

**TAKING RESPONSIBILITY.
SHAPING THE FUTURE.**

**Climate protection
with BASF**

 **BASF**

The Chemical Company

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CLIMATE CHANGE – A GLOBAL CHALLENGE.

Sustainable solutions to climate protection require everyone to play their part. BASF is fulfilling its responsibility in a variety of ways.

CLIMATE CHANGE IS A GLOBAL CHALLENGE

Climate change is one of our era's most significant global challenges. Industry, science, governments and citizens across the globe must work in tandem to halt rising greenhouse gas emissions.

BASF sees climate protection as a challenge that calls for global strategies, and accordingly, supports the goals of the Kyoto Protocols. Greenhouse gases act globally, not locally. This is why we need to take a global view, not only in our climate models but perhaps most importantly in our analysis of the economic and social implications. The solutions to climate change require unified, coordinated global action and globally binding targets.

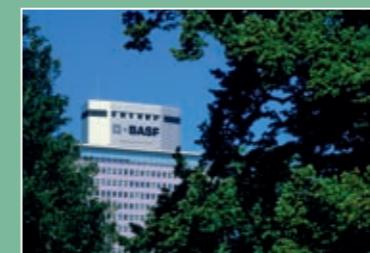
BASF RESPONDS TO THE CHALLENGE

Climate protection is an integral part of BASF's global corporate strategy: "We ensure sustainable development".

BASF is the world's first company to perform a comprehensive analysis of the greenhouse gas emissions associated with its operations. The analysis includes not only BASF's own emissions, but the entire lifecycle of its products; from raw material sourcing through production to use and disposal.

BASF constantly strives to optimize its processes to achieve greater energy efficiency and conserve resources wherever possible. BASF's integrated Verbund system, for example, contributes significantly to resources conservation by intelligently linking the energy demands of different production plants. Above all, however, it is BASF's products that contribute to climate protection by enabling customers to reduce their own greenhouse gas emissions. Developing groundbreaking new products that contribute to climate protection is an important component of BASF's climate protection strategy.

BASF is also the first global industrial company to appoint a climate protection officer. By coordinating the company's long-term worldwide climate protection strategy, the climate protection officer helps ensure sustainable success. To BASF, sustainable success means striving every day to achieve the inter-dependent goals of profitable growth, sound environmental policy and social responsibility.



Sustainable action means maintaining a balance between economy, ecology and social responsibility. BASF addresses this challenge anew every day.

“Climate protection is an important consideration in all of BASF’s business processes.”

INTERVIEW WITH BASF’S CLIMATE PROTECTION OFFICER.

Climate protection is a long-term strategic task, explains Dr. Ulrich von Deessen.



Dr. Ulrich von Deessen was appointed the first Climate Protection Officer of BASF in 2008. The Climate Protection Officer is a member of BASF’s Sustainability Council and coordinates all BASF activities in this area worldwide. By creating this position, BASF is emphasizing the strategic importance of climate protection for the company.

Why does BASF need a Climate Protection Officer?

Climate protection affects virtually all of BASF’s business processes. As Climate Protection Officer (CPO), my role is to coordinate all of BASF’s activities in this field around the world. The main priority is to establish BASF’s long-term positioning in respect of climate protection. I act as the information hub and coordinator, but also as the mentor for climate protection within BASF.

What real decision-making powers do you have?

As head of the Environment, Health and Safety competence center, I am responsible for many of the issues related directly or indirectly to climate protection. I report directly to the Board of Executive Directors and prepare its decisions on the issue of climate protection. The Climate Protection Officer is also a member of the Sustainability Council, which manages all of BASF’s activities relating to sustainability and launches global initiatives and projects. All in all, I think a company could hardly give a Climate Protection Officer more influence. We mean business.

What is the first thing you intend to do?

Our new climate protection targets show us the way ahead: We will be closely examining the energy efficiency at our sites worldwide and see where we can do even better. Besides optimizing our production processes, improving existing and developing new products for climate protection is an important activity that contributes to improving our corporate carbon footprint. We have also convened a number of experts together in a group which monitors the publications on climate change and examines the climatic data at BASF’s various sites.

What view do BASF’s employees take of climate change?

Our employees are naturally aware of climate change from the media and we also address this issue in our company publications. Only last year, we saw how many employees are keen to make a really active contribution to climate protection. At our largest site in Ludwigshafen, we launched a campaign as part of the idea management scheme in which all employees were asked to submit suggestions for how BASF can save carbon emissions. More than 1,000 ideas were put forward and are now being implemented one at a time.

