



Activities Report 2023



ECO+
FOUNDATION

BASF
We create chemistry

**Sustainability is
the path to a
better tomorrow**

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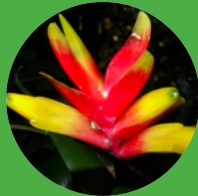
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MESSAGE FROM THE BOARD OF TRUSTEES



It's time to share our journey in 2023 with everyone. There were countless actions, learnings and achievements. In a year full of great challenges, we continued our trajectory of evolution. With courage and strategic vision, we remained on the path we planned, embracing transformative changes, which culminated in the materialization of our new positioning and reflected our new brand – with the transition from Espaço Eco Foundation to Eco+ Foundation.

The changes provided us with a valuable opportunity to reaffirm and adjust our position, aligning it with emerging sustainability trends and the maturation of the institution. All this, reflected in a new visual evolution.

In this journey, we have been involved in international forums of great relevance, highlighting the Life Cycle Management 2023 and COP 28, the United Nations Conference on Climate Change. The importance of placing nature as the main asset of society is clear. Our enriching experience at these events strengthened everyone's conviction about the value that the Eco+ Foundation generates, highlighting its excellence in delivering results throughout its history. This merit is credited to his strategic vision, as well as to our diverse, dynamic and interdisciplinary team that faces challenges and embraces opportunities with creativity, openness, entrepreneurship and responsibility.

We also highlight the contribution of the Trustee, Fiscal and Advisory Board, in collaboration with the Executive Board, for the important support offered to boost the institution in generating positive impacts and business value.

Together, we face the challenges of 2023 and celebrate the results achieved. Now, we look to 2024 with renewed determination, aware that this year offers us the opportunity to consolidate our path as a relevant organization to drive sustainable journeys in South America. As we prepare to celebrate our 20th anniversary in 2025, we want to continue building on our history and driving sustainable journeys with our customers and partners for years to come.

In a world where sustainability and business converge, we will be committed to following this path, reinforcing our commitment to generating positive impact and business value for companies, governments and society.

Finally, a big thank you to you all for a year of synergy, partnership and teamwork.

Together, we will walk the path of sustainability for our planet.

CRISTIANA XAVIER DE BRITO

Chairman of the Eco+ Foundation Board of Trustees

Courage and strategic vision are the hallmarks of our journey

MESSAGE FROM THE EXECUTIVE BOARD

We propose journeys and facilitate paths

In 2023, we continue to focus on the journey we believe in: staying on track, but always moving. We believe that sustainability is a journey to a better future: together with our partners and clients, we challenge ourselves to go a little further. We continue to be flexible and respectful of each other's time, making sure we are, today, building the pathways for tomorrow's business.

We have adopted a collaborative project management model that has positively impacted our daily routines and the way we work. The agile approach allowed for greater flexibility, adaptability, and collaboration between teams. We also innovate by offering a new journey of interactivity with clients through a tool that combines knowledge and practice. Furthermore, we began to experiment with incorporating emerging technologies, such as artificial intelligence and automation, into our processes. Agile management and the use of new technologies, combined with the evolution of our purpose "We exist to drive sustainable journeys" were important milestones on our journey to 2023.

Sustainability and innovation were very close in 2023 and will continue to be so for years to come. We realized that one of the ways to sow the seeds of sustainable business is to introduce sustainability at the very beginning of new project ideation. That is why we innovate with our clients to make a positive impact on society. Working with our network of contacts and partners, we foster forums to promote ideas that integrate sustainability, digitalization and innovation to optimize the use of resources and promote socio-environmental impact.

In 2023, we continued to expand our borders, increasing our operations in South America with the development of initiatives with clients in Argentina and Colombia. We assess the social impact of projects and help develop sustainability strategies. We disseminate trend studies on cosmetics, decorative paints and climate change discussions in several South American countries (Argentina, Brazil, Chile and Colombia). Our presence in the region allows us not only to expand our sphere of influence, but also to understand new approaches to sustainability for market challenges that involve adapting to different cultures, regulations and competition. In this way, we create pathways and connections within the sustainability and innovation ecosystem.

In addition to the challenges mentioned above, we work with clients on key projects related to our strategic pillars: regenerative practices, shared value, and governance strategies. We recognize our dynamic nature and continue to move forward, adapting to change and consolidating our reputation and our work since we were constituted in 2005.

Our transformation has been from the "outside in" and from the "inside out". The Foundation's governance was strengthened with the election of a new Board of Trustees at the end of the previous Board's term. Tiago Egydio will assume the position of General Manager of the Foundation in 2023, contributing to the client journey in measuring the impact and return on investment in sustainability.

More people, more ideas, more business and more innovation drive us forward. Together!

In this Report, we detail a little more about how we promote sustainable journeys. See how we walk the sustainability path together every day - as a continuous movement today, tomorrow and forever. We walk and go a little further every day.

Come with us! Enjoy reading!



RODOLFO VIANA

President of ECO+ Foundation



TIAGO EGYDIO

Manager of the ECO+ Foundation

Our essence

We are a sustainability consultancy for South America focusing on impact measurement, regenerative economy/bioeconomy and governance strategies. We guide and drive the sustainability journey of visionary companies who understand, as we do, that the use of methodologies that help analyze and measure impact is the path to a sustainable economy. Companies, institutions and public bodies that think strategically and create economic, social and environmental value in an integrated way. This is how we walk together toward a better future.

We use innovation to share knowledge in an organic, interactive and dynamic way, involving everyone in an avant-garde movement, enabling the exchange of knowledge that contributes to the articulation and strengthening of the market.

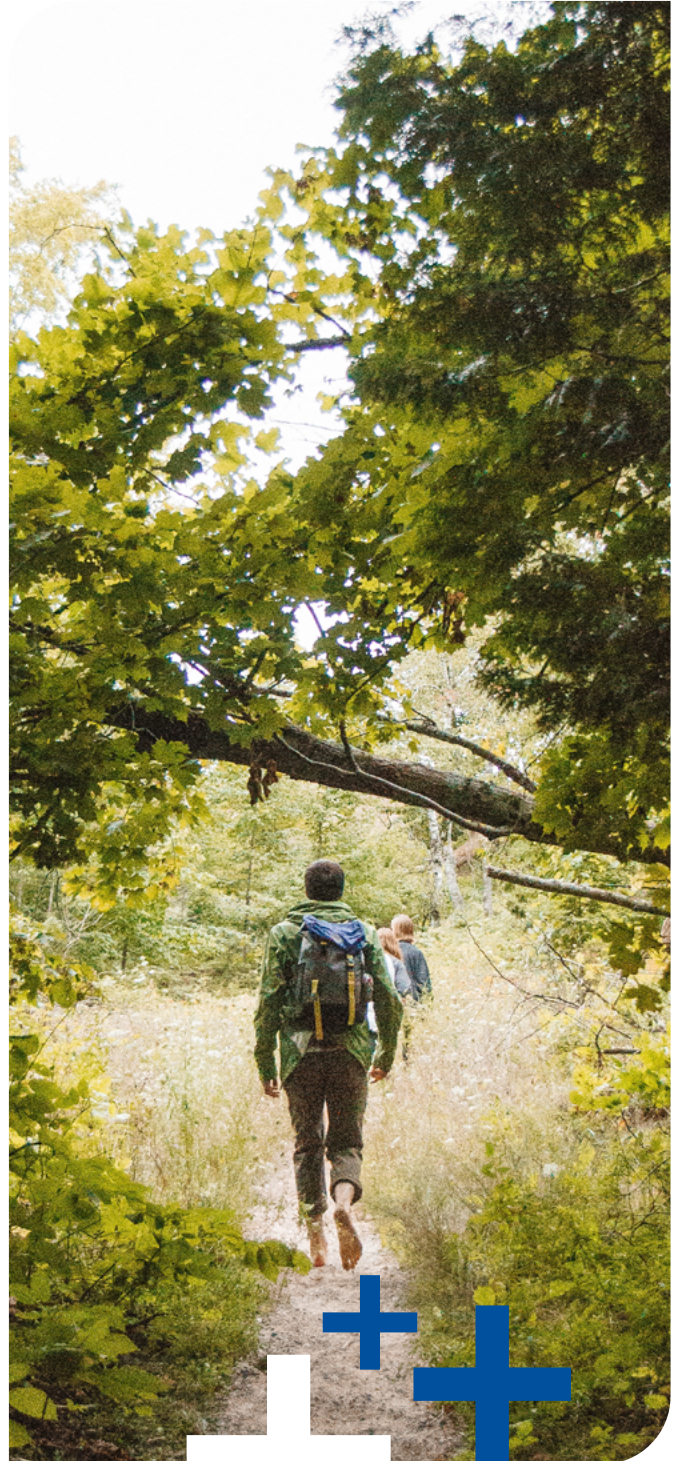
We have been operating since 2005 with the commitment of our sponsor -BASF- and other market players to promote an ecosystem of connections that combines actions, research, studies and solutions in favor of an increasingly sustainable society.

