

# A joined-up approach to sustainable packaging

Our series of web seminars covers every key topic you need to know about. Taking place from March 15 to 25.





## BASF calculates the CO2 footprint of its products

Webinar on March 22 with Dr. Martin Binder and Dr. Jan Schoeneboom



## Your hosts for today



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## Welcome to our session! Before we start... Webex housekeeping

- Please **provide your full name**: Do not appear as a "Dial-in User"
- We'll put you all on mute
- Ask a question via the chat or Q&A function (to everyone) or "raise a hand", so we can unmute you
- All questions will be answered after the session
- Please turn off your video
- We recommend to use VoIP audio connection ("call using computer function")
- Please note that this session is going to be recorded (Q&A will not be published)





## **Agenda**

## 1. Climate Change and CO<sub>2</sub> target

- 2. Why will we provide PCFs for our portfolio?
- 3. How are PCFs calculated?
- 4. Project timeline and outlook



## The challenge of climate change

### Limiting global warming requires a significant reduction of greenhouse gas emissions

- Human activities are estimated to have already caused approximately 1.0°C of global warming above pre-industrial levels.
- Continued emission of greenhouse gases will cause further warming and long-lasting changes in all components of the climate system.
- Existing weather-related risks (e.g. extreme weather events, increasing droughts or rainfall, higher sea levels) will increase.

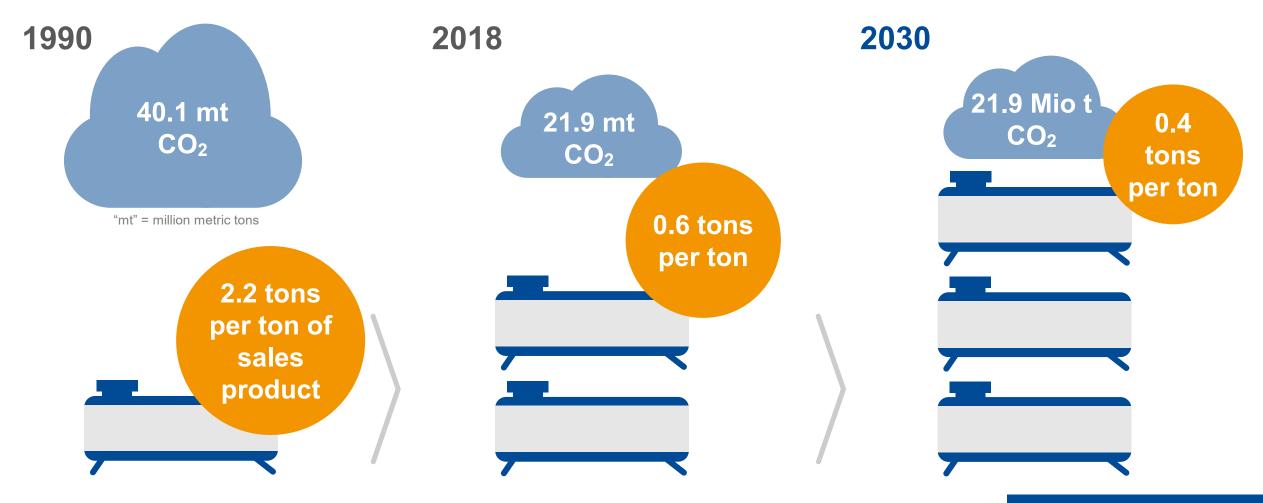


That's why BASF is working to protect the climate globally.



## CO<sub>2</sub>-neutral<sup>1</sup> growth until 2030

Maintain total greenhouse gas emissions at the 2018 level while increasing production



<sup>&</sup>lt;sup>1</sup> The goal includes other greenhouse gases according to the Greenhouse Gas Protocol, which are converted into CO<sub>2</sub> equivalents.



