What is the motivation behind the Re_think approach?

Over the past few years, we have witnessed a paradigm shift in how consumers view the world around them. Emerging from the pandemic, they have gained a deeper understanding, and awareness of their own responsibility to reduce their impact on the environment. Now they are looking to brands to do the same by reducing their waste, minimizing their use of valuable resources, and making strides to reduce their energy consumption, all while formulating products that are sustainably sourced and produced.

Re_think extends beyond a campaign or concept. It represents our commitment to this transformation, and how we can help reshape and reinvent the industry for a sustainable future.

What does the Re_think approach aim to do?

We recognize that health, transparency, and sustainability are guiding lights in this reform. With Re_think, we want to highlight how we can help brands seamlessly embrace sustainability initiatives, using market insights, and digital services to develop a resilient and responsible business model that fulfils all the parameters of sustainability, without compromise. The goal is clear, to preserve the world in all its diversity for future generations.

What steps will BASF take to achieve this?

Sustainable sourcing, using more renewable raw materials, and greater collaboration to create a sustainable value chain. At a product level, this includes our growing portfolio of biopolymers. Our Verdessence product family offers brands an exciting opportunity to formulate renewable-based and biodegradable cosmetics, without any compromise on performance or the consumer's sensorial experience. Furthermore, our biopolymers are manufactured from 100% renewable raw materials.

In addition to our star line up, we have a range of other biopolymers in line with market requirements and current needs. One of our most recent launches is Cosmedia@HP
Starch – an effective thickening agent with texturizing properties designed for emulsion preparations and different surfactant systems. Due to its nonionic nature, it offers multifunctional benefits in diverse applications including hair conditioners, styling, and sun care formulations. It is locally sourced and produced within the European Union.

What role will digitization continue to play in the future?

Digitalization has enabled us to transform the industry, creating an unrecognizable pace of change and innovation. Our new suite of digital services for our customers is helping to further transform sustainable formulation development. Here, <u>D'lite</u>, our new comprehensive service platform is helping our customers speed up their time to market by connecting beauty trends with formulations to accelerate the pace of innovation. It does this by seamlessly linking the wealth of expertise at BASF in the cosmetic industry and the latest beauty trends. It constantly monitors social media pages, blogs, forums, and review websites. At the same time, it offers BASF customers 24/7 access to all our products and formulations. Offering much more than data collection, it processes and refines the data, curating information and helping our customers identify important insights.

What are BASF's latest developments in this area?

At in-cosmetics Global, we presented the latest addition to our digital portfolio – <u>Surfactant Navigator</u>. It is the first digital service available on surfactants, which provides quick access to sustainable surfactants and blends and enables formulators to replace unwanted ingredients while optimising formulations – all in one service. With instant access to recommendations, users can also take advantage of systematic experiments and modelling algorithms, helping to get to the right solution, faster.

Meanwhile, our new digital service <u>SFA Formulator</u> presents a way for formulators to design liquid rinse-off formulations with innovative, sustainable, and naturally derived surfactants. As a predictive modelling and optimization service, it was developed based on experimental data collected in BASF's laboratories for the SFA/CAPB/APG surfactant system.

These services and more underpin our Re_think approach and belief that sustainability should not be a challenge but a motivation for change. Re_think is our opportunity to demonstrate our commitment and focus on innovation, digitalization, and sustainability.