We act independently in initiatives that seek to create social impact and foster progress and innovation. After all, social impact is also a business driver that brings benefits to both companies/institutions and society and the environment. This is possible, but it requires effective partnerships involving committed social actors who contribute time, knowledge and responsible investment.

We are constituted as an OSCIP (Civil Society Organization of Public Interest) and our financial returns are reinvested in socially relevant projects.

We work in true partnership with businesses, communities and government to build and drive sustainable travel. We foster the engagement of diverse stakeholders to positively transform environmental and social scenarios, generating discoveries and forging new pathways and connections that foster innovation and expand opportunities to achieve an ever-evolving sustainability journey together. We reinvent and evolve, building the future every day by integrating sustainability into our business and our clients' businesses.

We continue our journey with the goal of being recognized as a Center of Excellence in sustainability and to foster dialogue on methodologies with a focus on measurement applied to the business.



We act focused on our value vision

Proven evidence - measurement, technique and science are behind most of our services. This is a differential in the market, which can be an important guiding thread to help our audiences better navigate our portfolio, in addition to allowing us to be more assertive and offer more security to those who come with us.

Innovation that breathes life - for an ever-changing market, we offer an inquiring mind. We are creative and courageous to develop new services, tools and foster discussions with the potential to transform or at least improve the market.

Flexibility for multiple routes - we know that each journey is unique and that connection is key. That's why we adapt and are flexible to understand each client's journey, challenge, and context.

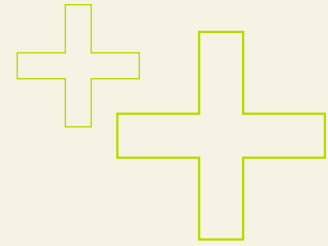
Purpose beyond projects - as an OSCIP, the financial return we have is reinvested in projects that bring benefits/impacts to the society. Which means that the projects we develop are expanded beyond their main commitment and impact society in other ways.

Values that guide our journey

Our values are aligned with those of BASF. This is because, although we are independent, we operate in full synergy with our sponsor.



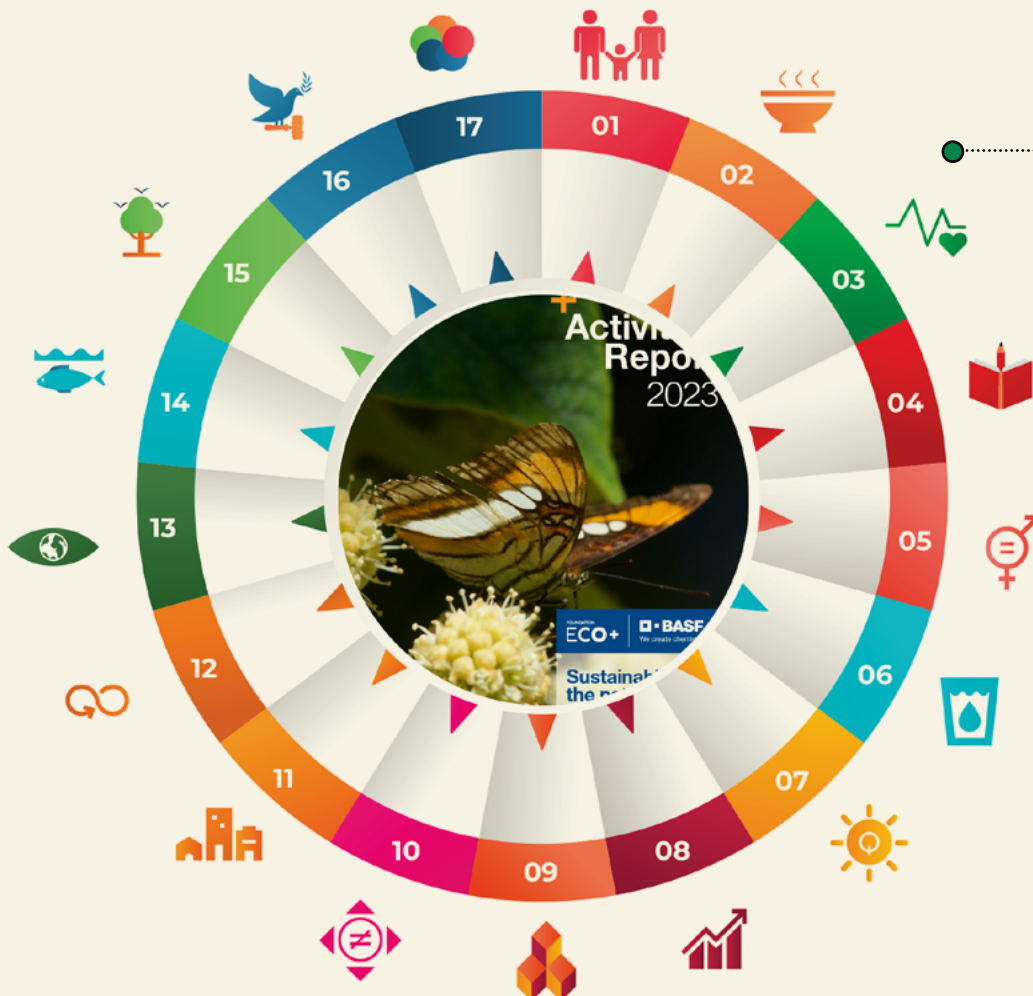
Our commitments



We have maintained ISO 9001:2008 (Quality Management System) and ISO 14001:2004 (Environmental Management System) certifications, which guarantee transparency, technical rigor and the commitment of our governance.

We are signatories to the Global Compact. Our business strategy is based on the Sustainable Development Goals (SDGs) of the United Nations (UN). The concepts of ESG (environmental, social and governance) underpin our strategy, in line with the guidelines of BASF, our founder and custodian.

Through annual activity reports, we provide financial statements that are audited by external auditors and approved by the Fiscal Council, the Board of Trustees, and the Office of the Attorney General.



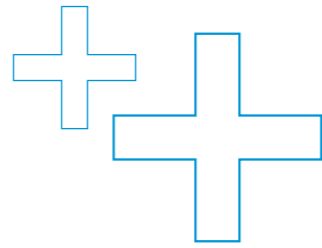
Manifesto

**Welcome to the journey
that always begins.**

Pathways to tomorrow's
business today.



Our Governance



We adopt best practices in corporate governance, just as we do in advising our clients. We are committed to transparent action, which strives for equality, balance and coherence. We respect the various agents who work directly or indirectly with us – clients, employees, partners, suppliers, governments, among others. Together, we are moving toward a better tomorrow.

Our governance structure consists of an executive board and three boards (Board of Trustees, Fiscal Council and Advisory Board). A strong and consolidated structure, which ensures compliance with our guidelines, in a journey carried out with transparency, security, competence and agility necessary for decision making. As part of our evolutionary process, in 2023 we updated our Board of Trustees with a change in membership: new ideas for a new moment.

Check out our structure and the people who keep us moving, and follow our evolutionary journey.

Board of Trustees: the main decision-making body of the Eco+ Foundation and responsible for electing the other governing bodies. It ensures the full execution of our bylaws, validates the Annual Work

Plan, approves the accounts and financial statements after analysis and approval by the external auditors and the Audit Board and, in general, monitors the application of legal and statutory duties.

