

# Statement on Modern Slavery 2024

## BASF Australia Ltd

This statement is made on behalf of BASF Australia Ltd (**BASF**) and its wholly owned subsidiaries Nunhems Australia Pty Ltd and BASF Coatings Pty Ltd. BASF, as part of the BASF SE group of companies (the **BASF Group**)<sup>1</sup>, is committed to the abolition of forced labour, slavery and human trafficking. This statement sets out the steps BASF and the BASF Group have taken during their financial year to monitor and address the modern slavery and human trafficking risks in their operations and supply chains.

This statement is made in accordance with Section 13 of the *Modern Slavery Act* (Cth) 2018 (the **Act**).

**Modern slavery** refers to situations where one person has taken away another person's freedom – their freedom to control their body, their freedom to choose to refuse certain work or to stop working – so that they can be exploited. Freedom is taken away by threats, violence, coercion, abuse of power and deception. The definition of modern slavery in the Act is adopted in our statement, which includes slavery, servitude, forced labour, debt bondage, forced marriage, trafficking of persons, deceptive recruitment practices for labour/services, and the worst forms of child labour.

This statement has been prepared in consultation with BASF's dedicated human rights team, the functional leaders of the BASF business divisions, the executive leadership team and directors of the entities on behalf of whom this statement is made.

This statement was approved by BASF's board of Directors on 18 August 2025.

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<sup>1</sup> BASF SE is the ultimate parent of BASF Australia Ltd, Nunhems Australia Pty Ltd and BASF Coatings Pty Ltd. A reference to the BASF Group includes BASF SE and its related entities.

## **1. About BASF**

The BASF Group is committed to the abolition of forced labour, slavery and human trafficking. As the world's leading chemical company, the BASF Group strives to achieve economic success together with environmental protection and social responsibility. Through science and innovation, we enable our customers in nearly every industry to meet the current and future needs of society. This is reflected by BASF's corporate purpose "*We create chemistry for a sustainable future*". We live our corporate purpose by:

- sourcing and producing responsibly;
- acting as a fair and reliable partner; and
- connecting creative minds to find the best solutions for market needs.

BASF will not tolerate any form of engagement in forced labour, slavery or human trafficking by its employees, suppliers, vendors or other stakeholders.

## **2. BASF's organizational structure, operations and supply chains:**

### **a. Operations and organisational structure**

The BASF Group has companies in more than 90 countries and supplies products to customers in nearly every part of the world. BASF's portfolio is arranged into six segments: Chemicals; Materials; Industrial Solutions; Surface Technologies; Nutrition & Care; and Agricultural Solutions. In the 2024 business year, sales stood at €65,3 billion and around 112,000 employees in the BASF Group contributed to the success of our customers in nearly all sectors and almost every country in the world.

BASF posted sales of around €434 million in Australia and New Zealand in 2024, serving key industries in the agriculture, coatings, manufacturing and mining sectors. At the end of 2024, BASF had 363 employees and operated 6 production sites across manufacturing and agricultural solutions, performance products and functional materials and solutions. BASF has

been active in Australia for almost 100 years, and in New Zealand for over 65 years. Further information is available at: [www.basf.com/au](http://www.basf.com/au).

**b. Organisational Structure: Entities controlled by the Reporting Entity.**

BASF SE is the ultimate parent of the BASF Group. BASF's ultimate parent company is BASF SE. BASF is the reporting entity that owns and operates BASF's operations in Australia. Nunhems Australia Pty Ltd is a wholly owned subsidiary of BASF. Nunhems Australia Pty Ltd is BASF's vegetable seeds business which operates under the Nunhems brand. BASF Coatings Pty Ltd is the other wholly owned subsidiary of BASF. BASF Coatings Pty Ltd is the Australian division of BASF SE's global coatings division focusing on the development, production and marketing of innovative and sustainable automotive OEM and refinish coatings, decorative paints as well as applied surface treatments for metal, plastic and glass substrates in a wide range of industries. Nunhems Australia Pty Ltd and BASF Coatings Pty Ltd operate closely with BASF and share the BASF Group's governance processes and commitments to protecting human rights.

