

April 30, 2026

## **Speech for the Annual Shareholders' Meeting 2026**

Dr. Markus Kamieth

Chairman of the Board of Executive Directors of BASF SE

*The spoken word applies.*

Dear shareholders,

Firm belief in one's own strengths. Unwavering determination to shape the future. And yet there are many questions: Where is the world heading? And what does it all mean for BASF?

This is how many of our BASF colleagues feel right now – and, surely, some of you as well. With that said, I would like to extend a warm welcome to our Annual Shareholders' Meeting 2026. This meeting takes place in a time of great change. For BASF. For all of us.

*[Intro film]*

Dear shareholders,

The rules of the game are changing dramatically – in how states interact, in global trade, in terms of key technologies. We are all feeling this very clearly right now and very concretely: For a good eight weeks, the Iran conflict has once again thrown the world into a state of emergency.

Old certainties are no longer true. New realities are emerging. As a result, the world has become less predictable and less stable – in politics but also for us as a company.

We all sense it:

***This time, it's not just the usual economic ups and downs.***

***We are experiencing structural upheaval. It is radical and rapid.***

This has profound consequences. And raises many questions. Not only within our teams – but also for you.

For me, one thing is clear: Nothing will be like it was before. Waiting on the sidelines is not an option. That is why we at BASF are striding into the future with courage and determination.

At the same time, there is one question that I ask myself again and again: Is our strategy a good fit for this world? For a world which has changed so fundamentally in such a short period of time?

I'm convinced: It is a good fit. Today, I will demonstrate to you why I am confident about this. And why such upheaval also offers many opportunities for BASF. Opportunities that we have already created with our "Winning Ways" strategy – and that we will continue to pursue decisively.

We are focusing on what we can influence ourselves. We do what is necessary in the short term and what is decisive for the long term. This enabled us to stay on course in the 2025 business year – despite slowdowns in key markets and strong geopolitical headwinds.

- We sold more to our customers.
- We continued to reduce our costs – more significantly and faster than planned.
- We kept our EBITDA margin – the ratio of earnings to sales – nearly stable. And we achieved this despite lower sales prices and negative currency effects.
- Our free cash flow – or in simple terms, the money that is left over after investments – was higher than expected.

For you as shareholders, this all means: Our dividend proposal remains stable at 2 euros and 25 cents.

We have outperformed many of our competitors. Nevertheless, we slightly missed our adjusted forecast for earnings.

You know how important numbers are to me. They provide us with a clear target. And they exactly show where we stand. The entire BASF team is working hard to ensure that our transformation is also reflected positively in earnings. That is why we are not entirely satisfied with the year 2025.

At the same time, these figures, tables and diagrams are a snapshot in time, a reflection of the tense global situation. They therefore only partially show our progress. I see that progress most clearly where people step up and take responsibility: in our labs, in our plants, at our customers. These are the places where our teams tackle challenges every day. This is where I feel change is tangible and concrete.

And now, I want to take you along to some of the places where change happens. I will show you how we are driving BASF forward. And how we are building on our strengths to secure long-term success.

Let's start in Münster and Limburgerhof. Here, you see how we are dealing with a new reality in our industry: increasing specialization.

You all know BASF as a large company with a broad portfolio. There is no doubt that this setup has advantages: Size means economies of scale. A broad portfolio provides stability. This is something that many investors still appreciate about BASF. Especially in turbulent times. But there is also a downside: complexity. The larger a company is, and the more diverse its portfolio, the harder it becomes to act with focus and agility. This is a drawback. Because companies today must be fast and flexible.

***In this new world, those who cut complexity will win. Those who simplify and sort things more clearly.***

That is why we are creating strong, standalone businesses – where this is advantageous. Where specialization enables greater focus, faster decision-making and closer proximity to customers. This also benefits capital market participants. Because specialized companies are simply easier to value. And this valuation is then often higher.

This can be seen in **Münster**. From here, we steer our business with automotive coatings and surface technologies. It's a highly specialized business, innovative and a global leader. And with Carlyle, it will soon have a new majority owner.

This is a major change. And it's proof that we are rapidly and decisively sharpening our portfolio – which benefits you, as shareholders. The value of the transaction with Carlyle is €7.7 billion – and thus significantly higher than the valuation that Coatings currently has as part of BASF.

We are therefore separating this successful business from the BASF Group. Because the Coatings team will be in an even better position to capitalize on its strengths with its independence and Carlyle's experience. BASF will still profit from its success – because we will continue to hold a 40% stake in the new world-class company.

