

November 10, 2020

Dr. Stefanie Wettberg
Senior Vice President
Investor Relations
BASF SE

Dr. Michael Baier
Senior Vice President
Global Battery Materials
Catalysts Division
BASF SE

Via E-mail: Stefanie.Wettberg@basf.com
Michael.Baier@basf.com

Dr. Wettberg and Dr. Baier:

We understand that BASF SE has long-standing business relationships with Nornickel. We also understand that BASF has publicly stated its strong commitment to fostering a responsible and sustainable battery materials supply chain. In this regard, we, the undersigned representatives of Indigenous Peoples, environmental and human rights organizations ask BASF SE not to associate in any way with nickel producer Nornickel, a company with an extensive and ongoing record of human rights violations and environmental devastation. Given BASF SE's stated commitment to sustainable energy production, sound environmental practices, and respect for human rights, Nornickel should not be considered a viable partner.

Nornickel is a global leader in environmental pollution, which is especially dangerous given the Nornickel's presence in the Arctic region where the environment is particularly vulnerable and it could take decades to recover from a single incident.

The Nornickel mining company operates on and has caused extensive environmental damage to the territories of Indigenous Peoples in the Arctic. Sámi, Nenets, Nganasan, Enets, Dolgan and Evenk communities have occupied the land for generations, but suffer as a result of Nornickel's negative impacts on their herding, hunting, fishing, and overall economic and subsistence activities, as well as their physical health and well-being.

Nornickel has long been a top global polluter and has caused substantial environmental damage just this year. On May 29, 2020, a Nornickel power plant failed and released 21,000 tons of diesel oil into local rivers. The spill has been devastating to the inhabitants of the region and is deemed one of the worst environmental disasters in the Arctic after the 1989 Exxon Valdez oil spill in Alaska. The company's processing practices are also a major source of air pollution from sulfur dioxide emissions with significant human health impacts. Several days in January 2020 saw emissions levels that triggered the health-warning alarm in downwind

border communities in Norway, at levels up to 7-800 micrograms per cubic meter, 50% higher than maximum allowed concentrations. These sulfur clouds also kill trees and vegetation surrounding smelters on the Kola Peninsula and Taimyr region. A 2018 Greenpeace analysis of NASA data ranked Norilsk, Russia as the number one hotspot for sulfur dioxide emissions in the world.

The company has exhibited complete disregard for the proper disposal of toxic byproducts. On June 28th, 2020, one of Nornickel's enrichment plants dumped wastewater into nearby tundra, spilling approximately 6,000 cubic meters of waste. On June 29th, 2020 a Nornickel landfill burst into flames, spreading smoke across the tundra and harming wildlife and nearby humans. The Arctic region is particularly vulnerable to environmental damage, and it can take decades to recover from the effects of this pollution. As of now, Nornickel has devastated substantial land areas that Indigenous Peoples of the Arctic rely upon in their ways of life.

We respectfully request that you **DO NOT BUY** nickel, copper and other products from the Russian mining company Nornickel until the following is implemented:

1. Nornickel conducts a full and independent assessment of the environmental damage of mining for nickel and other metals in Russia's Taymyr Peninsula and Murmansk Oblast. The assessment should include the harm from the ongoing Norilsk diesel oil spill and consider the damage done by industrial production to traditional economic activities of indigenous peoples.
2. Nornickel compensates indigenous communities for the damages done to their traditional way of life, alignment with article 28 of the UN Declaration on the Rights of Indigenous Peoples.
3. Nornickel prepares and implements a plan for re-cultivating contaminated lands in the Taymyr Peninsula and Murmansk Oblast.
4. Nornickel revises its policies for engaging with indigenous peoples. The new guidelines must be informed by the United Nations Declaration on the Rights of Indigenous Peoples, including the need to obtain free and informed consent prior to the approval of any project affecting indigenous lands or territories and other resources, particularly in connection with the development, utilization or exploitation of mineral, water or other resources.

Given Nornickel's long-term demonstrated negligence, we respectfully ask that BASF SE adhere to its Supplier Code of Conduct, which emphasizes that BASF SE expects its "suppliers to fully comply with applicable laws and to adhere to internationally recognized environmental, social and corporate governance standards." The Code of Conduct goes on to require suppliers to promote the safe and environmentally sound development, manufacturing, transport, use and disposal of products and to reduce waste and emissions to air, water and soil.

We applaud BASF SE's stated commitments that it wants to contribute to a world that provides a viable future with enhanced quality of life for everyone and that sustainability is at the core of what you do. As a major buyer of nickel worldwide, we urge BASF SE to continue

this leadership role by highlighting Nornickel's negligence and publicly refusing to buy from Nornickel while they have not complied with the environmental and human rights standards detailed in this letter.

Looking beyond Nornickel's weak practices in Russia, nickel mining and processing results in severe negative environmental and social impacts around the world. Increased demand for recycled and primary nickel should only be sourced from sites where free, prior, and informed community consent for mining and processing has been achieved and where the strictest environmental and social standards (such as the Initiative for Responsible Mining Assurance Standard) are met.

Please address your response to:

Danielle DeLuca (Cultural Survival) – danielle@culturalsurvival.org

Pavel Sulyandziga (Batani Foundation) - udege@batani.org

We look forward to hearing from you.

Sincerely,

1. Aborigen Forum (Russia)
2. Cultural Survival (USA)
3. International Indigenous Fund for Development and Solidarity "Batani" - Batani Foundation (USA/Russia)
4. Arctic Consult (Norway)
5. Center for Support of Indigenous Peoples of the North (Russia)
6. Saami Heritage and Development Fund (Russia)
7. First Peoples Worldwide (USA)
8. Dachverband der Kritischen Aktionärinnen und Aktionäre / Association of Ethical Shareholders (Germany)
9. The Altai Project (USA)
10. Earthworks (USA)
11. Institut für Ökologie und Aktions-Ethnologie (INFOE) (Germany)
12. World Economy, Ecology & Development (WEED) (Germany)
13. Gesellschaft für Bedrohte Völker / Society for Threatened Peoples (Switzerland)
14. Public Eye (Switzerland)
15. Menschenrechte 3000 / Human Rights 3000 (Germany)
16. Incomindios (Switzerland)
17. London Mining Network (United Kingdom)
18. Great Basin Resource Watch (USA)
19. Igapo Project (France)
20. Mining Watch (US)
21. Gesellschaft für Bedrohte Völker / Society for Threatened Peoples (Germany)
22. MiningWatch Canada (Canada)