**3. Identifying the risks of modern slavery practices in BASF's supply chains**

BASF recognises that with broad supply chains there is a risk of being linked to human rights violations, including modern slavery, mainly through operators deeper in our supply chains. BASF's supply chains extend beyond Australia to many countries, including some that are considered high-risk countries. BASF recognises that in the context of its operations, the mining and agricultural industries are industries in which the risks of child labour and the exploitation of workers exist, and continued due diligence is required to ensure BASF is sourcing its products responsibly.

**4. BASF's Human Rights Risk Management and our actions to address modern slavery risks**

Our approach to modern slavery is global and is driven by a top-down approach from the Board of Directors of BASF SE. The board of BASF SE is responsible for the overall direction of our strategy to address modern slavery. The BASF Group's Chief Human Rights Officer oversees

the overarching risk management system and reports regularly to the Board of Executive Directors and the Audit Committee on human rights issues. The overarching governance of human rights due diligence at BASF is the responsibility of our Compliance unit. In addition, various specialist units are responsible for steering specific human rights topics. Experts in the fields of international labour and social standards, environmental protection, health and safety, as well as corporate security work on a risk-oriented basis to ensure that we respect the relevant human rights in our own activities. Our internal cross-unit Human Rights Expert Working Group, managed by the Compliance unit, facilitates close collaboration between the above mentioned specialist units and specialists from further areas. The board of directors of BASF is responsible for the oversight and approval of our Australian modern slavery statement.

As part of the ongoing actions, the BASF Group has systems in place to:

- Identify and assess risk areas in our business operations and supply chains.
- Mitigate the risk of modern slavery occurring in our business operations and supply chains.
- Monitor risk areas in our business operations and supply chains.
- Remediate harm caused.
- Encourage the reporting of modern slavery risks.
- Protect those reporting through grievance mechanisms.

Our Human Rights Advisory Council<sup>2</sup> is a source of additional external human rights expertise for us. The Council, which comprises independent international human rights experts, meets several times per year. The trust-based dialogue on human rights topics helps us to better understand different perspectives and to deal more openly with critical situations.

Acting on our responsibility for respecting human rights, we rely on a systematic, integrated, risk-based approach and established monitoring and management systems. As we regard

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<sup>2</sup><https://www.basf.com/global/en/who-we-are/sustainability/responsibility-for-society-and-nature/human-rights>

human rights due diligence as a continuous task, we review our due diligence mechanisms regularly and upgrade them where required.

## **5. BASF's Code of Conduct and Supplier Code of Conduct**

We are strictly committed to high standards of legal compliance and business ethics. In our Code of Conduct<sup>3</sup> and the BASF Group's Policy Statement on Human Rights<sup>4</sup>, we commit to respecting internationally recognized human rights in our own operations and embrace our responsibility to foster respect for human rights with our business partners along the value chain.

BASF expressly prohibits any form of child or forced labour, including slavery and human trafficking. These topics are part of our analyses and requirements because we operate in countries where forms of child and forced labour exist. To prevent incidents of child or forced labour within our company, we identify and address these risks and take the appropriate preventive measures.

As set out in BASF's Global Code of Conduct, BASF actively pursues sustainable value creation, which means striving to positively contribute to the protection and promotion of human rights and people's wellbeing. BASF strives to avoid causing or contributing to adverse human rights impacts in its own operations and, moreover, seeks to ensure that the conduct of all its employees is consistent with internationally agreed upon standards of human rights and international labour and social standards (ILSS).

- BASF's Code of Conduct firmly embeds the importance of compliance with laws and ethical business practices. BASF acts in accordance with clearly defined values and standards of conduct that comply with or go beyond the requirements of laws and regulations and takes internationally recognised principles into account. Our strategies relating to our workforce are in accordance with the following internationally recognised standards for responsible business conduct: United Nations' (U.N.) Universal Declaration of Human Rights

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<sup>3</sup> <https://www.basf.com/global/en/who-we-are/organization/management/code-of-conduct>

<sup>4</sup> <https://www.basf.com/global/en/who-we-are/sustainability/responsibility-for-society-and-nature/human-rights/policy-commitment>

- U.N. International Covenant on Civil and Political Rights
- U.N. International Covenant on Economic, Social and Cultural Rights
- Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO)
- Tripartite Declaration of Principles Concerning Multinational Enterprises (MNE Declaration) and Social Policy of the ILO
- the ten principles of the UN Global Compact
- U.N. Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- Responsible Care® Global Charter of the International Council of Chemical Associations (ICCA)