How important is this issue to you personally?

Very important. After all, climate protection means that efficiency in the way we use resources and energy must be improved significantly on a global scale. This is the big challenge facing us. This is the only way that emerging nations and developing countries will be able to enjoy sustained growth without industrialized countries experiencing a dramatic drop in wealth.

BASF'S CORPORATE CARBON FOOTPRINT.

In February 2008, BASF became the first company in the world to present a comprehensive carbon footprint covering the entire lifecycle of BASF's products, from sourcing of raw materials to product disposal.



TOTAL LIFECYCLE ANALYSIS

Based on 2006 data, the analysis includes not only the emissions from BASF's own sites, but also the raw materials and precursors, including their manufacture, and the disposal of all chemical products at the end of their lifecycle.

At the same time, BASF has reviewed its product portfolio to determine to what extent green house gases can be saved when BASF products are used by customers. This comparison of emissions and savings represents BASF's corporate carbon footprint.

EMISSIONS FROM RAW MATERIALS AND PRECURSORS

The complete precursor chains were analyzed for about 95 per cent of BASF's externally-purchased raw materials. Both the raw materials and the precursors and auxiliaries, such as solvents, were taken into account. The analysis showed that the transportation and manufacture of the raw materials, precursors and auxiliaries purchased externally by BASF for the products manufactured in 2006 generated 28 million metric tons of CO₂ equivalents (in the form of CO₂ and other climate relevant gases).

EMISSIONS FROM PRODUCTION AND DISPOSAL

In 2006, BASF released 25 million metric tons of CO₂ equivalents worldwide from its own production sites and for generating electricity and steam. The disposal of all products produced in 2006 will result in just under 34 million metric tons of CO₂ emissions. The analysis is based on the conservative assumption that all products are sent for disposal in incinerator plants. The resulting energy is used to generate electricity and is entered on the credit side.

SAVINGS IN PRODUCT USE

BASF looked at 90 relevant products manufactured in 2006 that contribute significantly to reducing greenhouse gas emissions in uses and applications by BASF's customers. The calculations cover two types of savings effects: savings compared to the use of competitor products and savings compared to the non-use of BASF's products, for example a house built with and without BASF insulating material. Result: the products sold by BASF in 2006 make possible a global savings of 252 million metric tons of CO₂ emissions.

Eco-Institute confirms BASF's results

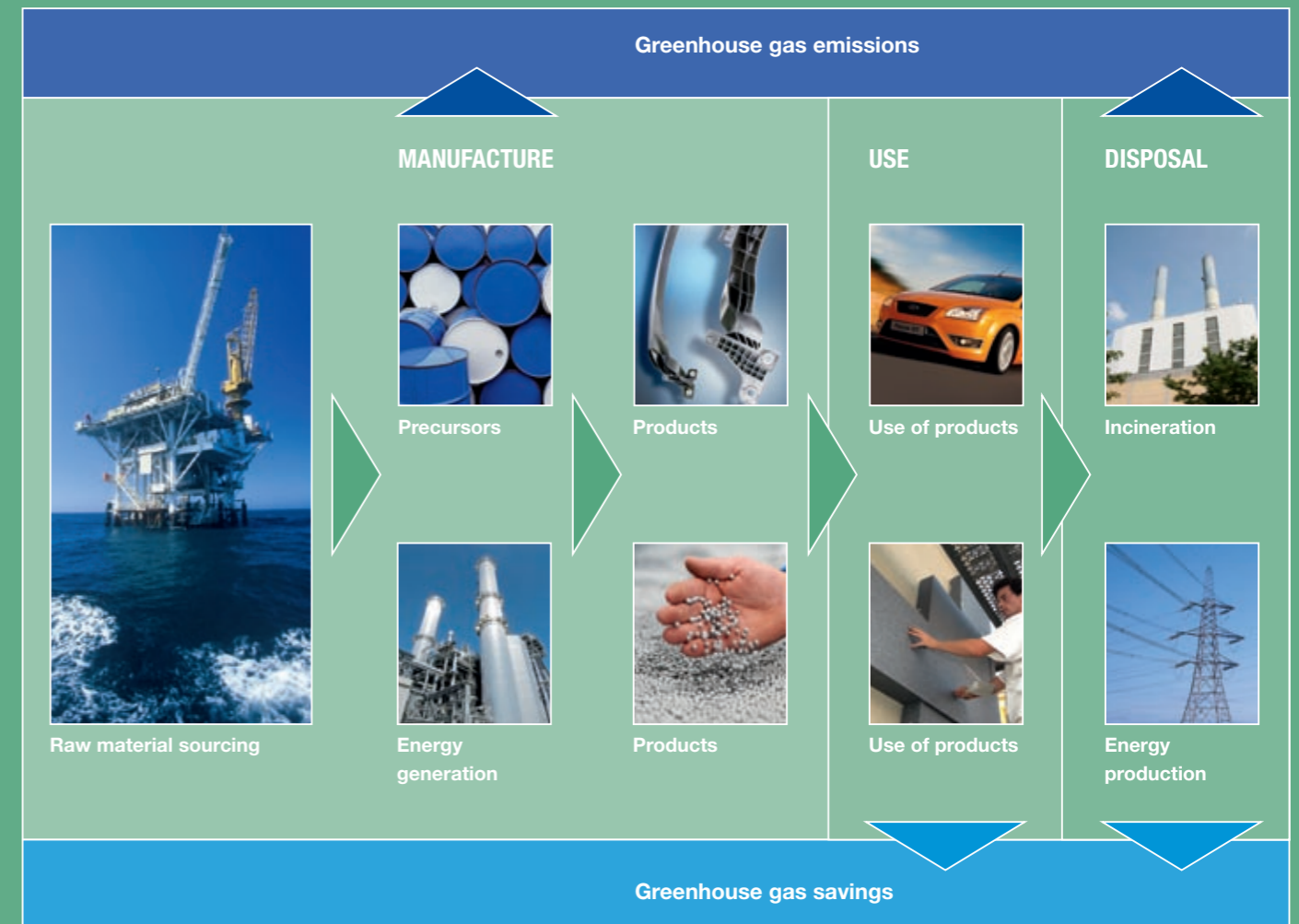
The Eco-Institute in Freiburg reviewed BASF's calculations as an independent expert evaluator and reached the following conclusions:

- The Eco-Institute validated the methodology and calculation of the greenhouse gas emissions and savings.
- Compared to other studies, BASF's corporate carbon footprint analysis is uniquely detailed and its use of lifecycle analysis methodology is particularly groundbreaking.
- The Eco-Institute recommends that other companies should also present such broader-based corporate carbon footprints in future.

BASF's corporate carbon footprint analysis wins European sustainability award.

In October 2008, BASF was honored by the European Chemical Industry Association (CEFIC) with the European Responsible Care Award. The jury paid tribute to the project as employing a worldwide unique approach to presenting a comprehensive carbon footprint for a company.

The analysis of greenhouse gas emissions in BASF's corporate carbon footprint takes into account the entire lifecycle of a product from raw material sourcing to disposal.



BASF's products help reduce CO₂ emissions across the globe. In this way, BASF combines ecological and social responsibility with economic success.



3 : 1 FOR MORE CLIMATE PROTECTION.

BASF products save three times more CO₂ than is produced by the manufacture and disposal of all of BASF's products.

BASF'S PRODUCTS ACTIVELY CONTRIBUTE TO CLIMATE PROTECTION

The corporate carbon footprint analysis shows that merely analyzing the greenhouse gas emissions from production plants only gives one part of the picture. To gain a complete perspective, the impact the products make when used must be considered. The emissions of approximately 87 million metric tons of CO₂ equivalents from raw materials, precursors, production and disposal are offset by savings of 252 million metric tons of CO₂ that results from the use of BASF products – a ratio of 3 : 1.

The greenhouse gas emissions that customers eliminate by using innovative BASF products are three times the total emissions, that result from the manufacture and disposal of all BASF products. BASF aims to maintain or even improve this factor through continued innovation, both in terms of new product development and further improvements to its production processes.

SIGNIFICANT CARBON EMISSIONS SAVINGS POTENTIAL THROUGH INNOVATIVE PRODUCTS

BASF is developing products specifically aimed at market sectors and industries with high potential for carbon emissions savings, including:

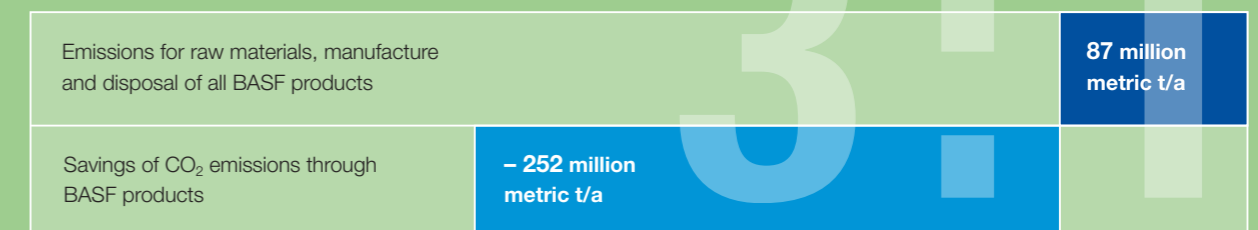
- » CONSTRUCTION AND HOUSING
- » MOBILITY
- » AGRICULTURE AND FOOD
- » ENERGY

Eco-efficiency analysis as a methodological basis

The total CO₂ reducing impact of BASF products was determined through the use of eco-efficiency analysis – a widely accepted methodology certified by the American National Science Foundation (NSF) and the German Industrial Standards Association (TÜV). As a rule, the eco-efficiency analysis covers the entire product lifecycle and measures a variety of ecological factors and impacts. The net greenhouse gas potential of a product is only one of numerous evaluated categories.

BASF's corporate carbon footprint

87 million metric tons of CO₂ emissions are balanced by savings of 252 million metric tons of CO₂.



- Emissions of CO₂ equivalents
- Savings of CO₂ equivalents

CONSTRUCTION AND HOUSING: EFFICIENT AND ENVIRONMENTALLY FRIENDLY INSULATING MATERIALS.

Improved and new eco-efficient products contribute significantly to conserving resources and protecting the climate.

NEOPOR® – ENERGY-EFFICIENT FACADE INSULATION

More than 50 years ago, BASF introduced a pioneering new product for efficient insulation, now known worldwide under the brand name Styropor®. With Neopor, BASF has further improved this classical product. The novelty of this product consists in the admixture of black graphite particles that improve its insulating performance by up to 20 per cent. This means that reducing annual heating-oil consumption in an old residential building from 21 to 7 liters per square meter is not only possible, it can actually be accomplished with less insulating material.

ULTRADUR® HIGH SPEED – ENERGY-SAVING WINDOW PROFILE REINFORCEMENTS

Another innovative BASF plastic also contributes to more energy-efficient buildings. Ultradur High Speed used as a reinforcement in window profiles provides significantly better insulating properties than the previous conventional profiles with metal reinforcement. The use of this innovative plastic therefore provides up to a 20 per cent improvement in thermal insulation.

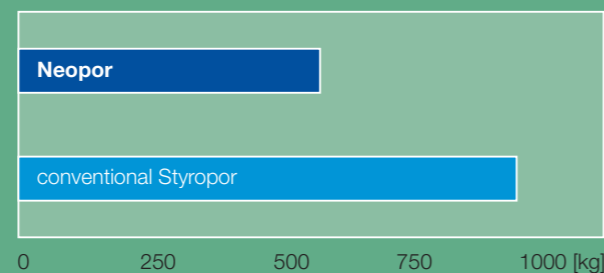
BASOTECT® – HEAT INSULATING FOAM FOR SOLAR ENERGY SYSTEMS

Solar panels on the roof can significantly reduce the energy required to heat water. Basotect, a BASF melamine resin foam, is widely used as thermal insulation for solar collectors and hot water tanks. As a result, less fossil fuels are needed to produce hot water in winter – and in summer none are needed at all.

ECO-EFFICIENT PRODUCTS – REDUCE GREENHOUSE GASES AND SAVE MONEY

Eco-efficiency analysis compares the environmental impacts and costs of different products. The detailed eco-efficiency analysis of BASF products for housing applications show how they help put less greenhouse gases in the air, and more money in homeowners' pockets.

To insulate the 200 m² outside wall of a building, only 540 kg of Neopor insulating panels are needed in a thermal insulation composite system. Achieving the same heat insulating effect with Styropor would mean having to use about 970 kg.



MOBILITY: PLASTICS AND ADDITIVES FOR MORE SUSTAINABLE TRANSPORTATION.

New product developments help reduce greenhouse gas emissions in the automotive sector.

PLASTICS HELP SAVE WEIGHT AND CO₂

The transportation sector offers a particularly high potential for reducing carbon emissions. Automotive manufacturers are increasingly using lighter materials for applications throughout the vehicle. BASF plastics provide the solutions that make automobiles lighter, improve fuel efficiency and reduce carbon emissions.