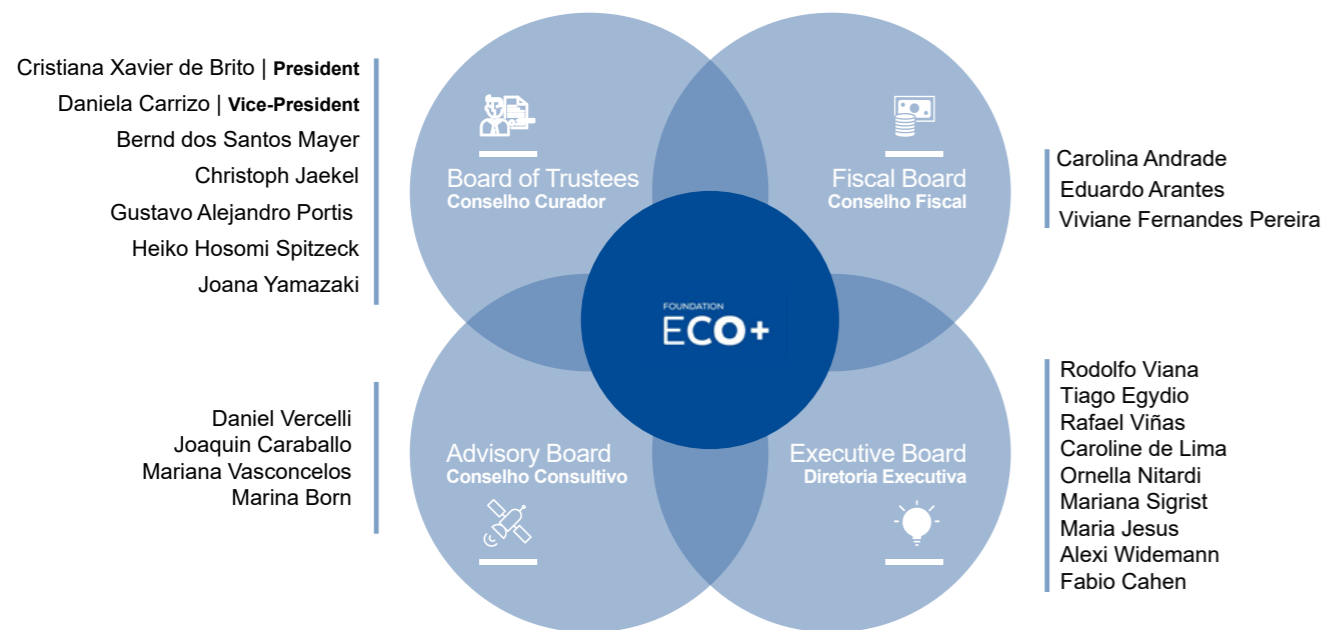
Fiscal Council: supervises the management of the Eco+ Foundation through the analysis of accounting books, balance sheets and annual reports and other tax documents. Monitors the correct application of tax rules pertinent to the Foundation's activities.

Advisory Board: the body has a team of external experts, whose function is to advise and offer subsidies to the other boards. As such, it considers the adoption of best practices, trends, risks, challenges and possible scenario transformations. Its activities also include enhancing the eco-system of the Eco+ Foundation, identifying new partnerships and providing consulting for projects.

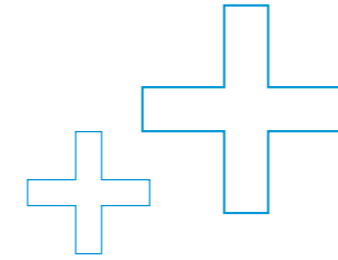
Executive Board: responsible for ensuring the proper implementation of actions and the execution of social and environmental projects, as well as their dissemination. Furthermore, it ensures that the actions are in line with the purposes of the institution.

Our Governance

Current and new members of the Boards



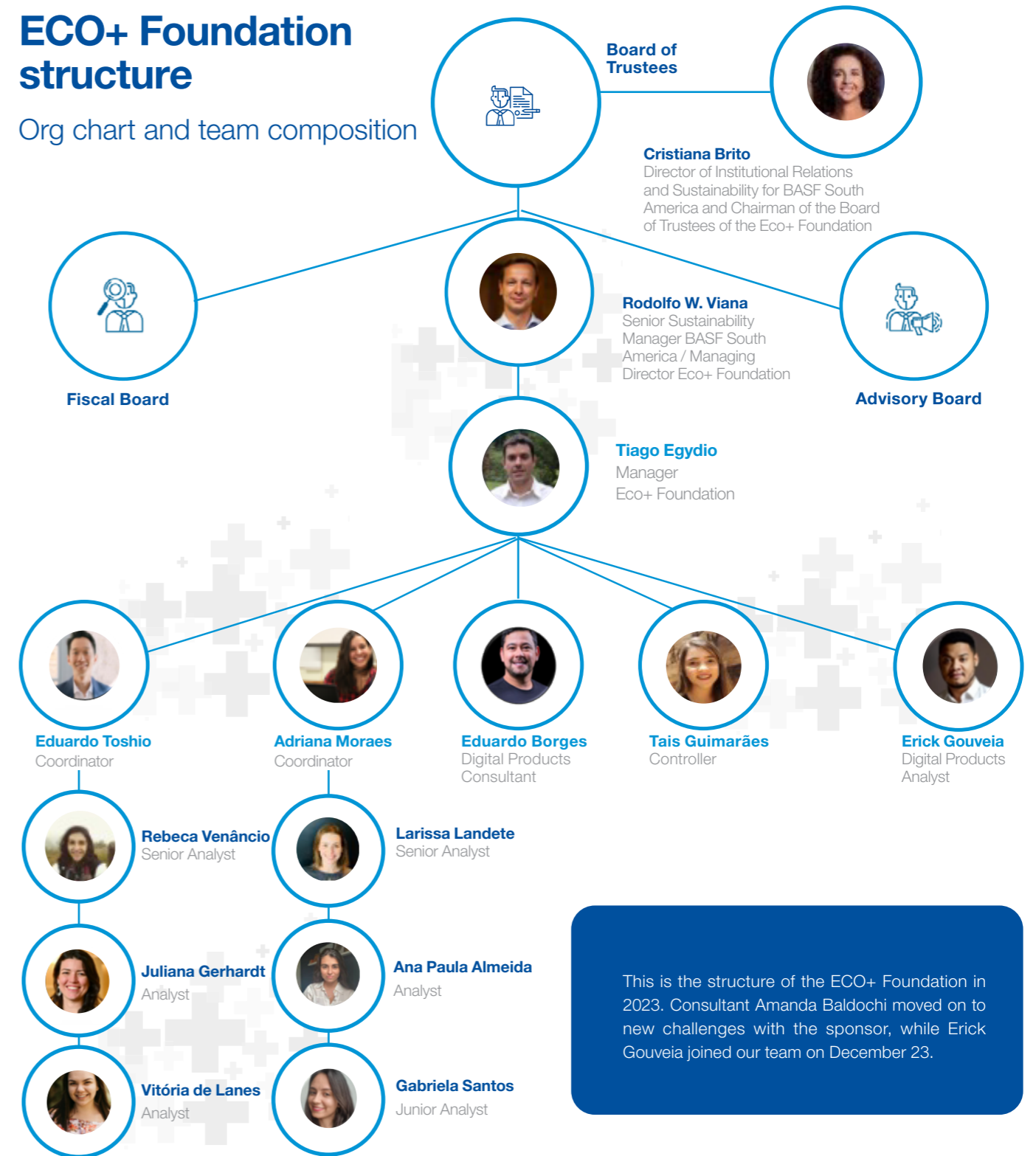
Our team



We would like to emphasize that Tiago Egydio Barreto took over the position of General Manager of the Foundation in the year 2023. Our partner since 2014, this professional has deep knowledge of the institution, the clients, and the issue of ESG, specifically ecosystem services, restoration ecology, conservation biology, and ecological restoration. It helps make the impact and return on investment in sustainability tangible.