***As you can see: The right setup makes a strong business even stronger.***

This is also true in **Limburgerhof**. This is the home of our Agricultural Solutions division – one of the world's leading suppliers for the agriculture sector. From crop protection and seeds to digital applications – all its offerings help to improve efficiency and sustainability on the field and in the greenhouse.

This, too, is a highly specialized business. With earnings of around €2.1 billion in the past business year, it is also a highly profitable business – with great potential. It has a well-filled innovation pipeline for the coming years with a peak sales potential worth €7.5 billion. However, all this is not currently reflected in how the capital market values Agricultural Solutions as part of BASF.

Here as well, acting independently will lead to new freedom for the team – and more transparency for you and the capital market. Right now, the leadership team is creating the legal and organizational structures for a standalone business. We are making swift progress here. Our aim is IPO readiness in 2027 – with Frankfurt as the envisaged listing location and BASF as the majority shareholder.

***Münster and Limburgerhof – these are two very different places where big changes are happening. But they are linked by a common goal of value creation and more profitable growth with a clearer profile. We are giving our businesses the setups they need to achieve this.***

This also raises an important question, for you as well: If Coatings and Agricultural Solutions – strong both in sales and earnings – are taking their own independent paths – what will be left of BASF?

My answer is clear: We will still have the core of BASF. The thing we have always been known for: chemistry. This is not a leftover, it is our backbone. These are businesses that optimally complement each other. And they enable our customers' green transformation. Combined, these businesses generate around €40 billion in sales.

***We have worked hard for many decades to establish our strong market position. And now we will be able to concentrate even more on this.***

To represent the focus on our core business, I want to show you the next place where change is happening: Geismar, Louisiana, in the United States. Here, I will

show you something that we do at all our Verbund sites. And that almost no one else does as well as BASF: chemistry in long, integrated value chains.

It sounds complicated, but it's easy to explain. This is a network of plants and processes that are closely interlinked, like the gears of a clock. Encompassing everything from raw materials to highly sophisticated specialty chemicals. With efficient processes and technology expertise every step of the way. And it provides many levers for the green transformation of our production – towards more climate-friendly raw materials and lower CO<sub>2</sub> emissions. And the most important thing: Our output, the products we sell to nearly all industries – from the goods you use daily to the technologies of the future.

The Verbund is our strength and our advantage. It increases our efficiency. Reduces costs. It makes us an attractive partner for many customers.

***And that is exactly what we need in this new world. Because the competition in our industry is fiercer than ever. This is why we are making our core even stronger. This is the next step in our Winning Ways strategy. In a nutshell: to unlock even more synergies, simplify the organization – and become faster and more profitable.***

At the same time, we are investing in growth. You also get a sense of this in Geismar. You see some impressions of our MDI expansion there. It's an impressive project that is clearly changing the Geismar site. At around \$1 billion, this is the largest single investment BASF has ever made in the United States.

MDI is an important building block for polyurethane – a plastic with a wide range of applications. Accordingly, the market potential is also huge. You can find it in the insulation in your fridge or in the upholstery of your car.

There is also another reason why Geismar exemplifies that we have the right strategy. Worldwide, there is a growing trend of tariffs and trade protectionism. More and more governments want to protect domestic industries and strengthen local value creation.

***In this new world order, companies that produce locally for their customers have a clear advantage.***

We adhere to this principle everywhere – and it is nothing new: local production for local customers. Backed by a largely local raw materials base. And this is the reason why we are more resilient – and often one step ahead of our competitors. Including where the economy is growing fastest: in Asia.

This brings us to the next place where change is happening: to China, the world's largest chemicals market. More specifically, to **Zhanjiang**, to our new Verbund site. It is our seventh Verbund site worldwide. It may be around 9,000 kilometers from here – and yet an integral part of BASF.

Our team there has achieved something incredible: They transformed a piece of empty land into the world's most modern chemical production site. They did not do it alone, but in collaboration with colleagues from around the world. It took only six years – from the first groundbreaking until the official inauguration four weeks ago. Everything was on schedule and below budget!

Zhanjiang is more than just a new site for BASF. It is something we can all be proud of. Something that almost no other chemical company can do in this form.

***Simultaneously, Zhanjiang is a fitness test. It will show whether we can expand quickly into a changed market.***

That is a key question for our long-term success. That is why I am especially happy to have two guests here today: Jennifer Han and Haryono Lim. They have both traveled from Zhanjiang to Mannheim. Welcome, Jennifer and Hary!