One good example is BASF's foam Neopolen® which makes the rear seat of a VW Touareg about 70 per cent lighter. But applications for BASF plastics are not limited to car interiors. A newly developed special grade of the engineering plastic Ultramid® means that even heavy-duty components can be made of lightweight, high-strength plastic. Transmission bearings made of Ultramid, for example, are 30 to 40 per cent lighter than the previous aluminum versions.

Lightweight automotive construction's contribution to reducing CO₂ emissions is easy to calculate: 100 kg of plastic components replaces metal parts that are twice as heavy and reduces fuel consumption by about 0.4 liters for every 100 km driven. A modern mid-sized car contains about 200 to 300 kg of plastics. This means that this lightweight construction technique reduces the mean gasoline consumption of a mid-sized automobile by about 1 liter per 100 kilometers. BASF's plastics can therefore save about the same amount of CO₂ annually as emitted by a medium-sized European city.

HIGH-PERFORMANCE ADDITIVES RELIEVE CLIMATE IMPACT

Keropur® brand fuel additives from BASF improve gasoline engine combustion when added in small amounts to fuel supply. By reducing fuel consumption and preventing premature engine wear, these innovative additives help eliminate pollutants and greenhouse gases that otherwise would be emitted into the atmosphere.

A test BASF performed jointly with a leading petroleum company on a fleet of vehicles over 64,000 kilometers showed that a premium additive package reduced pollutant emissions by 20 per cent and improved average fuel economy by 2 per cent. An eco-efficiency analysis comparing fuel with and without additive clearly showed that Keropur fuel additives contribute significantly to climate and environmental protection.

The use of lighter modern plastics in automobile construction and performance-enhancing additives in fuel can significantly reduce CO₂ emissions in the automotive sector – an important contribution to climate protection.



AGRICULTURE AND FOOD: FERTILIZER WITH ENVIRONMENTAL BENEFITS.

BASF is developing innovative products for agriculture which, for example, significantly reduce emissions of the climatically harmful gas nitrous oxide.

NITRIFICATION INHIBITOR OFFERS BENEFITS FOR FARMERS AND THE ENVIRONMENT

Plants need nitrogen to grow, and absorb it mainly in the form of nitrate. The nitrate is formed in the soil from different nitrogen compounds by the "nitrification process". If the soil contains much more nitrate than the plants can absorb, soil bacteria can convert the nitrate into the greenhouse gas N₂O (nitrous oxide), which has a 300 times greater climatic impact than CO₂. Moreover, excess nitrate can also be leached out into the ground water.

Preventing the creation of too high a concentration of nitrate in the soil when using fertilizers is therefore crucial to sustainable agriculture. BASF has developed a nitrification inhibitor that can help. When added to fertilizer, BASF's nitrification inhibitor optimizes the nitrification process so that the concentration of nitrates in the soil does not exceed the plant's requirements. This allows the farmer to use fertilizer more efficiently, and reduces N₂O emissions significantly.



ECO-EFFICIENCY ANALYSIS QUANTIFIES ECONOMIC AND ECOLOGICAL BENEFITS

Eco-efficiency analysis demonstrates the measurable benefits of enhancing nitrogen fertilizers with BASF's nitrification inhibitor. In the cultivation of wheat, much less fertilizer is needed to obtain the same crop yield per surface area when fertilizers fortified with this active agent are used, enabling farmers to reduce the amount of fertilizer required and thereby lowering their cost of fertilization. Use of the nitrification inhibitor reduces emissions of the climatically harmful nitrous oxide N₂O by an average 50 per cent. In 2006 alone, the use of this innovative BASF product saved more than 400,000 metric tons of CO₂ equivalents.



BASF's nitrification inhibitor ensures that the nitrogen contained in the fertilizer is metabolized more slowly by bacteria in the soil, resulting in a significant reduction in the formation of climatically harmful nitrous oxide.

ENERGY: MODERN SYSTEMS TO HARNESS WIND POWER MORE EFFICIENTLY.

Special plastics and coatings for perfect rotor blades on wind turbines.

NEW EPOXY RESIN FOR HIGH-EFFICIENCY ROTOR BLADES

Wind energy is undoubtedly among the cleanest sources of energy available, and one that will play a critical role in sustainably meeting the energy needs of the future. BASF products are helping to make the harvesting of wind energy more efficient. Larger and lighter rotor blades increase the performance and output of modern wind turbines. Epoxy resin-based composite materials have become the industry standard for producing wind turbine blades. Under the brand name Baxxodur™, BASF offers two-component systems ideally suited for this application.