ECO+ Foundation structure

Org chart and team composition

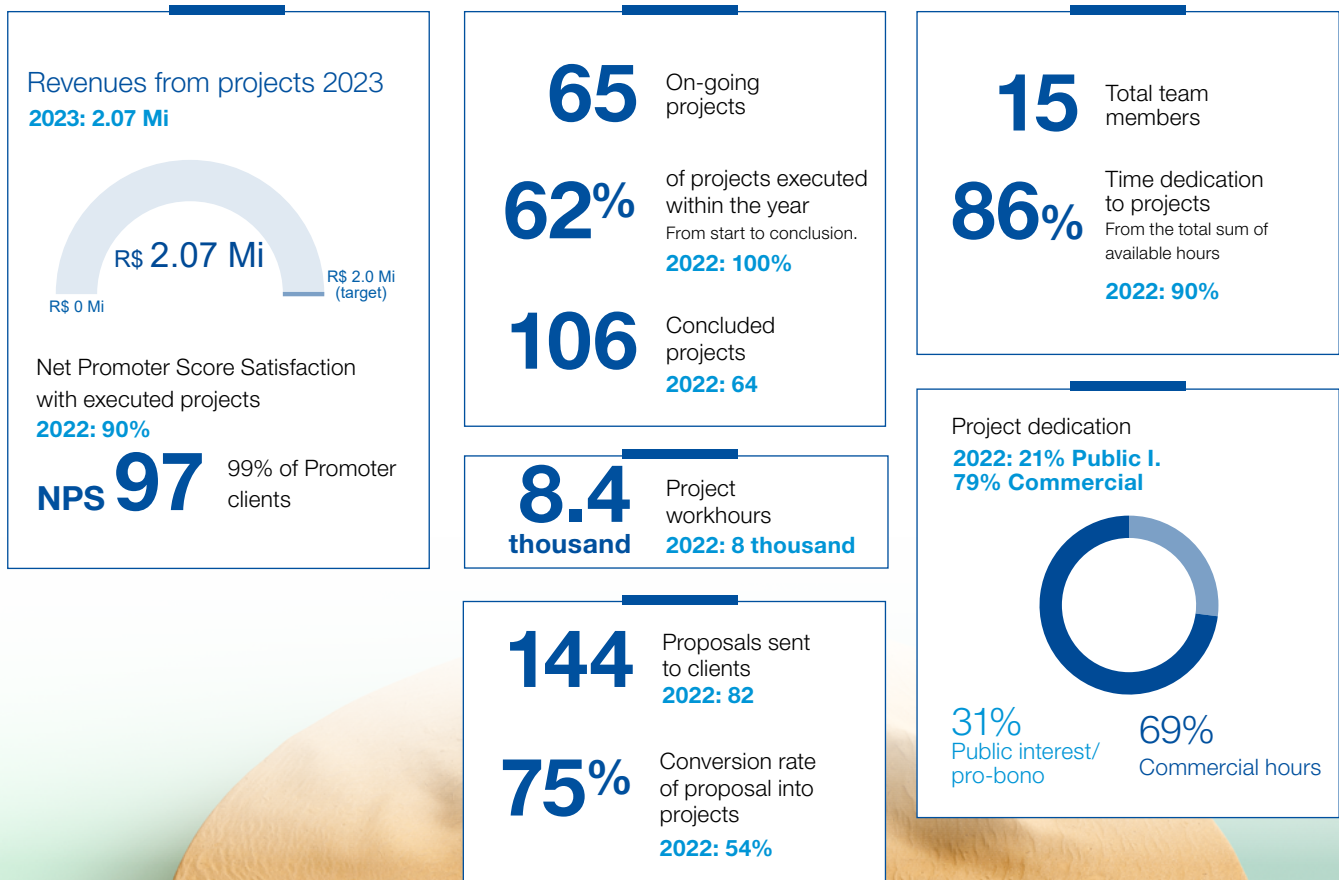


This is the structure of the ECO+ Foundation in 2023. Consultant Amanda Baldochi moved on to new challenges with the sponsor, while Erick Gouveia joined our team on December 23.

How we evolve in 2023

Financial and Quality Performance

2023 Overview | KPI Dashboard



Join us on this journey!

We believe that a sustainable future is built together, walking side by side. So let's journey with our clients and partners every step of the way. After all, sustainability is not about the end point of your walk, but about walking and getting a little further every day.

With an innovative vision, we indicate opportunities and guide companies towards transformation. At each finish line, new paths and opportunities emerge. Join us in this movement!



Walking together, we increase our impact:

Governance Strategies

We work with the conceptual framework of Life Cycle Thinking. We understand the need to diagnose a value chain's perceptions and challenges in order to assess priorities that can guide the construction of a strategic path to sustainability. In this way, we help companies understand the challenges in their value chain and align their goals and strategies for their sustainability journey.



Shared Value

Companies are increasingly recognizing the importance of participating in shared value initiatives, an approach that combines financial performance with social and environmental benefits. In this context, organizations seek to identify areas where their activities can have a positive impact on society and the environment, thereby aligning business objectives with social interests. This often involves developing programs and partnerships that address social issues, promote sustainability and contribute to overall well-being.

The Foundation assesses social impact by taking into account in the analyses the elaboration of the Theory of Change of such initiatives, aiming to understand and articulate the causal relationships or correlations between the activities developed in a project and the expected results, guided by the hypothesis of impact elaborated in the design of the project.

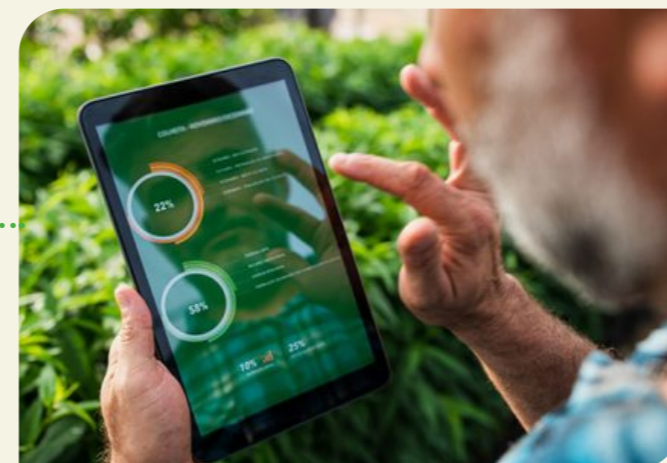


Digital products

Get to know two of our projects:

SUSTENHUB: In 2023, we launched an online service platform for our clients to provide a new digital experience in communicating with our clients. In a single environment, clients can conveniently and intuitively access our services, contracted project information, and sustainability content. The platform facilitates and simplifies communication between us and our clients, allowing us to share important information and updates more effectively.

SUSTENLOG: In 2023, we launched our latest digital tool designed to help companies manage logistics sustainably. SUSTENLOG allows the calculation of the carbon footprint of logistics operations and also provides a comprehensive view to assess strategic scenarios that allow to understand the significant reduction of the carbon footprint when considering changes in modes and/or routes.



Natural Capital Management

Want to know how measure the gas emissions?

Responsible stewardship of natural resources has become a strategic priority, leading organizations to adopt sustainable practices to preserve ecosystems as they increasingly recognize the interdependence between their operations and natural resources. Restoring ecosystems, making business decisions that consider environmental impact, and seeking new raw materials that have a positive impact are examples of this approach. We offer ways in synergy with this movement that support the strategic interests of companies. At the same time, we provide the general public with tools to measure the greenhouse gas emissions from our daily activities and the opportunity to offset them by planting native tree seedlings through our Mata Viva® Compensation Program.

SUSTENBOT Emissions Calculator (individual): fast, accessible and free tool created by the Eco+ Foundation to calculate the Carbon Footprint generated by electricity consumption, food, waste production, transportation, travel, among others.

Impact measurement (Life Cycle Assessment – LCA)

Life Cycle Assessment (LCA) studies of products and processes address the associated impacts of raw material extraction, manufacturing, transportation, use and disposal. This analytical methodology enables a holistic understanding of potential environmental impacts, providing valuable data for sustainable decision making. By quantifying natural resource consumption and other environmental indicators, LCA can identify critical areas and opportunities for improvement, helping companies and organizations adopt more eco-efficient practices and minimize their global impact.

FIND OUT MORE:
Eco-efficiency Analysis (ESA) - assessment of environmental and economic indicators combined into a single indicator, which represents the eco-efficiency of the product or service or process.

