

Energy Efficient Building

Towards ecoefficiency in the building sector: contributions from a global chemicals producer

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At a glance



BASF – The Chemical Company

- The world's leading chemical company
- Offers intelligent system solutions and high-value products for almost all industries
- Sales 2007: €57,951 million
- Income from operations (EBIT) 2007: €7,316 million
- Employees at year-end 2007: 95,175

BASF segments



Chemicals



Plastics



Performance Products



Functional Solutions



Agricultural Solutions



Oil & Gas

Inorganics

Performance Polymers

Acrylics & Dispersions

Catalysts

Crop Protection

Oil & Gas

Petrochemicals

Polyurethanes

Care Chemicals

Construction Chemicals

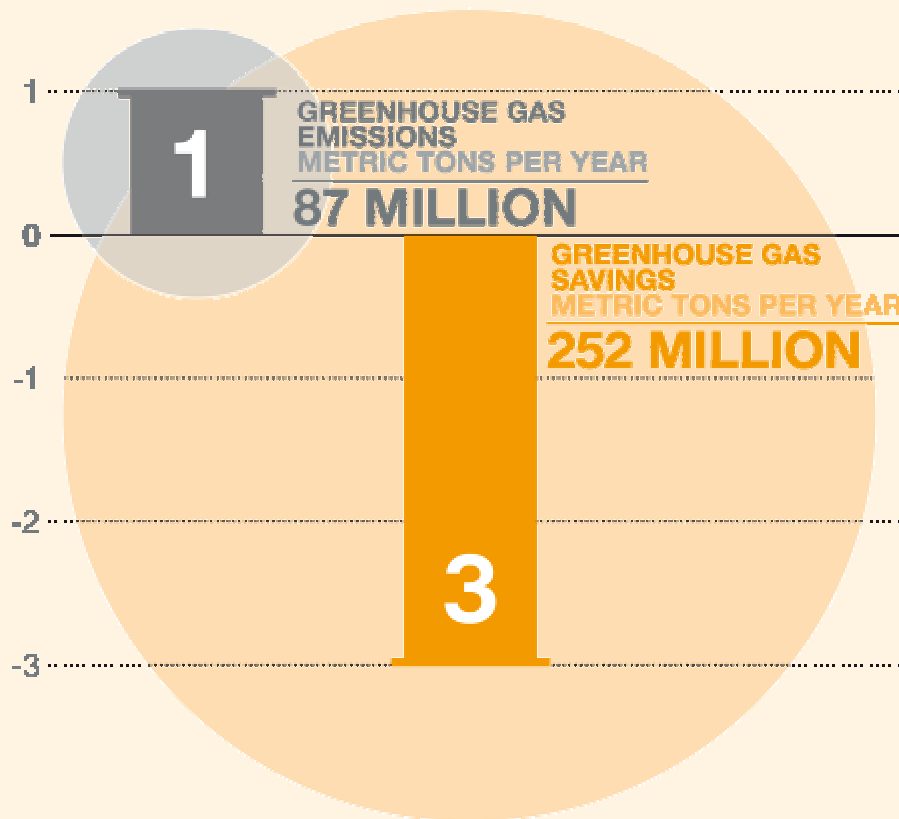
Intermediates

Performance Chemicals

Coatings

Global challenges: Climate protection

FACTOR 3: BASF's climate balance



- World's first industrial company with comprehensive carbon balance
- Our products save three times more greenhouse gases than the total emitted by the production and disposal of all BASF products.
- Goal 2020: reduce greenhouse gas emissions by 25%
- 2008: over €400 million investment in energy efficient processes, resource conservation and new technologies

