

News Release



BASF presents its first carbon balance

3:1 for More Climate Protection

- **CO₂ savings from BASF products outweigh emissions caused during production and disposal by a factor of three**
- **Climate Protection Officer to coordinate BASF's activities for climate protection**
- **Ambitious climate protection goals for 2020**

Berlin – February 12, 2008 – BASF is the world's first company to present a comprehensive carbon balance for its operations. The results show that BASF products can save three times more greenhouse gas emissions than the entire amount caused by the production and disposal of the company's products. "Climate change is one of the main challenges faced by society," said Eggert Voscherau, Vice Chairman of BASF SE. "We are facing up to this challenge and offering a wide range of solutions that help to protect the climate."

The carbon balance shows for the first time not only emissions from BASF's production, but also takes into account emissions from raw materials and precursors as well as the disposal of all products. In addition, the company has looked at the product lifecycle of 90 key products that save CO₂ emissions when used in end products. An independent third party, the Öko-Institut in Freiburg, has reviewed and confirmed BASF's calculations.

Factor of three to be maintained or even improved in the long term

"The results of the study are clear: The enormous potential savings that can be achieved by using innovative technologies and products from

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BASF are ignored if one looks solely at the emissions from our production sites,” said Dr. Harald Schwager, member of the Board of Executive Directors of BASF SE. “In areas such as construction, automobiles and industrial production, our products help our customers to save more than 250 million metric tons of CO₂ worldwide. This is three times as much as is emitted through the production and disposal of all our products. We want to maintain or even improve this factor through new products and innovations and by continuing to reduce our own emissions,” continued Schwager.

For example, BASF is developing innovative technologies and materials for sustainable climate protection. BASF spends around €400 million, or one-third of its total research and development budget, in the areas of energy efficiency, climate protection, resource conservation and renewable raw materials.

Energy efficiency to be increased by 25 percent by 2020

BASF also wants to further improve on what it has achieved in the areas of climate protection and energy efficiency and has set itself new ambitious goals. By 2020, BASF aims to reduce its specific greenhouse gas emissions, i.e., per metric ton of product sold, by 25 percent compared with 2002. In addition, for the first time, BASF has set a quantitative goal for improving energy efficiency. “We have made significant progress and have continuously improved BASF’s energy efficiency in recent years. We want to become even better and aim to increase the specific energy efficiency of our production processes by 25 percent by 2020 compared with 2002,” said Schwager. “This is a very ambitious goal, but also a very important one. We see energy efficiency as the key to combining climate protection, conserving resources and achieving a competitive advantage.”

To emphasize the strategic importance of climate protection, BASF will appoint a Climate Protection Officer for the first time. “Climate protection is an integral part of BASF’s sustainability strategy and is increasingly becoming a long-term strategic issue,” said Voscherau. “As far as we

know, we are the first global industrial company to establish the position of Climate Protection Officer.”

The Climate Protection Officer will be a member of BASF’s Sustainability Council and will coordinate all the company’s activities in this area worldwide. This will include topics like greenhouse gas emissions from products and disposal of products well as the long-term positioning of BASF in the area of climate protection.

Voscherau appealed to German and European politicians to promote effective and sustainable policies for energy and climate protection that preserve the innovative power and competitiveness of European industry. “Where will the solutions come from if they don’t come from industry?” asked Voscherau. “Climate protection is a global task that needs global strategies. Germany is the technological leader in environmental protection. It has to be our goal to promote these technologies worldwide and to make them available worldwide. This is the intention of the German Federation of Industries’ initiative ‘Business for Climate Protection’. In order to achieve lasting solutions, everyone has to do their part. We are prepared to do our part,” continued Voscherau.

Information for journalists:

You can download photos from the BASF homepage. The address is www.basf.de/pressefotos, key word: “BASF SE”, search term: “climate protection”.

Further information can be found at:

<http://www.corporate.basf.com/en/produkte/energieeffizienz.htm>

<http://www.corporate.basf.com/en/presse/konferenzen>