As a participant in global value chains, BASF is dependent on its partners and demands that they likewise respect human rights and the associated ILSS. BASF requires that its suppliers, contractors and vendors comply with all applicable laws, including those relating to labour practices and forced labour. BASF recognises that, as a participant in global supply chains, BASF is dependent on its partners complying with applicable laws. Accordingly, BASF expects its suppliers, contractors and vendors to fully comply with all applicable laws, including those relating to labour practices and forced labour, and to adhere to internationally recognised human rights as well as environmental, social and corporate governance standards (“ESG Standards”) as in particular laid down in international conventions. We also expect our suppliers to implement these standards with their suppliers and subcontractors. BASF’s Supplier Code of Conduct<sup>5</sup> reflects the expectation that suppliers fight forced labour. If BASF becomes aware of credible information about any form of forced labour, human trafficking or slavery by its suppliers or vendors, it will conduct a thorough investigation and, if appropriate, take corrective measures.

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<sup>5</sup> <https://www.basf.com/global/en/who-we-are/organization/suppliers-and-partners/sustainability-in-procurement/supplier-code-of-conduct>.

## **6. Due diligence processes in relation to slavery and human trafficking**

### **a. International Labour and Social Standards (ILSS), Management Process and Monitoring**

BASF's group-wide guideline on respect for ILSS is derived from the UN Guiding Principles on Business and Human Rights (**UNGPs**). As a founding member of the UN Global Compact, BASF is inspired by and supports the UNGPs and respective national equivalents. Based on the BASF ILSS guideline, BASF systematically assesses actual or potential gaps with respect to local laws and political or cultural background in all countries in which BASF operates. BASF's ILSS guideline includes the prohibition of forced labour.

BASF evaluates its adherence to its voluntary commitments using the monitoring system that has been implemented Group-wide, comprising:

- i. the Global Compliance Hotline for BASF employees and third parties worldwide,
- ii. the survey of its group companies according to a risk-based approach to inspect the prevailing working conditions on a regular basis; and
- iii. close dialogue with stakeholders, such as employee representatives and international organizations.

Part of our central due diligence system is a global, risk-based management process, whereby we monitor relevant changes in national laws of the countries where BASF operates and evaluate them for compliance with international labor and social standards. The results of this comparison as well as any measures taken to implement our requirements on ILSS are tracked and documented. The evaluation is carried out regularly for selected BASF Group companies based on country-specific risk assessments. If there is a heightened inherent risk of violations of workers' and human rights in a country, the Group companies located there are evaluated more frequently. If national laws contain no or lower requirements compared to labor and social standards defined by BASF, action plans are developed to bridge these gaps. If conflicts with national laws or practices arise, we aim to uphold our values and strive to adhere to our internationally recognized standards, all while ensuring compliance with the laws of the respective country.

The Group-wide guideline on respect for ILSS also specifies that ILSS must be considered and applied when working with third parties, such as temporary employees, temporary employment agencies and freelancers. Embedded in BASF's Supplier Code of Conduct is the Commitment Letter on ILSS<sup>6</sup>, which reflects, amongst other things, BASF's expectations of third parties to commit to respecting ILSS, including no forced labour.

Individual elements of our requirements on ILSS are audited internally (Responsible Care audits) at selected BASF Group companies. In addition, ILSS are an integral part of the Corporate Audit unit's compliance management audits.

The BASF diversity and inclusion (D&I) strategy identifies local human rights issues and allocates resources via employee resource groups to raise awareness and advance equality relating to gender, LGBTQI+, indigenous reconciliation and mental health.

## **7. Australian Trusted Trader**

BASF is accredited with the Australian Border Force as an Australian Trusted Trader. As part of this program BASF employees are required to act in accordance with BASF's policies and procedures which includes verifying those involved in its supply chain via police checks.

## **8. BASF's workforce, recruitment and labour hire**

At BASF, we value a diverse and inclusive workforce and engage people with broad and varied skillsets and life experiences. BASF's recruitment policy ensures that all recruitment is consistent and fair and in accordance with the BASF values. Our HR policies and procedures require all employees to treat each other with respect.