To ensure that large blades can be produced without defects, it is important that the two components of the system do not react too quickly as they are applied to the mold. But once the material is applied, the epoxy resin systems should cure rapidly, allowing for faster production turnaround. BASF's new Baxxodur systems use special curing agents formulated specifically for the manufacture of large composite fiber structures. These materials react slowly as the mold is filled, and then rapidly

during the curing process. This allows manufacturers of rotor blades for wind turbines to shorten production times by up to 30 per cent and thereby increase their productivity. In this way, BASF is helping to improve the economic efficiency of wind power, making it a viable, climate-friendly source of energy; today and tomorrow.

SPECIAL PROTECTIVE COATING INCREASES THE COST EFFECTIVENESS OF WIND TURBINES

The efficiency and economic viability of wind turbines depend on more than just precise rotor production. The rotors' durability and ease of maintenance are also key factors. Since blade surfaces are exposed to extreme stress from sunlight and weather, the proper blade coating is crucial. BASF subsidiary RELIUS COATINGS has been supplying special coatings that meet these high demands for more than ten years.

In the RELIUS Wind Coat system, special components ensure that the coatings are extremely resistant to weathering. They also allow all the products for the multilayer construction to be produced without solvents.



Baxxodur® systems from BASF expedite the manufacture of heavy duty rotor blades for wind turbines by up to 30 per cent – making environmentally friendly wind energy more competitive.



USING RESOURCES SPARINGLY: THE VERBUND.

With its integrated Verbund system and high efficiency power plants, BASF reduces production costs and helps preserve the environment and climate.

BASF RE-USES WASTE HEAT TO SAVE ENERGY

Our Verbund system, which links production and energy requirements, makes a major contribution to the efficient use of energy. Linking plants this way reduces logistical costs associated with transporting chemicals and also creates a built-in source of raw materials and energy. For example, the waste heat from one production plant is used for the production in the neighboring plant. This integrated heat utilization system is operated at all of BASF's large sites. The result: about 45 per cent of BASF's steam requirements are supplied by the use of waste heat and incineration of waste from its own production plants. BASF's world headquarters site in Ludwigshafen derives an impressive 55 per cent of its steam requirements from the Verbund.

To meet steam and electricity requirements beyond these levels, BASF operates combined heat and power plants (CHP). The simultaneous production of electricity and steam allows BASF to achieve an overall efficiency of almost 90 per cent. To maximize electricity production in the plants, combined cycle gas turbines are used. This highly effective power generation system supplies 3.5 times more electricity per metric ton of steam than conventional CHP technology.

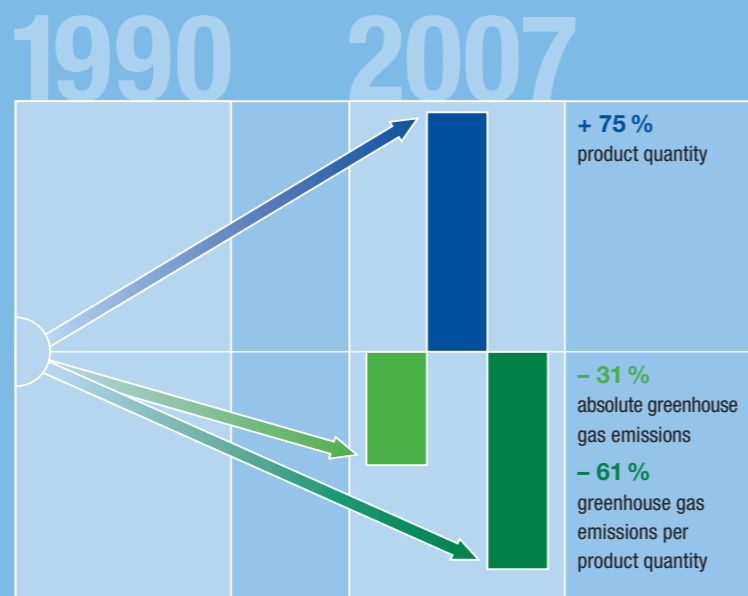
Among the fossil fuels, natural gas produces the lowest CO₂ emissions per kWh of generated electricity. Worldwide, BASF supplies more than 75 per cent of its energy requirements with the best available natural gas technology.

BASF has succeeded in uncoupling quantitative growth and the associated greenhouse gas emissions.

INCREASING PRODUCTION – REDUCING EMISSIONS

The Verbund and the high-efficiency combined heat and power (CHP) plants make it possible to reduce emissions and lower resource consumption. Through this strategy, BASF has succeeded in uncoupling quantitative production growth from the associated greenhouse gas emissions: since 1990, BASF has increased its global production by 75 per cent and during the same period reduced absolute greenhouse gas emissions by 31 per cent – as much as 61 per cent when calculated per ton of sales product.