Global challenges: Housing and construction

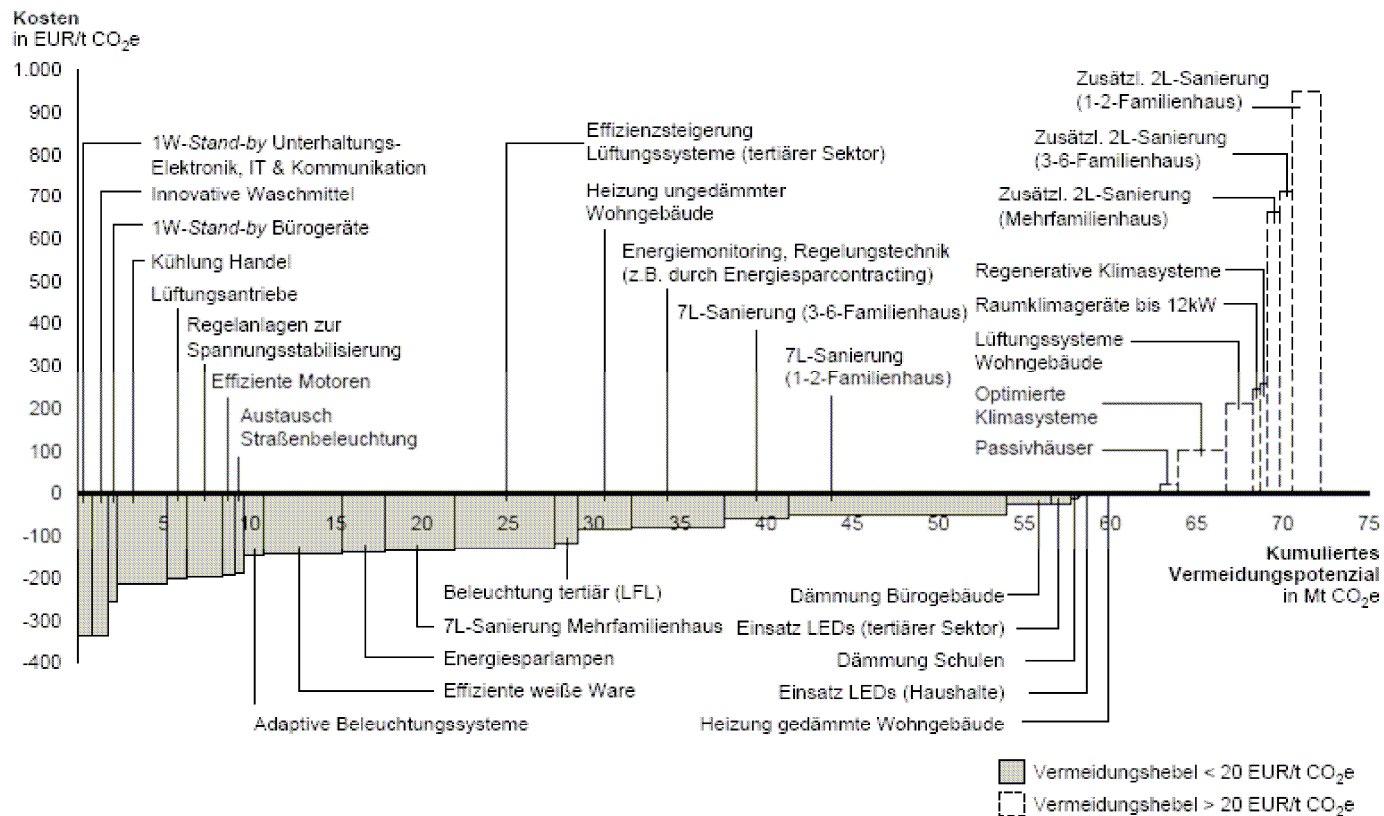


- Our insulating materials help to save heating costs and energy
- Our phase change materials ensure a pleasant indoor climate
- BASF's low-energy homes: innovative examples of affordable and eco-friendly housing
- High performance additives enable energy efficient construction and stress resistant concrete

Avoidance Cost for CO₂e (Germany, Building Sector)

