BASF Responsible Platinum Group Metals Sourcing Policy

Introduction

This BASF Responsible Platinum Group Metals (PGMs) Sourcing Policy specifies key elements of BASF's sourcing of Platinum/Palladium/Rhodium materials for BASF catalyst recycling business. It contributes to BASF's vision of a circular economy as outlined in BASF's Circular Economy Program. This Policy reflects specific requirements related to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals in Conflict Affected and High-Risk Areas (OECD Guidance) and is subject to the requirements of applicable laws or regulations (including but not limited to laws and regulations governing confidentiality and data protection, anti-trust/competition, commodity markets, anti-money laundering and anti-bribery, hereinafter "Applicable Law"). It complements the BASF Supplier Code of Conduct and global responsible sourcing management (Supplier Code of Conduct (basf.com), the BASF Human Rights Approach, and BASF Group's Position Statement on Human Rights. The Board of Executive Directors of the BASF Group is responsible for approving and issuing these policies and will regularly review them in collaboration with relevant experts to ensure they continue to enable BASF to act as a trusted and responsible market participant—working with business partners who share our commitment to integrity, sustainability, and excellence in the communities and industries where we operate.

As BASF, we seek to live our corporate purpose "We create chemistry for a sustainable future" by sourcing and producing responsibly, acting as a fair and reliable partner, and connecting creative minds to find the best solutions for market needs. As one of the world's leading suppliers of catalysts, BASF is implementing circular solutions for its Platinum/Palladium/Rhodium demand with the recycling of secondary Platinum/Palladium/Rhodium material (e.g., spent automotive catalysts). The commercial counterparties of BASF's catalyst recycling business are predominately users of chemical catalysts, secondary Platinum/Palladium/Rhodium collectors who accumulate and deliver to BASF spent material, OEMs, and catalyst producers, which deliver surplus and defective catalyst and manufacturing waste streams. BASF recognizes that the social and environmental benefits of its catalyst recycling business must be balanced against the risk that accepting, handling, and processing Platinum/Palladium/Rhodium in secondary material may contribute to or result in socially and environmentally adverse impacts. Through its management processes BASF seeks to address such risks. BASF expects its suppliers to acknowledge and respect its commitments and requirements related to responsible sourcing practices and to join
BASF to meet those through collaboration and due diligence, including adherence to internationally recognized fundamental standards for occupational health and safety,

environmental protection, labor and human rights as well as responsible corporate governance (hereinafter "ESG Standards"). In addition, BASF Group companies may also act as suppliers by delivering eligible materials for recycling and are also expected to adhere to BASF's internal guidelines and the BASF Group's corporate Code of Conduct. BASF has described its understanding of the ESG Standards in the BASF Supplier Code of Conduct and Suppliers may be asked to contractually agree to abide by the BASF Supplier Code of Conduct and/or provide written acknowledgment of their commitment to its principles. BASF also encourages its suppliers to publish their own responsible sourcing policies that substantially align with the principles set out in the BASF Supplier Code of Conduct, including the OECD Guidance.

Commitment

Regarding serious abuses associated with the extraction, handling, processing, transportation and trade of Platinum/Palladium/Rhodium materials

BASF will neither tolerate, profit from, contribute to, assist with, or facilitate the commission of the following serious abuses:

- torture, cruel, inhuman, and degrading treatment
- forced or compulsory labor
- abusive child labor, disrespecting children's rights[1]

other serious human rights violations and abuses:

- serious environmental, health, safety impact and risks
- war crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.

Subject to the requirements of Applicable Law, BASF will immediately suspend or discontinue engagement with commercial counterparties if it identifies a reasonable risk that counterparties are sourcing from, or linked to, any party committing serious abuses as defined above and if risk mitigation as outlined in Annex I, II OECD Guidance is not feasible or not acceptable.

Regarding direct or indirect support to non-state armed groups

BASF will not tolerate any direct or indirect support to non-state armed groups through the extraction, handling, processing, transportation and trade of Platinum/Palladium/Rhodium materials. This includes, but is not limited to, procuring Platinum/Palladium/Rhodium materials from, making payments to, or otherwise providing logistical assistance or equipment to, non-state armed groups or their affiliates who:

- illegally control mine sites or otherwise control transportation routes, points where minerals or secondary material are traded and upstream actors in the supply chain; and/or
- illegally tax or extort money or minerals at points of access to mine sites, along transportation routes or at points where minerals or secondary materials are traded; and/or
- illegally tax or extort intermediaries, export companies or international traders.

[1] See OHCHR | Convention on the Rights of the

Subject to the requirements of Applicable Law, BASF will immediately suspend or discontinue engagement with commercial counterparties if BASF establishes that there is a reasonable risk that counterparties are sourcing from, or linked to, any party providing direct or indirect support to non-state armed groups as defined above and if risk mitigation as outlined in Annex I, II OECD Guidance is not feasible or not acceptable.

Regarding public or private security forces

BASF will eliminate direct or indirect support to public or private security forces who illegally control mine sites, transportation routes and upstream actors in the supply chain; illegally tax or extort money or minerals at point of access to mine sites, along transportation routes or at points where minerals are traded; or illegally tax or extort intermediaries, export companies or international traders.