*[Talk on stage]*

- *Hary, you have been with BASF for 27 years. You helped to establish Zhanjiang from the very beginning. From today's standpoint, which moment means the most to you?*
- *Jennifer, you work in site management at our new Verbund site. What was your personal highlight over the past months, and why?*
- *Hary, the market in China has become more challenging. What has changed? And why are you nevertheless optimistic?*
- *Jennifer, the Zhanjiang project has also changed how we collaborate: What can teams in China and Germany learn from each other?*

- *To close out, a question for both of you: What is your focus in the coming months?*

*[End of talk on stage]*

Dear shareholders,

Over the past years, we have invested a lot of money in new capacities. Going forward, this amount will decrease significantly – because we are now well positioned in all regions. Moreover, the chemical industry is currently undergoing change. This means that acquisitions might also offer attractive growth opportunities for our core business.

Zhanjiang shows what we are capable of. And where the chemical industry is growing. At the same time, here in Germany, many are wondering: Is BASF making itself too dependent? Will production relocate to China? What about the political risks?

I fully understand these questions. And I want to answer them openly.

First, on the topic of dependencies: Last year, BASF generated sales of around €8 billion in China. By comparison, sales in the United States were nearly double and sales in Europe were almost three times that amount. Looking ahead, we want our business in China to reach a size similar to our U.S. business. But this will not be a dependency on one single market, it merely reflects the reality in our sector: China already accounts for around half of the global chemical market – and it will continue to grow. That is why our presence there is so important.

Second, the topic of risks: Are there geopolitical risks? Yes, there are. But if you ask me, there are stronger risks coming from other parts of the world at the moment. It is vital to not be naïve. To seize our opportunities while carefully assessing risks. We do this at all times.

Third, the topic of relocation: Will our production be shifted from Germany to China? No. We produce in China for China, not for exports to Europe. If we close plants in Germany, then these decisions are mainly due to the development of the market and competitiveness in Europe.

The fact is: China's industry is already on par with ours in many areas. And, in key future sectors such as e-mobility and green technology, it is actually one step ahead. In Europe, we may not like this catch-up and shifting balance. It challenges our self-image. But is that a reason to ignore the growth market in China – with all the potential it offers for BASF?

Retreat does not lead to growth and competitiveness. Nor does ignoring unpleasant truths and new realities. And neither does protectionism. Instead, Europe must face the competition – and work hard to become ever better. This is also our aspiration at BASF. Everywhere in the world. But nowhere is the pressure as strong as it is here in Europe. And especially at our **Ludwigshafen** site – the next place where change is happening.

***Ludwigshafen is our largest site and the birthplace of BASF. It is key to our future. That is why it is so important that change succeeds here.***

Many of you come from this region and feel closely connected to BASF in Ludwigshafen. And you all have followed the headlines in recent weeks: The number of employees at BASF SE in Ludwigshafen has been reduced by around 2,800 since the beginning of 2024. And there will be further reductions across all units. We will increasingly offer certain services from hubs in India, for example, in human resources, finance and digitalization.

***Some of you have probably thought:***

***“This doesn't feel like the BASF I used to know.”***

I hear that again and again, also when I'm talking to employees. And every time, I answer: This is still your BASF! But it is changing, and this change is absolutely necessary.

What has been established here in Ludwigshafen and at other sites and the work that has been done over decades merits respect. No question about it. But there is also no doubt that we all bear responsibility for what needs to be done now.

***Because nostalgia and inertia will not make us fit for the future.***

The market, our customers, and you as shareholders do not judge us by what BASF was like in the past. Instead, everyone looks at what we as a company will deliver in the future. That is why we are taking action today. We are sharpening

the focus of our core business. We are taking a more targeted approach to how we allocate capital to create growth. We are strengthening our competitiveness by rigorously reducing costs.

***We are doing this because BASF needs a strong heart.***

***Because we believe in this site and its strengths.***

This is not an easy time for our team in Ludwigshafen. I am aware that change is happening at a very rapid pace. And I can very well understand that it is not always easy to see the positive amid all this change – especially when paths part.

But with the new site agreement, we are providing orientation, prospects and reliability. The name says it all: “Shaping the future for a strong site.” Going forward, we will be investing at least €1.5 billion annually in Ludwigshafen – not only in upkeep, but also in new projects.