## **Carbon Management at BASF**

Climate target 2030 and further reductions in the long term in scope





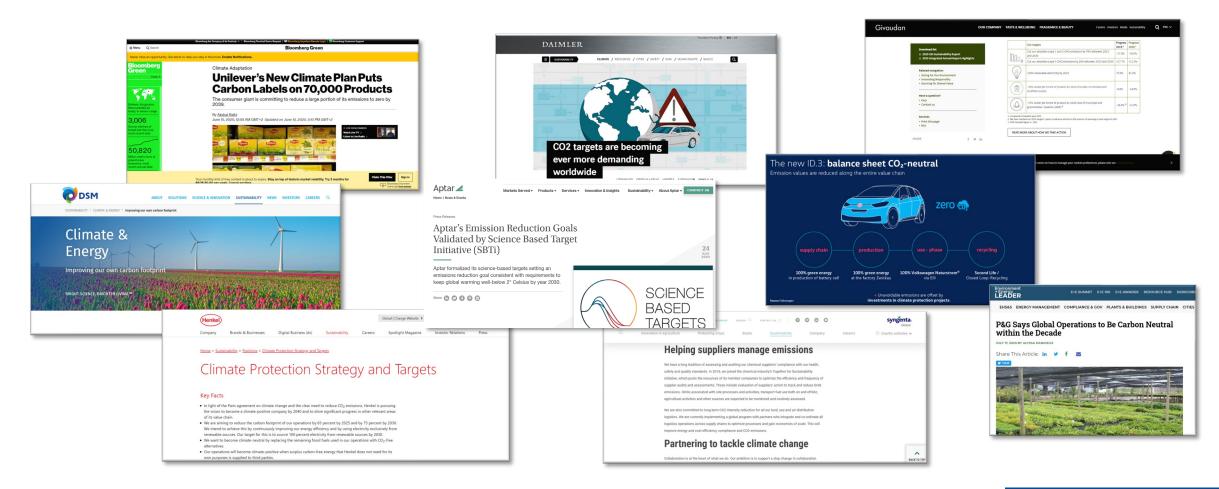
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## Increasing demand by our industry for product carbon footprints

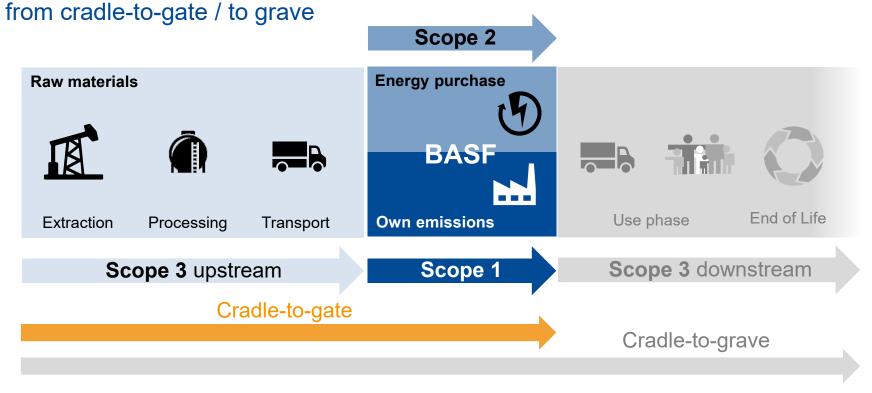
## Examples





## **Product Carbon Footprint**

PCFs summarize the specific amount of greenhouse gas (GHG) emissions that are associated with a product throughout its life cycle





#### **Customers**

- Scope 3 GHG reporting
- GHG target tracking
- Product Design & Labelling
- Offsetting

#### **Investors**









#### **Authorities**

**EU-Taxonomy** 



ISO 14067:2018 defines the Product Carbon Footprint as the life cycle GHG emissions of a product



## **Our Biomass Balance portfolio**

### Sustainability benefits including lower GHG emissions

#### **Feedstock**

#### Fossil





#### Renewable

Use of renewable feed-stock in very first steps of chemical production (e.g., steam cracker)

#### **BASF Production** Verbund



Utilization of existing Production Verbund for all production steps

#### **Products**

#### Conventional product





Biomass Balance product

Allocation of renewable feedstock to selected products

#### **Advantages**

- Significant reduction of greenhouse gas emissions
- Approach can be applied to the majority of products in our broad portfolio
- Product performance stays identical to conventional products
- We can use our highly efficient Production Verbund
- More than 240 biomass balanced (BMB) products ("drop-in products") in our portfolio