The high energy-efficiency of BASF's Verbund sites is also reflected in BASF's Corporate Carbon Footprint. Thanks in large part to the Verbund, the emissions associated with the actual production of BASF's products are lower than the emissions associated with other upstream and downstream steps in the value chain.



REDUCING EMISSIONS: IMPROVING PROCESSES.

BASF's innovative technologies are reducing emissions of nitrous oxide worldwide – not just at its own sites, but at customers' sites as well.

LESS NITROUS OXIDE THANKS TO BASF CATALYST

Nitrous oxide (N₂O) is a particularly potent greenhouse gas. It is formed in a variety of ways, including as a by-product of various chemical processes. BASF has been working for years to reduce nitrous oxide emissions in chemical processes by using a N₂O decomposition catalyst. This catalyst converts by-product nitrous oxide almost completely into its components, nitrogen and oxygen, thereby preventing the greenhouse gas from entering the atmosphere.

BASF has installed the catalyst in all its plants in which nitrous oxide is formed as a by-product. Since technology transfer to emerging economies is key to global climate protection, BASF has also made its N₂O decomposition catalyst technology available to a chemical company in China.

Overall, the use of the BASF N₂O decomposition catalyst reduces nitrous oxide emissions equivalent to about 40 million metric tons of CO₂ annually.

NITROUS OXIDE AS A STARTING MATERIAL IN PRODUCTION

For the production of CDOn (cyclododecanone), BASF has developed an original new process to utilize nitrous oxide as an oxidizing agent. The process operates in three steps and requires only a single catalyst – in contrast to the conventional production process with five steps and three catalysts. The yield of the finished product CDOn, used for example as a raw material in the manufacture of plastics, is also higher.

A CDOn plant of this type will be coming on stream at the Ludwigshafen Verbund site at the end of 2009. This new, internationally acclaimed process is one example of how economic efficiency and climate protection can go hand in hand.



The BASF-N₂O decomposition catalyst converts nitrous oxide into harmless nitrogen and oxygen.

Nitrous oxide is a particularly potent greenhouse gas. Its global warming potential is about 300 times greater than that of carbon dioxide.

IDEAS FOR THE FUTURE: RESEARCH AND DEVELOPMENT.

BASF is developing new technologies and materials to power the future.



Manufacture of membrane electrode assemblies (MEAs).
The MEA is the heart of the fuel cell.

ORGANIC SOLAR CELLS – CLIMATE FRIENDLY ELECTRICITY SUPPLY

Technologies to produce electricity from renewable and sustainable sources hold the key to the climate friendly energy mix we will need in the future. Water power, wind power and solar energy are all important components of this approach, although generating solar energy continues to be prohibitively expensive. BASF is playing a leading role in the drive toward more cost-effective solar energy through its development of groundbreaking solar cells for “organic photovoltaics”. Instead of very costly high-purity silicon used in conventional solar cells, this new technology uses organic compounds to trap the sunlight and convert it into electrical energy. The organic materials are expected to be easier and thus cheaper to process. Additionally, the production of organic solar cells consumes much less energy and raw materials, such as silver, giving them a decisive ecological advantage over conventional silicon-based solar cells.

Organic photovoltaics is paving the way to sustainable electricity generation.



FUEL CELLS – TECHNOLOGY OF THE FUTURE FOR ENERGY CONVERSION

BASF's Energy Management growth cluster is also involved in the further development of fuel cell technology as a means of energy conversion. A fuel cell is like a small chemical factory. Inside the cell, the “fuels” hydrogen and oxygen react to produce water vapor, thereby generating electricity and heat. The great advantage of fuel cell technology is that pure water is the only emission formed. The cells can also produce electricity and heat very efficiently at the same time. However, fuel cell technology can only contribute to climate protection if renewably produced electricity is available to provide the hydrogen as fuel. Fuel cells could then, for example, be used as very climate friendly components for refrigerated vehicles, for automotive propulsion systems or to generate electricity and heat in private homes.

BASF has specially promoted this area of technology by investing in several companies and has now combined all its fuel cell expertise in the company BASF Fuel Cell GmbH.

These investments have created a platform for developing high-efficiency fuel cell technologies. Between 2006 and 2008, BASF invested 90 million euros into research in this cutting-edge field of technology.