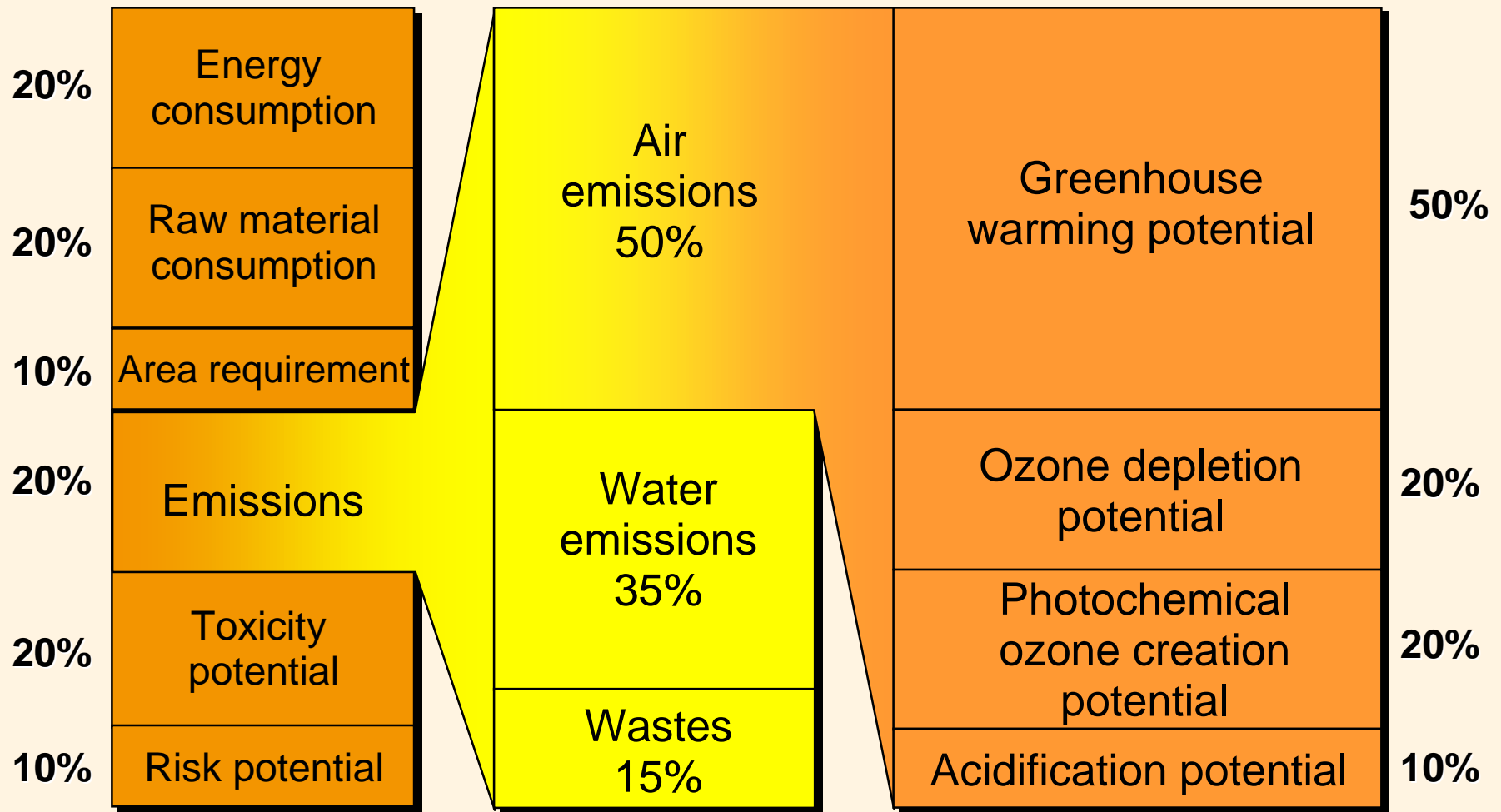
Gebäudesektor: Vermeidungskostenkurve – Deutschland 2020

**ENTSCHEIDER-
PERSPEKTIVE**



Quelle: Studie „Kosten und Potenziale der Vermeidung von Treibhausgasemissionen in Deutschland“ von McKinsey & Company, Inc. im Auftrag von „BDI Initiativ – Wirtschaft für Klimaschutz“ – AG Gebäude

