car interiors become new ones – a closed loop for polyurethane.

BASF
We create chemistry

Ultramid® Ccycled®: car connectors from chemically recycled plastic waste

Step 2: Replacing Fossil Feedstock



Product

Ultramid® Ccycled® is a chemically recycled polyamide used in automotive connectors by TE Connectivity.

Feedstock & technology

Pyrolysis oil from Asian plastic waste that cannot be recycled mechanically, attributed by certified mass balance.

Market

First grade launched with TE in April 2024, the second in April 2025.

Qualified in series parts – and ready to scale across Asia Pacific.

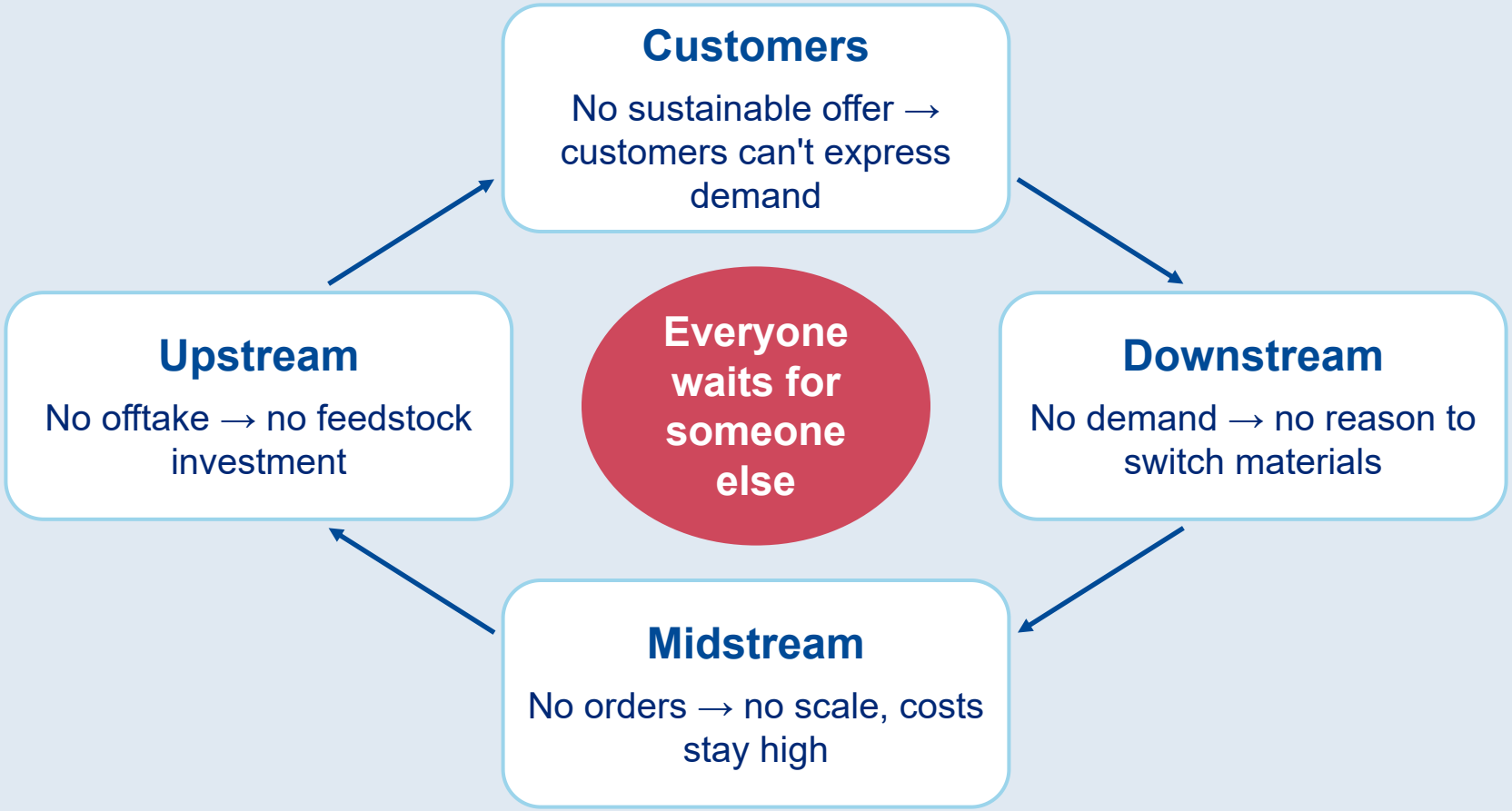
BASF
We create chemistry

Bringing sustainable solutions to Market: Our Learnings



BASF
We create chemistry

“Green products” are stuck in a waiting loop



1. Each actor needs a signal from the next before moving.
2. The green premium looks too big for any single company.
3. So business as usual is stable – and no one breaks the loop alone.