Subject to the requirements of Applicable Law, BASF will immediately suspend or discontinue engagement with commercial counterparties if BASF establishes that there is a reasonable risk that the supply chain directly or indirectly supports public or private security forces acting as defined above and if risk mitigation as outlined in Annex I, II OECD Guidance is not feasible or not acceptable.

Regarding bribery and fraudulent misrepresentation of the origin of minerals

BASF has adopted and implemented policies and procedures designed to prevent or mitigate the risk of bribery and/or the solicitation of bribes to conceal or disguise the origin of Platinum/Palladium/Rhodium materials to misrepresent taxes, fees and royalties paid to governments for the purposes of extraction, handling, processing, transportation and trade.

Subject to the requirements of Applicable Law, BASF will immediately suspend or discontinue engagement with commercial counterparties if BASF establishes that there is a reasonable risk that the supply chain is linked to bribery and/or the solicitation of bribes and if risk mitigation as outlined in Annex I, II OECD Guidance is not feasible or not acceptable.

Regarding money laundering

BASF has implemented a risk-based Anti-Money Laundering ("AML") compliance program ("AMLCP") designed to comply with AML laws and regulations in the United States of America and other jurisdictions in which BASF operates. Through the AMLCP, BASF aims to prevent or mitigate the risk of money laundering arising out of criminal activity (including catalytic converter theft) involving or connected to counterparties transacting in Platinum/Palladium/Rhodium materials.

Subject to Applicable Law and pursuant to the AMLCP, BASF will immediately suspend or discontinue engagement with commercial counterparties if BASF establishes that there is a reasonable risk of money laundering in the supply chain and if risk mitigation as outlined in Annex I, II OECD Guidance is not feasible or not acceptable.

Regarding payment of taxes, fees, and royalties due to governments

BASF will encourage its suppliers to pay all required taxes, fees, and royalties to governments in accordance with the supplier's position in the supply chain. BASF makes counterparties aware of the Extractive Industries

Transparency Initiative (EITI) to foster disclosure of such payments, where applicable, in accordance with the principles set forth under EITI.

Commitment to cooperate with authorities

BASF is committed to upholding the highest standards of environmental, social, and corporate governance. In the event that concerns arise relating to these ESG Standards, BASF will fully cooperate with relevant authorities and regulatory bodies to support investigations, ensure transparency, and take appropriate corrective actions where necessary. This approach reflects BASF's dedication to responsible business conduct and continuous improvement.

Implementation

Due diligence responsibilities within BASF

Due diligence activities are overseen by a Responsible Minerals Officer under the scope of the corporate BASF compliance system, with support from relevant teams (sales, supply chain, procurement) and reporting directly to senior management.

Due diligence management systems

BASF performs risk-based due diligence on its supply chain in line with the five-step due diligence framework set out in the OECD Guidance. This includes conducting Know Your Counterparty (KYC) assessments on all counterparties and risk-based due diligence on their supply chains as well as monitoring transactions to assess potential 'red flags' as defined in the OECD Guidance, including Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) screening in accordance with its established Anti-Money Laundering policies and procedures. Subject to the requirements of Applicable Law, identified risks will be addressed as specified in the LPPM Responsible PGM Guidance and in accordance with this Policy. While BASF performs risk-based due diligence on all Platinum/Palladium/Rhodium materials, regardless of type, volume or value, BASF especially focuses on those activities where risks to people and the environment are greatest. BASF has the capability to conduct due diligence at the lot level, with each lot assigned a unique identifier to ensure full chain of custody and enable targeted risk analysis for each individual batch of material. BASF maintains due diligence and traceability records for a minimum of five years.

Employee training

BASF will communicate and provide training to all relevant BASF staff to ensure that they are aware of and responsive to environmental, social and governance risks related to sourcing of Platinum/Palladium/Rhodium materials, in alignment with BASF's commitment to source Platinum/Palladium/Rhodium materials responsibly. As part of this commitment, BASF staff also undergo annual compliance training that includes the BASF Code of Conduct and other relevant topics to reinforce awareness and accountability.

Engagement

BASF will communicate this Policy and its expectations for its implementation to BASF's relevant commercial counterparties.

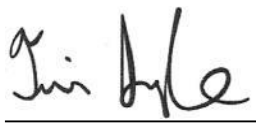
Review and report

BASF will regularly review its practices and guidance to ensure that they remain responsive to its assessment of evolving supply chain risks. Where required by legislation and subject to Applicable Law and pre-existing contractual obligations, where recommended by the OECD Guidance, BASF will report on its supply chain due diligence.

Any employee, counterparty or external stakeholder may express concerns anonymously relating to BASF's PGM supply chain by contacting BASF's compliance hotline at +1 844 601 7980 or at the following link: https://basfcatalysts.navexone.eu/intake/

Nothing in this document should be interpreted or applied in a manner that violates Applicable Law.

This document is not intended to be and does not constitute a contract or otherwise create a contractual obligation or any other rights (express or implied) or form the basis of any cause of action or legal proceeding in or by any third party.



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Iselin, New Jersey