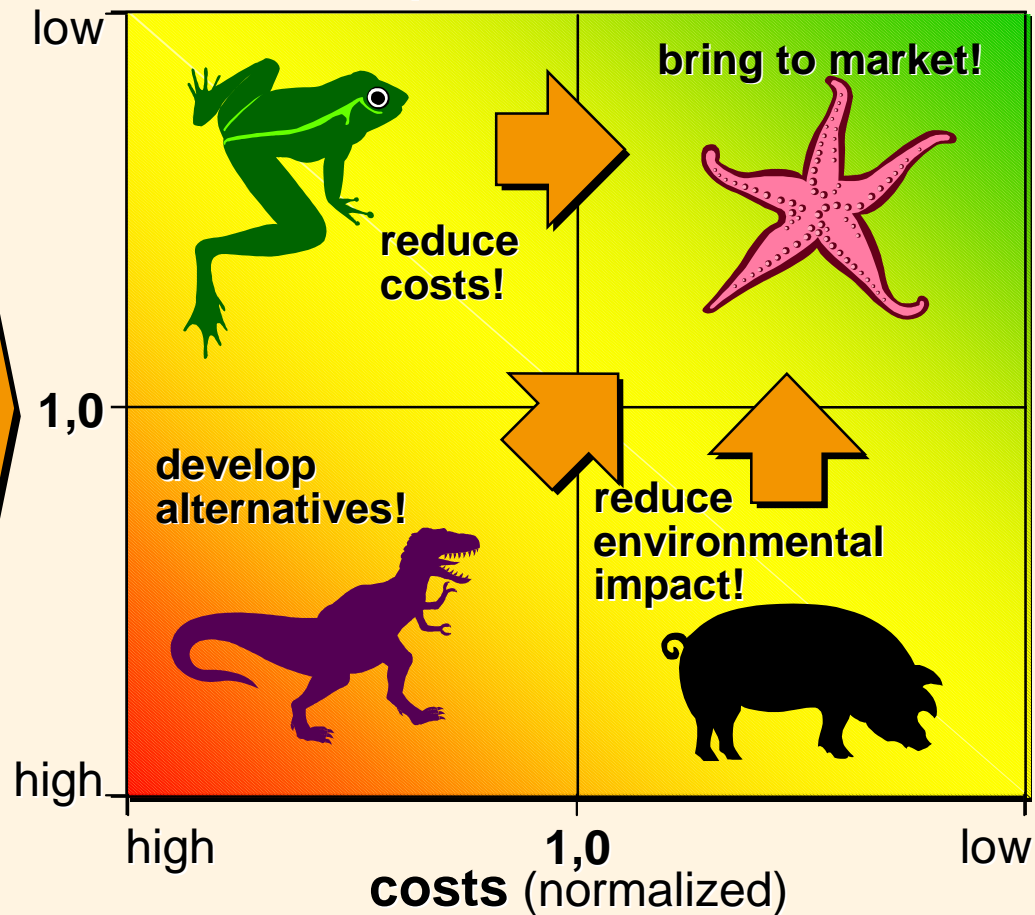
BASF's Ecoefficiency analysis: The Environmental Impact Parameters



Comparisons via Eco-Efficiency Analyses

Depending on the position of the analysed product, different strategic recommendations are given.

Environmental Impact (normalized)



Other systems for environmental assessment of buildings

- **LEED rating system**
 - developed for the **US Market** by the **US Green Building Council**
 - adapted to the **Indian context** by the **Indian GBC**: more emphasis on **Emissions from Captive Power Generators, Safety, Potable Water Use Reduction**. – No credit for development density.
- **GRIHA rating system**
- ...

Beyond the sale of products: Consulting Services

Industry Target Groups

- on the sub-regional level
- improve their expertise along the value chains
- understand the industry completely
- understand the sustainability drivers in the customer industry
- develop innovative solutions

Political Regulation should

- be simple
- not decide on specific technologies
- address the investor

And: the target should be eco-efficiency, not just CO₂-reduction

Public recognition for sustainability and transparency



- BASF shares listed in top sustainability indices such as the Dow Jones Sustainability Index (DJSI) World



- Based on an above-average evaluation in the DJSI, BASF has been awarded the status of Gold Class Member



- BASF has been listed for the third time running in the "Global 100" listing of the world's most sustainable corporations