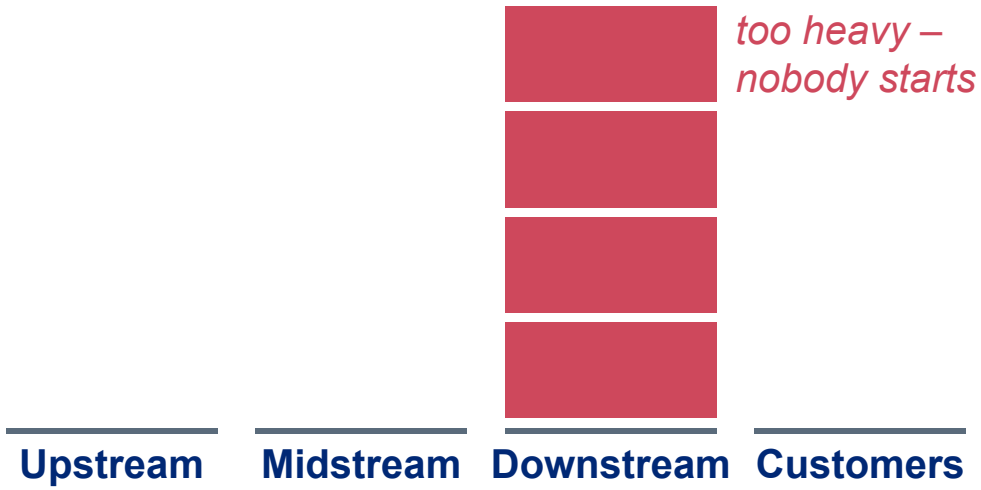
Each decision is rational – together they keep everyone in business as usual.

BASF
We create chemistry

Shared, the green premium becomes a small step

Alone

One first mover carries the whole premium



Together

Each partner carries a small share



Same total premium in both panels – illustrative

When costs are shared, innovative projects happen – and the whole value chain learns together.

BASF
We create chemistry

What each partner can do – and how BASF supports

	Upstream	Midstream – BASF	Downstream	Customers & brands
Step to take	Collect and certify renewable and recycled feedstock	**Renewable and recycled feedstock run through our Verbund plants** ✓	Qualify one mass-balanced grade	Launch one product, accept a modest premium
BASF support	Long-term offtake; ISCC PLUS chain of custody	Conversion at scale Certified sites; PCF for ~40,000 products	Same specification – no reformulation; certified traceability data	Third-party certificates for credible claims; low PCF evidence joint communication

Ecosystem starts small: one product, one value chain, one step each.

BASF
We create chemistry

Frameworks and Tools to Support our Customers



BASF
We create chemistry

Two tools enable measurable and credible sustainability claims



Product carbon footprint

How much CO_2 e does my product cause?

What it does

Calculates the cradle-to-gate footprint of each product – standards-based and certified.

Why it matters to you

Evidence for your own customers, for reporting and for regulation.



Mass balance

How can sustainable feedstock be credited to my product?

What it does

Attributes certified biomass or recycled feedstock to specific products made in integrated plants.

Why it matters to you

Sustainable products from existing world-scale plants – without reformulation.

PCF makes the footprint visible. Mass balance makes sustainable attributable.

BASF
We create chemistry

Product carbon footprint: reliable numbers our customers can pass on

Tool 1: PCF

Supplier and raw-material data → **BASF production and energy emission** → **Certified digital calculation** → **PCF for ~40,000 sales products**

ISO 14067, GHG Protocol Product Standard and TfS PCF Guideline; digital application certified by TÜV Rheinland

Prove performance

Show your own customers a lower, verified footprint.

Meet requirements

Answer customer requests and reporting duties – and regulation such as the EU CBAM, where it applies.

Find reduction levers

See where the carbon sits in your supply chain and act on it.

Customers can only claim what they can measure – certified PCFs give them the numbers.

BASF
We create chemistry

BASF–SINOPEC collaboration is advancing PCF transparency

Tool 1: PCF



PREPARATION

Build mutual understanding

Early exchanges on product carbon footprint management, laid the foundation for joint review

RULES

Establish common ground

Independent methodologies reviewed against shared core requirements

PRACTICE

Test with real products

Three products, one production site, independent models, joint cross-review

Understanding how choices shape results

STRATEGIC VALUE

Scale transparency beyond one project

Turn transparency into practical input for wider PCF dialogue and standards development

Advancing PCF alignment today. Enabling trusted low-carbon value chains tomorrow.

BASF We create chemistry

Mass balance: how sustainable feedstock reaches products in an integrated site

Tool 2: Mass Balance

Fossil feedstock

Renewable and recycled feedstock

BASF Verbund

Molecules mix in shared plants – physical assignment would be impossible

Conventional product

Certified mass-balanced product

1. Alternative feedstock enters existing plants alongside fossil feedstock.
2. Its quantity is recorded and certified by third parties, e.g. ISCC PLUS.
3. It is attributed to selected products – never more than went in.

Mass balance lets existing plants run on alternative feedstock – no parallel factories needed.

BASF
We create chemistry

Mass balance: what it means for our customers

Tool 2: Mass Balance

Easy adoption

Same material, same specification – no reformulation, only normal technical approval.

Available at scale

Sustainable feedstock flows through existing world-scale plants, without physical segregation.

Credible claims

Third-party certificates and allocation records back every claim – lower greenwashing risk.

Joint project with CATARC: chemical suppliers, carmakers and universities develop a common mass-balance approach for China's automotive industry – recognized in standards and credible for sustainable claims.

Same product, same approval – plus a certified sustainability attribute.

BASF
We create chemistry

BASF is ready – let's bring the next sustainable product to market together

01

Industry alignment

Align on shared policy priorities and advocate jointly for supportive regulation.

02

Collaborate on Standards

Establish harmonized rules for PCF calculation, sustainability claims and certification system.

03

Increase market acceptance

Increase customer understanding and acceptance of circular and low-carbon solutions.

04

Value-chain cooperation

Connect feedstock suppliers, producers, certifiers, customers and policymakers.

BASF has taken its step. Let's take the next one together.

BASF
We create chemistry



We create chemistry