Life Cycle Analysis (LCA) - technique for assessing and quantifying the potential environmental impacts associated with a product, service or process.

Product Carbon Footprint (PCF) - measurement of greenhouse gas emissions generated by a product in the different phases of its life cycle.



We are even closer to our clients, partners and society

Ecoar Community: in 2023 we took the first step to organize a reflection group, which supports the exchange of knowledge on sustainability topics. After all, we understand that collaboration is the key to promoting a more sustainable economy. To this end, we have

created the Ecoar Community – which will be launched in 2024. Through it, we will share knowledge about Life Cycle thinking (with a focus on metrics and indicators), stimulate the exchange of ideas in a fluid way, and enable the strengthening of a more accurate critical sense of this topic among members. This community will be open to promote dialogue and collaboration between companies, organizations from different sectors, higher education institutions, civil society and partners.

Our clients and partners



Chile, Colombia, Ecuador and Peru

- AzulK and Dersa
- Carboquímica
- Itacol and Gruo Aliar



Argentina, Bolivia, Paraguay and Uruguay

- Andrómaco
- Granja Tres Arroyos (Animal Protein)



Brazil

- Braskem
- Cargill
- Raizen
- Nestlé
- BioÓleo
- Caramuru
- Usina Alta Mogiana
- Brazilian Soybean Strategic Committe- CESB
- Coopercitrus
- Química Amparo
- FCA Automotive
- Vedacit
- Kimberly Clark Brasil
- Clark Brasil
- SIMPAR
- Brazilian BioInnovation Association (ABBI, in the Portuguese acronym)
- AHK São Paulo
- Embrapa
- FGVces

Our contribution at every step of our clients towards a more sustainable journey

COMMUNICATION

- Sustainability information and knowledge
- Sectoral studies

SOCIAL

- Circularity for plastics with quality and safety
- Social impact assessment
- Impact results in focus

PUBLIC INTEREST

- Ideas marathon

REGENERATIVE ECONOMY

- Protecting sociobiodiversity
- Impact Mentoring in the Amazon

MEASUREMENT

- Life Cycle Assessment
- Results that bring innovation in production (example: packaging)
- Experiences for improvement of environmental performance
- Analysis of impacts and engagement in production units

DIGITAL

- Carbon Footprint of the transport sector

GOVERNANCE STRATEGIES

- Sustainability diagnosis and planning

BIODIVERSITY

- Carbon offsetting and natural capital strategy
- Bioeconomy



Social

Circularity for plastics with quality and safety

Improving and offering avenues for social impact assessment was one of our goals in 2023, in line with our strategy.

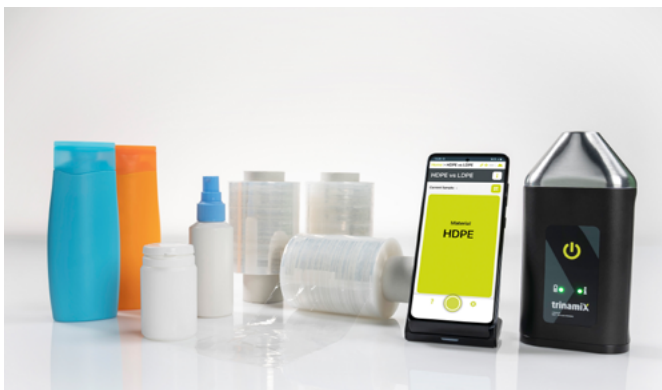
We want to support our partners and clients to generate significant and transformative changes in society and we understand that measuring the consequences of an intervention in the social sphere is the way to guide the course of these trajectories.

When it comes to the social pillar, measuring goes beyond numbers. What we propose is to consider in our analyses the evaluation of the possible changes that may occur in the lives of a group of people throughout a project. The results obtained help us to tell the story of this initiative, not only mentioning the number of people benefited, but also considering the benefits that occurred in their quality of life.

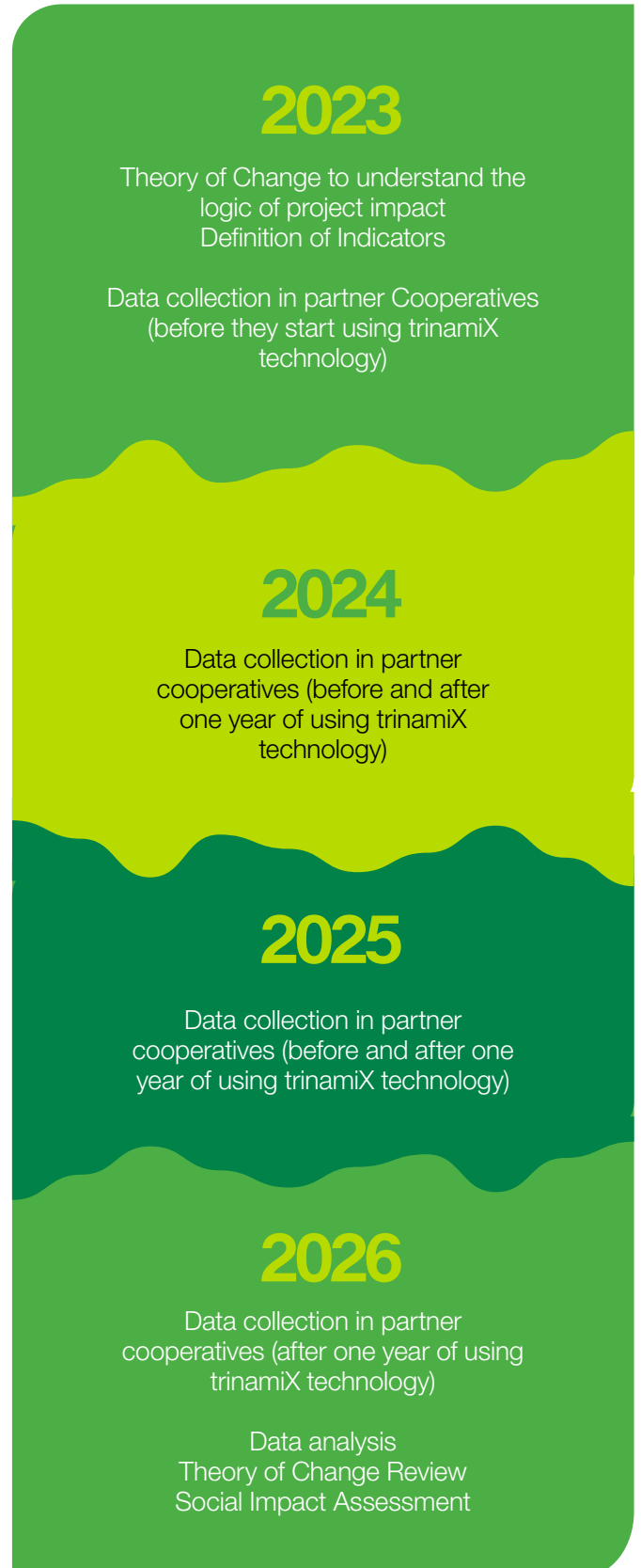
As an example, we present the Shared Value - [More Technological Cooperatives](#) initiative, developed by BASF.

In this project, which is carried out in partnership with recycling cooperatives, a technological equipment called trinamiX was made available, which allows, in a matter of seconds, the identification of the type of polymer in a precise and safe way in plastic waste.

TrinamiX is used in the sorting stage of cooperatives, directly supporting the effectiveness of this procedure, by replacing unhealthy methodologies currently used, such as burning the material, and also in the financial health of the cooperative, since an effective screening enables the sale of high-quality plastic waste, thus allowing the circularity of plastic, with social value, environmental and financial.



Our journey in this study began in 2023 and will be completed in 2026. To evaluate this initiative, we propose to develop the following steps of the social impact assessment study:



Focus Impact Results

Also selected by [Connect to Transform 2023](#) announcement, the Our Women project, from the Lucas Amoroso Institute (ILA) and sponsored by BASF, seeks to contribute to the improvement of the quality of life of female single-parent arrangements, through activities related to employability for women and/or mothers of People with Disabilities (PwDs) in social vulnerability in Guaratinguetá (SP, Brazil).