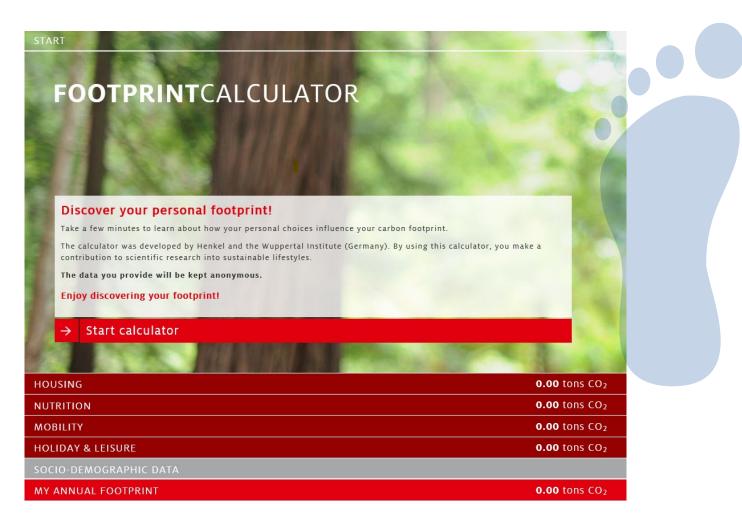


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## What is YOUR Carbon Footprint?