LITHIUM ION BATTERIES – ENERGY STORES OF THE FUTURE

Together with other German companies, BASF will be investing several million euros over the next few years in the research and development of lithium ion batteries. This “alliance for innovation” will be combining resources from private sector investment, science and government; the project is part of the Federal Republic of Germany's integrated energy climate program.

Lithium ion batteries can not only be recharged faster than other available batteries, they are also capable of storing electricity more efficiently, meaning they are also much lighter.

The new lithium ion battery technology is intended mainly for transportation applications, such as hybrid automotive propulsion systems. The use of lithium ion batteries together with an internal combustion engine makes propulsion significantly more efficient in energy terms – a hybrid automobile can help save up to 20 per cent fuel and the associated CO₂ emissions.

Lithium ion batteries are also used, for example, in wind turbines for stationary energy storage. In 2006, about 15 per cent of the wind energy generated could not be supplied to the grid because of the lack of suitable storage capacity. This intermediate storage option, therefore, will improve the utilization of sustainable energy sources in the future.

As the energy stores of the future, Lithium ion batteries are a key technology for climate friendly mobile and stationary energy supply. BASF therefore sees the alliance for innovation as offering a major opportunity to improve climate protection.

Lithium ion batteries for modern hybrid automobiles are particularly light-weight and effective. This results in lower fuel consumption and fewer CO₂ emissions – providing benefits for man and the environment.



BASF spends more than one third of its entire research budget – about 400 million euros – in the areas of energy efficiency, climate protection, resource conservation and renewable raw materials.

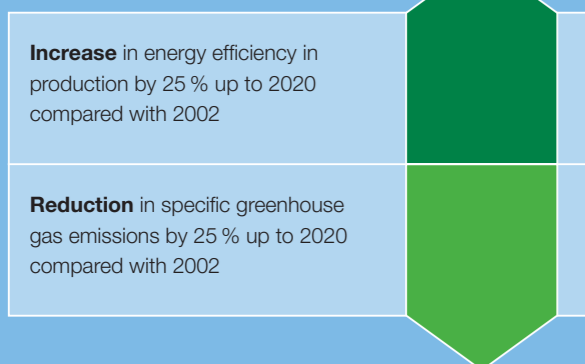
ACTIVE CLIMATE PROTECTION – BASF IS INVESTING IN THE FUTURE.

BASF wants to continue contributing to climate protection with innovative product developments and by further improving its production processes.

CLIMATE PROTECTION GOALS UP TO 2020

BASF wants to maintain or even improve the factor of 3 in climate protection over the long term by constantly optimizing its products and continuing to develop innovative new materials for groundbreaking technologies for construction, transportation, agriculture and energy. But BASF also aims to achieve further reductions of CO₂ emissions and energy consumption in its own production. BASF is investing in a range of measures for this purpose and has set itself new and ambitious goals for the future: by 2020, BASF intends to reduce its specific greenhouse gas emissions per metric ton of sales product by 25 per cent compared with 2002. The energy efficiency of the production processes is also to be increased by a further 25 per cent over the same period, because energy efficiency is the key to combining climate protection with economic benefits.

Climate protection targets for
BASF's production



WORLDWIDE RECOGNITION FOR BASF'S CLIMATE STRATEGY

In September 2008, BASF was recognized by the renowned Dow Jones Sustainability Index (DJSI World) as the world's leading chemical company. This distinction was awarded in recognition of BASF's climate strategy, environmental and social reporting and for developing innovative and eco-efficient products. The companies included in the DJSI World are selected from all 2500 members of the Dow Jones Global Index: based on sustainability criteria, the top ten per cent in each industry group are selected.



In 2008, the prestigious Carbon Disclosure Leadership Index (CDLI) ranked BASF number 1 among companies in carbon intensive industries. This index published by the international initiative Carbon Disclosure Project (CDP) is an international honor roll for corporations addressing the challenges of climate change and carbon disclosure practices.



BASF is constantly improving the energy efficiency of its processes and is developing new products for climate protection.

BASF's Corporate Carbon Footprint shows:
3 : 1 for climate protection.

Taking active responsibility for climate protection and the environment is essential. Industry, government and citizens all over the world must work as one to advance the cause of global climate protection.

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FURTHER INFORMATION

www.basf.com/climateprotection

Coordination Climate Protection:

Dr. Cordula Mock-Knoblauch, Phone: +49 621 60-22325

Sustainability Center:

Dr. Lothar Meinzer, Phone: +49 621 60-41976

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The Chemical Company