We, from the Eco+ Foundation, carry out the evaluation of the social impact of the project, where we identify the results and the perception of the target audience about the changes that have taken place through participation in the Our Women project. In this way, we contribute to a more objective view of the results of the initiative, allowing data to be communicated in a concrete way and assisting in the process of continuous improvement.



Our Women project - Connect to Transform 2023 announcement

Social impact assessment

Located in the Malvinas Argentinas municipality, the Ladrerek Cooperative plays important roles in society: in addition to producing bricks from waste, its workers include people seeking social reintegration after serving a prison sentence.

Every year, BASF holds Connect to Transform and the Cooperative was one of the beneficiaries in 2023 of the Building the Future Project. As a result, it received donations to train its employees in the production of sustainable bricks, as well as to expand and improve its infrastructure - with the aim of later acquiring new equipment.

The objectives of the project are:

- Improving the living and working conditions of the members of the cooperative
- Increase the profitability of the co-op
- Contribute to increasing the recycling and reuse of waste.

We, at the Eco+ Foundation, used a perception assessment to understand the direct impact that the project had on the lives of workers and the structure of the cooperative.

We identified in our analysis that:

- With the improvement of the infrastructure, there was an increase in production that allowed us to add 10 new cooperative members to the cooperative, increasing the number of beneficiaries.
- After the training cycle, the cooperative members' perception of the work developed changed: 81% of the people interviewed mentioned that, after the intervention, they really felt that they had a profession.

Evaluating the initiatives of companies that seek to interact in society gives us the possibility to go beyond the numbers, knowing stories that inspire us to do more.

For our assessment, we take the following steps:

We start by planning the impact assessment, elaborating the Theory of Change, to understand the impact logic of the project, we define the impact indicators and created the questionnaire. We then start the data collection stage, which is divided into two stages (start and end of the project).

With the data collected and interviews conducted, we start the stage of systematizing the results and analyzing the social impact assessment.



Bioeconomy in biomes

Protecting socio-biodiversity

The scenario of increasing loss of area in Brazilian biomes contrasts with the responsibility of the business sector in creating a more sustainable future. Thus, companies have the challenge of using natural resources intelligently, protecting the environment and, at the same time, generating profit for their business.

Much of this challenge lies in the structuring of value chains, considering socio-biodiversity criteria. BASF's carechemicals and homecare areas are committed to this journey, enabling pathways for the Bioeconomy in the Cerrado and Amazon biomes.

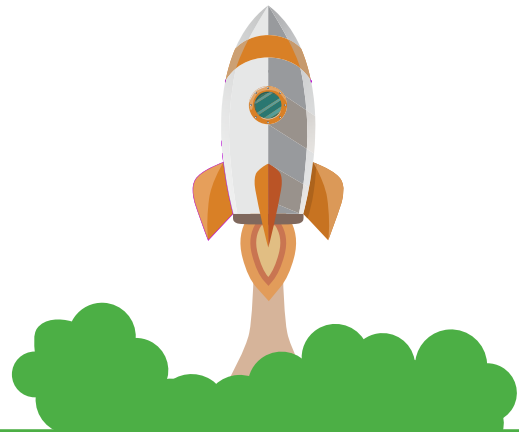
We understand that the Bioeconomy offers ways to maintain the environmental quality of biomes, brings economic opportunities and improved quality of life to the communities that live there, while bringing more sustainable innovation to the portfolio offered to customers. In addition, it is part of our strategy to support a regenerative and low-carbon economy.

The Eco+ Foundation is supporting the company in this process of building socio-biodiversity value chains. As a basis for this path, we have adopted as a reference the requirements and criteria of global Fair Trade certifications.

In the context of this partnership, we carry out:

- environmental monitoring – encompassing regions with high risk of deforestation;
- mapping of communities and territory;
- support in the formation of local partnerships – based on their deep knowledge of the market and socio-biodiversity issues;
- environmental and social impact analysis – translating the environmental and social results of the projects into numbers.

This initiative is ongoing and will be implemented between 2023 and 2026, and the activities will be monitored and re-evaluated throughout the project, before presenting the final results.



Impact Mentoring in the Amazon

The Eco+ Foundation participated (on a pro bono basis – via a public interest project) in the Synergy Program – which is part of the Amazon Journey Platform – with the development of a webinar on Impact Management and with individualized mentoring for entrepreneurs, to help them put the concepts of the webinar into practice. This platform promotes connections with investors and market partners to boost the competitiveness of businesses that generate value for the bioeconomy in the Amazon.

The Synergy Program aims to improve the performance conditions of the most promising startups. One of the great challenges is to enable entrepreneurs to understand impact not only as the purpose of existence in the business, but mainly, to commit to monitoring and evaluating to what extent the impact is actually occurring as intended. Through it, we train 22 entrepreneurs who are at the forefront of startups to better understand, qualify and monitor the impact (generated or intended) of their business with its beneficiaries. In addition to a webinar, we conduct individual mentoring for each of these businesses.

The project was carried out in partnership with the CERTI Foundation and the CERTI Amazon Institute, owners of the initiative. The Amazon Journey also has the co-participation and investments of Fundo Vale, Bradesco, Itaú, Santander and Good Energies.

The satisfaction of the participants with the interaction of the Eco+ Foundation was a highlight, we reached the rate of 95% with the NPS (Net Promoter Score) evaluation.





Biodiversity

Carbon and natural capital offset strategy

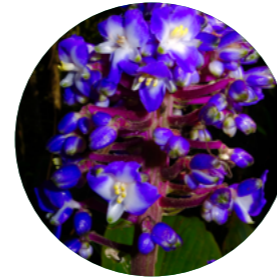
We promote the planning and restoration of ecosystems, as well as the measurement and offsetting of carbon emissions. In addition, we develop studies on biodiversity, seeking to integrate business opportunities related to the theme. We also offer support for the development of social enterprises in the restoration chain, within the context of the Mata Viva Program®.

Throughout its 39 years, the Mata Viva® Program has undergone significant transformations. The Eco+ Foundation has played an essential role in the technical management of this initiative, offering support to a variety of customers and partners. This includes everything from assisting with environmental compliance for farms to offsetting emissions from corporate events and vehicle fleets. In addition, we contribute to adding value to the business through biodiversity studies.

In 2023, we took a very important step in the context of the project. Together with partners, we started training family farmers to promote the structuring of a seed network, generating the opportunity to create a business with a positive social impact. This initiative arises from the identification of one of the main bottlenecks in the forest restoration chain, the scarcity of seeds. Thus, this network can be a way to promote the increase in the supply of seeds, encourage the use of different forest restoration techniques that use sowing as a means to promote it, generate employment and income for families, and be a case of governance that can scale the idea to other locations.

The Mata Viva® program operated in four areas in 2023:

- 1** Forest restoration at BASF's site in Guaratinguetá (SP, Brazil).
- 2** Technical support with forest planning and restoration for customers in the BASF Solutions for Agriculture business area.
- 3** Emissions Compensation Program that consists of support for calculating emissions from people's daily activities (SUSTENBOT – Individual), calculation of emissions from corporate events (SUSTENBOT – legal entity) and compensation of vehicle and freight fleets. We promote forest restoration as a means to offset greenhouse gas emissions.
- 4** Studies to survey and record biodiversity at BASF's units in Jacareí (SP, Brazil) and Batistini (SP, Brazil). The nature reserves within the sites help to protect the diversity of species of flora and fauna. This is only possible because BASF has been working for years to restore and protect ecosystems at its plants. If yesterday we planted trees, today we celebrate the biodiversity that inhabits these places



Reserve Mata Viva® Batistini:

Approximately **20 hectares** of vegetation

140 tree species, belonging to **38 families** and **86 botanical genera**

65 bird species distributed in **26 families** (several of them with chicks)

9 species of mammals



Mata Viva® Jacareí Reserve:

Approximately **12 hectares** of vegetation

103 tree species, belonging to **35 families** and **83 botanical genera**

82 bird species distributed in **32 families** (represents 10% of Atlantic Forest birds)

10 species of mammals (Capybara, Coypu, Bushdog, Maned Wolf, Armadillo, Marmoset, Saruê, Cotia, Hedgehog and Cuica)



Through forest restoration, we carry out an Emissions Compensation Program (SUSTENBOT) for individuals and companies: corporate events, vehicle fleets and freight. We offset almost 60 initiatives.