BASF's recruitment process has formal approval gates and uses external expertise to ensure adherence to BASF's policies and procedures. This includes verifying candidates' status

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<sup>6</sup> The Commitment Letter is addressed to BASF's third parties such as temporary employment agencies providing agency workers to BASF, as well as to freelancers contracting with BASF. More information on [BASF\\_ILSS\\_Commitment-Letter-on-Labor-a-Social-Standards.pdf](#).

including conducting terrorism and right to work checks and ensuring all employment contracts comply with BASF's policies and procedures and Australian employment laws.

As part of BASF's agricultural operations, BASF engages labour hire agencies to employ workers to perform work on BASF's sites, including fieldwork. BASF recognises that the employees engaged by the labour hire agencies often include migrant and unskilled workers who may be at risk of exploitation and may be less aware of their rights and available protections. This year we increased engagement with our labour hire agencies by updating our contracts to increase the compliance obligations and interviewing them in relation to their awareness of and compliance with Modern Slavery laws. We will continue to review and build on this engagement by expanding our audit processes and developing ways to ensure these employees are protected from exploitation.

## **9. Training**

An additional component of our corporate due diligence is our training concept, which includes targeted group-specific trainings, e-learning modules and a global platform for internal dialogue. Our compliance training program, which includes regular global and local information campaigns as well as details about our Compliance Hotline, is mandatory for all employees worldwide. Training and informational offerings that provide specific knowledge on human rights and ILSS to various target groups worldwide also cover compliance topics and the BASF Compliance Hotline.

BASF has commenced the roll out of Modern Slavery awareness training beyond the leadership team and has commenced workshops in awareness, identification and management of modern slavery compliance. BASF's Leadership team receives regular updates on Modern Slavery obligations and awareness from Corporate Compliance. BASF will continue to build on this training program to ensure the entire workforce is aware of the risks and their responsibilities to assist BASF with all aspects of its modern slavery compliance.

## 10. BASF Compliance Hotline

We particularly encourage our employees to actively and promptly seek guidance if in doubt. Employees can consult their supervisors, specialist units, such as the Legal department, and the BASF compliance officers and representatives. In addition, the internal compliance information platform and the corresponding App provide continuous access to advice through direct contact channels. BASF's Compliance Hotline<sup>7</sup> serves as a grievance mechanism and is open to all BASF employees as well as external stakeholders, particularly workers in our value chains. BASF's compliance hotline serves as the company grievance mechanism and is open to all BASF employees as well as external stakeholders, particularly workers in our supply chains. The hotline can be used to raise questions or concerns about potential or actual misconduct, as well as to report violations of regulations, laws, BASF requirements or BASF's global Code of Conduct including any concerns about forced labour, human trafficking, slavery, human rights. Reports may address any topic covered by the global BASF Code of Conduct, including human rights and environmental issues. Individuals submitting a report have the option to remain anonymous.

For any concerns, employees can also contact the dedicated compliance officers who are appointed for each country. BASF's compliance officers in the region share experiences and expertise to ensure continual learning and the employment of best practices in dealing with any compliance issue.

To ensure confidentiality, we have contracted an independent external provider to operate this global hotline. Reported cases are systematically documented and processed worldwide using a single, uniform system. The central point of contact is a website informing all employees worldwide about the hotline and the grievance procedure in their national language. In addition to local phone numbers, the website also offers an online contact option, which is available via PC or smartphone. The website is also available to third parties such as suppliers, partners and the public. All relevant information, including the rules of procedure, is publicly available on our

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<sup>7</sup> <https://secure.ethicspoint.eu/domain/media/en/gui/49157/index.html>.

website in over 50 languages. We take reports and complaints very seriously and follow up on them. We always aim to respond promptly to violations.

## **11. Assessing BASF's actions**

BASF acknowledges that monitoring and addressing human rights risks, including modern slavery, is a continual process and obligation. BASF is committed to providing training to its employees to raise awareness of the risks. BASF encourages its employees to maintain vigilance and conduct supplier site audits and monitor compliance with its Supplier Code of Conduct.

We monitor the effectiveness of the processes and procedures to address any human rights risks or violations that our business causes, contributes to, or is directly linked to, in line with the UN Guiding Principles. We will continually assess the effectiveness of our actions in identifying and managing human rights risks, including modern slavery, by tracking our actions and outcomes; partnering with suppliers and other external partners; and undertaking regular internal governance and external assurance processes. Based on the results of these processes we will adapt and strengthen our actions to continually improve our response to modern slavery.