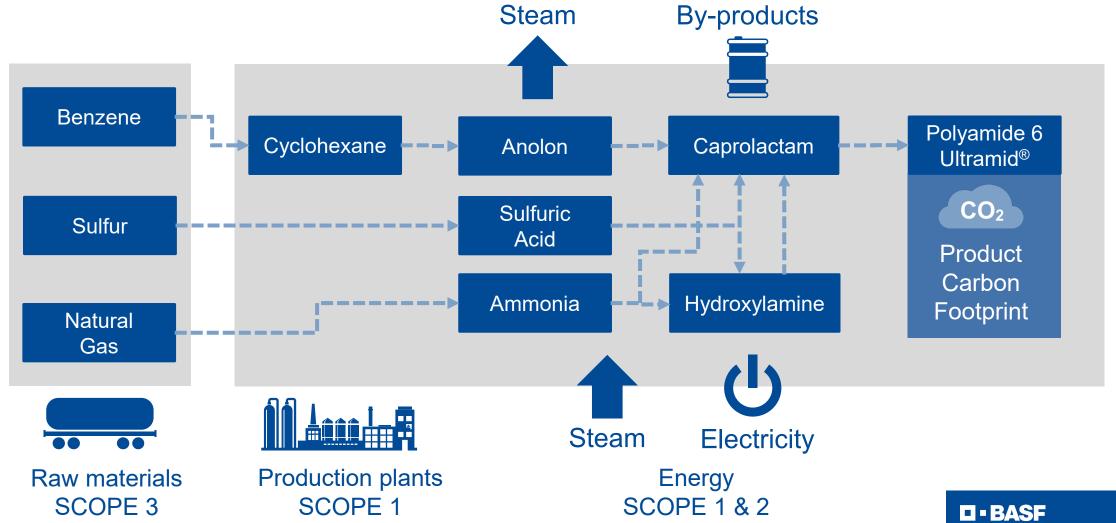


https://footprintcalculator.henkel.com/en



## Product Carbon Footprints – Example Ultramid® value chain

PCF calculation includes all steps of the Polyamide 6 value chain

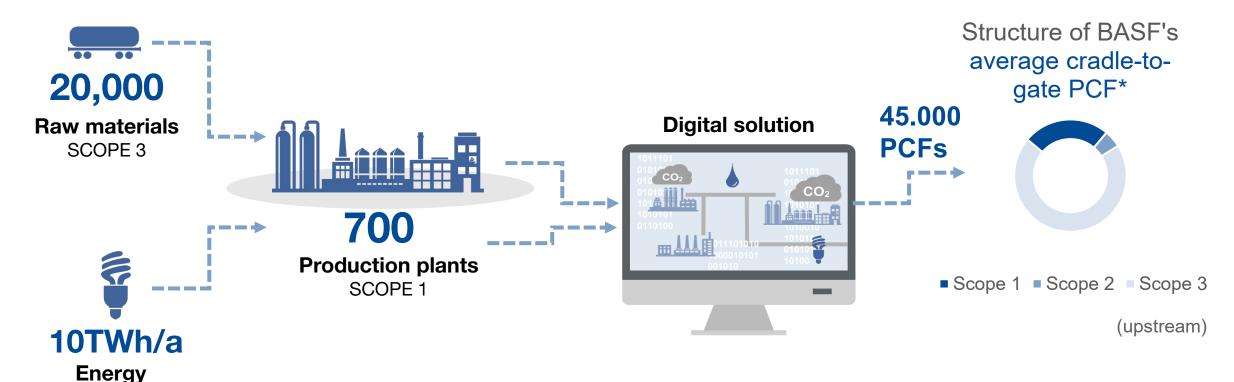


## **How is a Product Carbon Footprint calculated?**

- Primary data and high-quality average data from databases or from third parties
- Bottom-up ("LCA approach") calculation, data consolidated along the specific cradle-to-gate process-network of each product.
- Follows the ISO standard ISO14067:2018 for carbon footprint of products, which is based on ISO14040:2006 and 14044:2006 for life cycle assessment. Additionally, our calculation is aligned with the GHG Protocol Product Standard (WRI & WBCSD, 2011).
- BASF builds on 25 years of experience in methodologies to quantify sustainability performance



## New digital solution calculates PCFs for BASFs 45.000 products



Automated cradle-to-gate Product Carbon Footprints calculation based on process emissions, energy demand and upstream emissions (raw material PCF from databases)



SCOPE 2

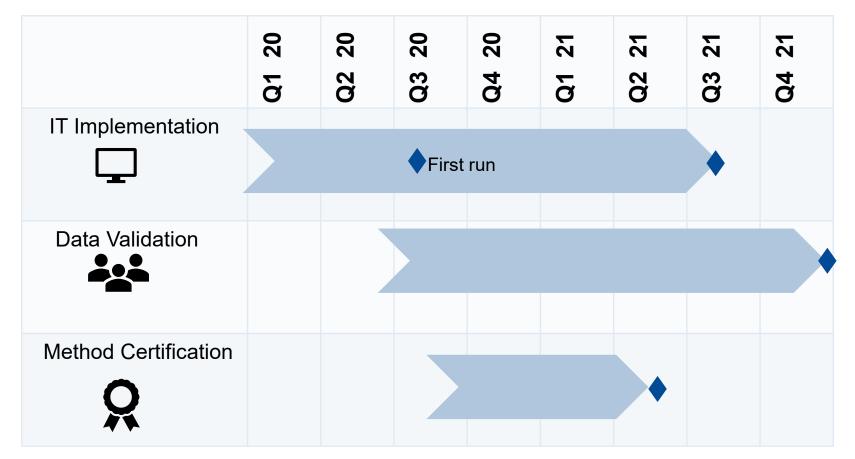
<sup>\*</sup>in scope are BASF A-companies' emissions and sales volumes 2020. Individual PCFs may vary strongly in magnitude and scope distribution

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## **BASF Product Carbon Footprint Timeline**



Finalization of calculation tool and interfaces to internal data sources

Direct communication of PCFs only to customers after validation

Independent 3rd party certification of PCF method



## **BASF** supports establishing standards

Existing standards leave room for interpretation. Hence, PCFs provided by BASF may not be compared to competitors' data for the same product.

More detailed specifications for individual production processes, data bases and calculation assumptions needed.

Examples for BASF engagement in initiatives to advance PCF data consistency and data collection:



https://www.wbcsd.org/Programs/Climate-and-Energy/Climate/SOS-1.5/

Value Chain Carbon Transparency Pathfinder to enable Scope 3 emissions transparency



https://tfs-initiative.com

TfS extends its sustainability program to GHG Scope 3 Emissions



https://www.linkedin.com/company/catena-x-automotive-network/

Alliance to create a uniform standard for information and data-sharing throughout the entire automotive value chain.



## **Product Carbon Footprints for the BASF portfolio**

- **Transparency** for our customers
- New digital solution calculates cradle-to-gate Product Carbon Footprints automatically
- Consistent carbon footprints for the global portfolio until end of 2021
- 25 years of experience in methodologies to quantify sustainability performance
- BASF supports establishing global standards



## Thank you for listening!



## **Questions**

But please, feel free to ask questions using the chat



■ Please raise your hand, we will call you, unmute yourself and ask your question





### A JOINED-UP APPROACH TO SUSTAINABLE PACKAGING

Our series of web seminars continues!

March 22	BASF calculates the CO <sub>2</sub> footprint of its products
March 23	New Ultradur® grades for thermoforming and injection-molding applications with tailor-made property profiles
March 24	Water-based ink technology: a more sustainable solution for flexible packaging
March 25	Pharmaboxes made from Styropor® Ccycled™ go around the

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