All resources obtained in the emissions compensation program were used to promote forest restoration (R\$ 243 thousand in 2023). The team's dedication to operationalize the initiative is part of the Public Interest (non-profit) projects.

2023:

- 12 thousand seedlings of native trees planted in Guaratinguetá (SP, Brazil)
- 5,000 seedlings planted to support farmers aware of BASF Solutions for Agriculture
- 13,5 thousand seedlings planted in the Compensation Program
- 2 biodiversity studies carried out in BASF factories



Governance Strategies

Sustainability diagnosis and planning

With the support of the Eco+ Foundation, CarboQuímica (a Colombian chemical company) progressed on its sustainable journey. We support the stages of identification (diagnostic, selecting key issues, mapping challenges, capturing strategic stakeholder perceptions and key sustainability challenges and opportunities) and strategic planning (developing goals, targets and indicators). This study should support the actions and indicators that will be implemented and monitored in the medium and long term (2030 - 2050).

The project is also an important contribution to the Foundation's internationalization strategy, as the client is based in Colombia.





Measurement – Life Cycle Assessment

More practical and sustainable packaging

Supporting communication and innovation for the sustainability of products and processes is one of the paths made possible by Life Cycle studies.

By assessing the environmental performance at different stages of the production process, it is possible to make recommendations to make products more sustainable.

Suvinil (BASF's decorative paint brand) has launched a new **3.6-liter package** for its varnish products, made of paper with raw material from a renewable and certified source.

To learn about the environmental gains of this innovation, we conducted a life cycle study and found that this new packaging contributes to a lower environmental impact at all stages of its life cycle, avoiding the emission of more than 8 thousand kilograms of CO₂.

Investing in innovation and evaluating the gains in sustainability through recognized methodologies brought the possibility for Suvinil to communicate to its audiences – in a transparent and direct way – the benefits of the initiative.



Impact assessment considering the Life Cycle

Recognizing that human and corporate impacts can have serious consequences for the environment, companies and institutions are integrating climate management and other ESG issues into their strategies. In this context, it is increasingly important to assess environmental impacts, considering the life cycle perspective. The implementation of life cycle thinking in its processes and Life Cycle Assessment (LCA) as a support tool for decision making represent the materialization of sustainability applied to business.

It is essential for companies to implement measures that enable them to obtain low-impact products and to address the challenges associated with optimizing production processes to reduce environmental and social impacts; to support and motivate changes in the behavior of employees, clients and society.



Experiences for the improvement of environmental performance

Since 2014, Cargill, in partnership with the Eco+ Foundation, has quantified the impacts of its products using the Life Cycle Assessment (LCA) methodology. In this way, the company aims to identify opportunities and foster actions and projects that contribute to the continuous improvement and implementation of a management with a lower environmental impact, in addition to supporting decision-making in the face of the risks and opportunities identified in topics such as ESG and climate. The project also contributes to strategies to reduce Greenhouse Gas (GHG) emissions and consumption of water resources, in addition to disseminating the concept of life cycle management of production processes for tomato products and vegetable oils. The changes made to tomato products and vegetable oil based on our studies resulted in the reduction of about 58 thousand tons of CO₂ emissions into the atmosphere in four years of project implementation (2019-2022).

In 2023, the following studies were carried out for Cargill:

Eco-Efficiency Analysis of Tomato Products: evaluation of the environmental and economic performance of the production of the complete line of Cargill atomed products for the 2019 to 2022 harvests.

Life Cycle Assessment of the primary packaging of vegetable oils: comparison of the environmental performance of the primary packaging of the brand's line of vegetable oils, considering the current and future scenario, according to changes in the conditioning container of the product.

Simulation of Scenarios for the Life Cycle Assessment of tertiary soybean oil packaging, considering the update of the project developed with Cargill in 2018/2019, regarding the adjustments and possible changes to the pilot project for transporting the product from the factory to the sales centers.



Demarchi+Eco-efficient Program

Initiative that brings together productivity and sustainability to make BASF even more eco-efficient.



One of the longest-running projects that the Eco+ Foundation supports, Demarchi & Jaboaatão + Ecoefficient, is an example of how our initiatives can support the client in management, innovation, marketing and communication.

For 13 years, we have been evaluating the environmental performance of this initiative and supporting employee engagement so that suggestions for improvements and innovation involve everyone.

Demarchi & Jaboaatão + Ecoefficient is a success story that exemplifies how a sustainability-oriented strategy - supported by performance measurement - is the recipe for building a journey that materializes the value of sustainability.

Impact analysis and engagement in production units

The [Demarchi & Jaboaatão + Ecoefficient](#) program combines the analysis of the environmental and economic impacts of BASF's production units with the company's employee engagement program. At the same time, it contributes to optimizing paint production processes (automotive and decorative) in order to reduce the impact on the environment and society; It disseminates knowledge in sustainability in a transversal way in order to support and motivate changes in the behavior of employees, customers and society. With the engagement of employees, we seek to listen to them in order to evaluate actions and projects that can contribute to best practices and the implementation of an increasingly eco-efficient management.

The Program has been implemented since 2011 in Demarchi (SP, Brazil) and 2018 in Jaboaatão dos Guararapes (PE, Brazil). Initiatives like this show how it is possible to connect current global challenges to solutions that are within the reach of managers in organizations, implementing good sustainability management practices.

The Program also promotes ambassadors (employees from different areas and specialties) to promote and monitor projects, disseminate knowledge and also benchmark with the market.

Since then:

- The company has increased the level of knowledge and engagement of employees in relation to sustainability.
- Analyses were carried out on more than 20 implemented projects for cleaner production and resource optimization.
- For example: the reformulation and reuse of products (avoiding the extraction of virgin raw materials and natural resources) and consequently reducing the consumption of energy and other inputs used in the production process (diesel, nitrogen, compressed air, among others).
- In addition to other initiatives that enabled the reduction, more efficient use of energy and the certification of the good practices adopted and more efficient waste management (urban garden).
- The amount of environmental and economic impacts for the production of 1 ton of paint is calculated, considering from the arrival of raw materials to production, to when the paint is ready to leave the factory.
- Employees share experiences of good practices in their areas in internal and external communication channels, enhancing the multiplication of participants.
- In 2023, two benchmarkings and three training sessions were carried out in the ESG context, impacting 41 employees.
- In 2023, a training on Carbon Management was held with the participation of 19 people.



Innovability

Marathon of ideas

In 2023, we had an important evolution in public interest projects. In addition to the already consolidated information materials – with social themes disclosed to the market – we seek to innovate and offer even more strategic knowledge, in a more lively and dynamic way. As an example, we promote a Marathon of ideas with the aim of solving particular problems or exploring new opportunities. Our focus was to unite two important business themes, innovation and sustainability.

In partnership with BASF and onono®, we held IDEATHON 2023 – digital solutions for the ESG journey – stimulating the co-creation of digital products for the industry, with a focus on sustainability. We received 46 applications from BASF employees to participate in the project. Of these, 25 were selected for the ideation stage (BASF professionals divided into groups). Thus, great ideas were developed – and the one chosen as "the best of them" will be invited to evaluate the possibility of implementation.



BASF's team at IDEATHON



Communication

Sustainability information and knowledge

In 2023, we launched a bimonthly newsletter to disseminate sustainability knowledge directly and objectively, in addition to highlighting our projects and initiatives. Our goal is to strengthen our commitment and relationships with our clients and partners throughout South America. Through this channel, we share content on strategic business and community issues, sustainability events, and news in general, as well as podcasts and videos with relevant content.

The free newsletter, available in Portuguese and Spanish, is disseminated throughout South America. In 2023, it impacted around 1,362 people. Do you want to get involved? [Sign up at this link.](#)

Sectoral studies

Sectoral studies of sustainability trends are an initiative of the Eco+ Foundation to share experience and knowledge. Through them, we disseminate, free of charge, the sustainability initiatives applied by the business sector, combined with analysis of changes in society, technology and the availability and use of resources.

By compiling relevant information from a variety of sources, we bring an up-to-date view of the subject to the industries analyzed, furthering our mission to translate technical content into a more accessible language to inform and engage the business community.