BASF will continue to build on its actions to ensure compliance with its Supplier Code of Conduct, maintaining dialogue with its suppliers and promoting the need for all stakeholders to be aware of the risks, and to know that reporting any instances of actual or suspected breaches of human rights can be made easily, confidentially and without retribution.

Our review of our labour hire arrangements has meant we have been able to improve our level of visibility over the management of workers. We have worked in collaboration with our labour hire agencies to ensure the workers are treated with respect, we make sure they understand the conditions of their employment and their rights, and their obligations to comply with BASF's Code of Conduct, including all health and safety requirements for the protection of the workers, to ensure they understand their rights and that safety is a priority. We have identified this as an area to focus on and we will continue to monitor and manage the risks we identify.

## **12. Review and looking forward**

BASF has focused on enhancing its processes and capabilities. We have integrated human rights-related assessments into our governance and decision-making processes, including, for example, for investments and acquisitions. Our internal cross-unit Human Rights Expert Working Group, managed by the Compliance unit, facilitates close collaboration between specialist units. They regularly discuss the latest topics and developments related to human rights, provide support in the improvement of our internal processes, offer training and advise on challenging issues. Our concept also includes structured collaboration with the operating divisions to identify and actively address division specific risks.

Our Human Rights Advisory Council offers access to independent international human rights experts and BASF's General Counsel and Chief Human Rights Officer continues to build on BASF's capabilities to responsibly monitor and report on modern slavery risks to the BASF SE Board of Directors.

Our global corporate target of responsible procurement aims to holistically improve our suppliers' sustainability performance. The supplier target was updated to advance sustainability in the supply chain even more effectively, and to focus on suppliers with an increased risk in terms of sustainability: For the time frame up to 2030, BASF is concentrating on improving sustainability performance of those suppliers that generated inadequate results in evaluations.

**In 2025, we intend to:**

### **Engagement with Stakeholders**

Maintain and strengthen our engagement with stakeholders at both global and local levels. This includes regular communication with suppliers, contractors, vendors, and labour hire agencies to ensure they are fully aware of BASF's expectations regarding modern slavery compliance.

### **Code of Conduct**

Promote the importance of compliance with our Supplier Code of Conduct, which explicitly prohibits forced labour, slavery, and human trafficking, and requires compliance with all applicable laws and international labour standards.

### **Risk Assessments**

Review and enhance our modern slavery risk assessments by increasing engagement with employees and stakeholders. This will involve more frequent and in-depth assessments of suppliers and labour hire agencies, including site visits and compliance checks.

### **Modern Slavery awareness training**

Continue the roll-out of Modern Slavery awareness training beyond the leadership team to include workshops and targeted training sessions designed to increase awareness, improve identification of risks and promote best practices in managing modern slavery compliance.

### **Embedding contractual compliance requirements**

Continue to update contracting arrangements to embed clear modern slavery compliance requirements.

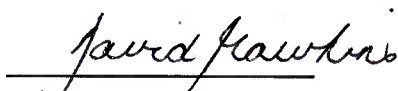
### **Encourage reporting**

Continue to raise awareness of the Global Compliance Hotline and the ability to report anonymously among our employees and stakeholders. BASF will continue to encourage the reporting of modern slavery risks.

## Summary

In 2025, BASF will continue to encourage the identification, assessment and reporting of modern slavery risks. BASF will continue to expand the training in and development of methods to address modern slavery risks. Compliance obligations will be further embedded in BASF's contractual relationships and processes will be reviewed to ensure that all employees and stakeholders understand their responsibilities and to ensure risks are effectively managed.

This statement is made pursuant to Section 13 of the Modern Slavery Act 2018 (Cth) and constitutes the modern slavery human trafficking statement of BASF Australia Limited for the year ended 31 December 2024 as approved by BASF Australia Limited's Board of Directors.



David Hawkins

Chair and Managing Director

BASF Australia Ltd

18 August 2025

<https://www.basf.com/global/en/who-we-are/sustainability/we-value-people-and-treat-them-with-respect/human-rights.html>