In 2023, 4 studies were launched:



Trend Studies - Sustainability in the Personal Hygiene, Perfumery and Cosmetics Market



Trends Studies - Sustainability in the Real Estate Paints Market



PL 412: Learn about the regulated Brazilian carbon market.

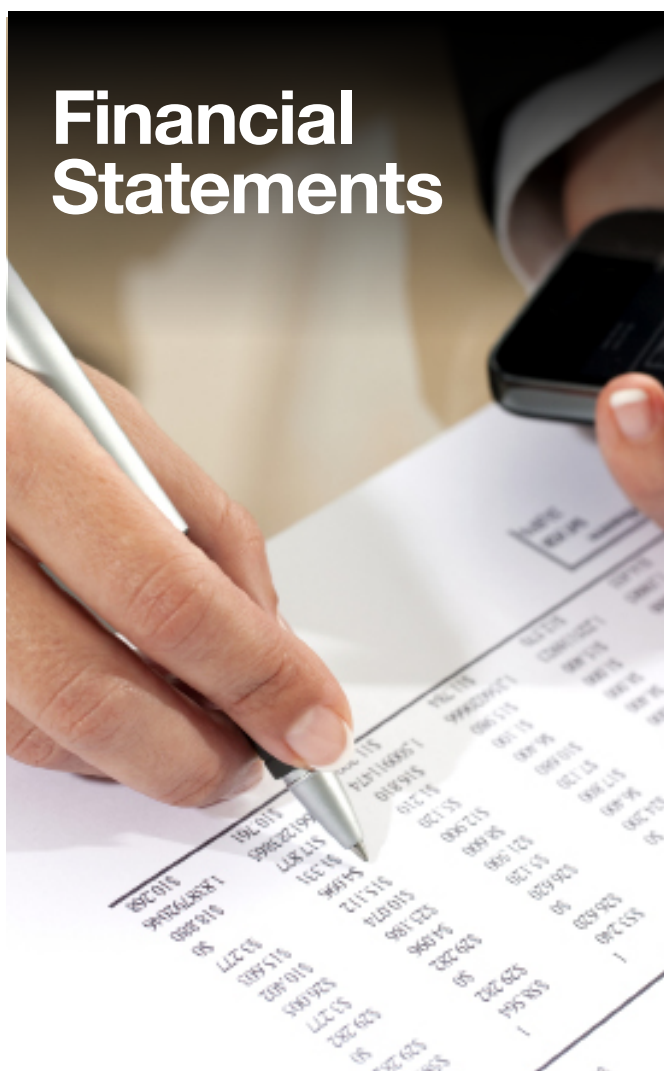


Sustainability in Coffee Farming (prepared in collaboration with ABIC's sustainability consultant, Paula Tavares)

Acknowledgements

Life Cycle Management Congress

We were internationally recognized at one of the world's leading forums for sustainability and Life Cycle Assessment, the 11th edition of the Life Cycle Management Congress, held in Lille, France in 2023. We were selected as the best case presented, among the more than 400 projects exhibited at the Congress, with the calculations carried out for the Demarchi & Jabotão + Eco-efficient program, which helped the factories to understand the stage of their sustainable production in order to implement improvements.



Financial Statements

Independent auditor's report on the financial statements

Basis for opinion

Our audit was conducted in accordance with Brazilian and international auditing standards. Our responsibilities under these standards are described in the following section entitled "Auditor's Responsibilities for Auditing Financial Statements." We are independent of the Foundation in accordance with the relevant ethical principles set forth in the Accountant's Code of Professional Ethics and professional standards issued by the Federal Accounting Council, and we fulfill other ethical responsibilities in accordance with these standards. We believe that the audit evidence obtained is sufficient and appropriate to support our opinion.

Responsibility of management and governance for the financial statements

The Board of Executive Directors is responsible for the proper preparation and presentation of the financial statements in accordance with the accounting practices adopted in Brazil applicable to small and medium-sized enterprises (ISA TG 1000 (R1)) and for the internal controls that it has determined are necessary to enable the preparation of financial statements free from material misstatement, regardless of whether they are caused by fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Foundation's ability to continue to operate by disclosing matters, where appropriate, relating to the continuity of its business and the use of this accounting basis in the preparation of the financial statements, unless the Board intends to liquidate the Foundation or cease operations, or don't have a realistic alternative to avoid closing trades. The Foundation's governance officers are responsible for overseeing the process of preparing the financial statements.

Opinion

We have examined the financial statements of the Eco+ Foundation ("Foundation"), which comprise the balance sheet as of December 31, 2023 and the respective income statements, comprehensive income, changes in equity and cash flows for the year then ended, as well as the accompanying notes, including the summary of the main accounting policies.

In our opinion, the aforementioned financial statements fairly present, in all material respects, the equity and financial position of the Eco+ Foundation as of December 31, 2023, the performance of its operations and its cash flows for the year then ended, in accordance with the accounting practices adopted in Brazil applicable to small and medium-sized enterprises (ISA TG 1000 (R1)).

Auditor's responsibilities for auditing the financial statements

Our objectives are to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error, and to issue an audit report containing our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that the audit conducted in accordance with Brazilian and international auditing standards will always detect any relevant misstatement that exists. Misstatements may be due to fraud or error and are considered significant when, individually or in combination, they are capable of influencing, within a reasonable perspective, users' economic decisions made on the basis of such financial statements.

As part of the audit conducted in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition:

- We identify and evaluate risks of material misstatement in the financial statements, whether caused by fraud or error, plan and execute audit procedures in response to such risks, and obtain sufficient appropriate audit evidence to support our opinion. The risk of failure to detect a material misstatement resulting from fraud is greater than that resulting from an error, as fraud may involve the act of circumventing internal controls, collusion, falsification, omission, or intentional misrepresentation. We gain an understanding of the internal controls relevant to the audit in order to design audit procedures appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal controls;
- We gain an understanding of the internal controls relevant to the audit in order to design audit procedures appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- We evaluate the adequacy of the accounting policies used and the reasonableness of the accounting estimates and respective disclosures made by the board.
- We conclude on the adequacy of management's use of the business continuity accounting basis and, based on the audit evidence obtained, whether there is relevant uncertainty in relation to events or conditions

that may raise significant doubts regarding the Company's ability to continue operating. If we conclude that there is material uncertainty, we should draw attention in our audit report to the material disclosures in the financial statements or include modifications to our opinion if the disclosures are inadequate. Our conclusions are based on audit evidence obtained as of the date of our report. However, future events or conditions may cause the Company to no longer maintain operational continuity.

- We evaluate the overall presentation, structure, and content of the financial statements, including disclosures, and whether the financial statements represent the corresponding transactions and events in a manner consistent with the objective of proper presentation.

We communicate with those responsible for governance regarding, among other things, the intended scope, timing of the audit, and significant audit findings, including significant deficiencies in internal controls that we have identified during our engagements.

São Paulo, April 19, 2024.

ERNST & YOUNG

Independent Auditors S.S. Ltda.
CRC SP-034519/O

Fernanda Guimarães Scandura

Accountant CRC SP-289782/O

ECO+ Foundation

BALANCE SHEETS ON DECEMBER 31, 2023 (IN BRL)

	2023	2022
ASSETS		
CURRENT		
Cash and cash equivalents (note 5)	464,373	595,125
Accounts receivable (note 6)	172,343	221,399
Taxes recoverable	12,843	101,238
Total Current Assets	649,559	917,762
NON-CURRENT		
Fixed Assets	1,947	2,336
	1,947	2,336
Total Assets	651,506	920,098
	2023	2022
LIABILITIES AND NET EQUITY		
CURRENT		
Accounts payable (note 7)	1,087,064	821,607
Tax obligations payable (note 8)	123,453	96,066
Advances	6,987	6,987
Total current liabilities	1,217,504	924,660
NET EQUITY		
Shareholders' Equity (note 9a)	(4,562)	300,000
Accumulated Surplus (note 9b)	(561,436)	(304,562)
	(565,998)	(4,562)
Total liabilities and net equity	651,506	920,098

The explanatory notes are an integral part of the financial statements.

2023 ACTIVITY REPORT

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