I have brought along one example for you today. It relates to semiconductors. They are almost everywhere these days – in cars, smartphones and in data centers for artificial intelligence. In this new world, it is important that not only companies become less dependent, but also Europe as a whole. This includes robust and resilient chip production. And that only works with something you cannot see in a chip: ultra-high purity process chemicals.

In Ludwigshafen, we are therefore building two new plants: one for sulfuric acid and one for ammonium hydroxide. We will produce both products in electronic grade, meaning extreme purity. This is one of the toughest tasks in chemistry. And this is what BASF excels at. In all of Europe, these will be the only two plants of their kind that can supply this level of quality.

This opens up a new growth area for us in Ludwigshafen. And that is why we are investing a triple-digit million euro sum.

***As you can see:***

***Our chemistry from Ludwigshafen enables progress.***

***Without a strong chemical industry in Europe, there is no industrial strength.***

***No technological sovereignty.***

Policymakers in Berlin and Brussels have also come to this realization. However, we are still waiting for bold moves to improve competitiveness. There has been

some movement – for example, with regard to energy costs, emissions trading and trade agreements. BASF has been strongly advocating for this in recent months – and so have I, in my role as the new President of the European chemicals association.

But, overall, there is not enough change. And it is happening too slowly. Other regions are gaining market share, while Germany and Europe keep losing ground.

***Many think the decline is inevitable.***

***But in reality, it is renewal that is inevitable.***

We don't need doomsayers who want to use uncertainty to divide us. Or those who claim to have simple answers for an increasingly complex world. We need people who courageously provide fresh impetus. What's more: We need a society that works together to lay a new foundation for growth and progress.

It will require bold governance to tackle stalled reforms – including those relating to the social safety net and the labor market. In some cases, this will result in resistance, uncertainty and discontent. And, yes, change requires great effort – and it may take a toll on popularity ratings. Nevertheless, we must take this on – as companies and as a society.

I state this so emphatically because it is no longer enough to do a bit of tweaking here and there. In some cases, this will require dramatically cutting – not just pruning – red tape. We need to cut back the overgrowth of inherited structures. We need specific and decisive action. It means doing things truly differently than before: stepping beyond what we're used to, staying flexible, and being pragmatic.

That is how progress is made. And that is how something new is created. As we will see at the next place where change happens: **the lab**.

In our new world, technologies are evolving rapidly. Requirements can change overnight.

***Those who want to stay ahead must also rethink innovation. With a systematic approach – starting from the market. For us, this means not only new – but also more sustainable. And an earnings contributor. Otherwise, innovation may be a nice idea, but the green transformation will not become a business. We are therefore changing how we drive innovation.***

In the past, research ended at the doors of the laboratory. Today, it continues in our plants and at our customers. We bring our experts together for even closer collaboration. We link our wealth of data and our immense knowledge using artificial intelligence. We incorporate partners and customers into the development and production processes. As a result, we can develop new products faster – and tailor them more closely to the needs of consumers.

And you reap the benefits – but often, you may not know it. Because BASF is rarely on the label, but our chemistry is often what makes the difference.

Here you can see a picture of Usain Bolt. The fastest man in the world is advertising a new product that promises “fast just got better” – and keeps this promise. It is Unilever’s most successful innovation in decades. By now, it is on the shelves in 30 countries around the world – known as “Wonder Wash”. Its development was not a wonder, but rather the result of close collaboration between Unilever and BASF. The jointly developed solution is designed for short cycles.

It is therefore ideal for the lifestyles of many people. Instead of two hours, the washing machine only needs to run for 15 minutes. This benefits everyone: BASF, our customers, the environment – and you, as consumers.

Ladies and gentlemen,

Chemistry matters. On a small scale, in our day-to-day lives. And on a big scale, to tackle the challenges of our time. There is a lot to do. And this will only succeed with people who want to enable this transformation. People who look toward the future. And see change as an opportunity.

In this volatile world, it will be decisive how quickly we learn. How well and how flexibly we deal with changes. And, yes, sometimes we have to accept that there is no immediate and conclusive answer to everything. That things are in flux. And that is the theme for our final stop today. This time, it’s about something very fundamental: our attitude. Behavior. And culture.

***This is not a place you can find on a map.***

***It is in our heads –***

***because this is where every change begins.***

Everywhere we went today, you got a sense of what is important to me: Taking responsibility. Focus. Speed.

Our teams in Münster and Limburgerhof are not just waiting around. They are forging their own paths. In Geismar, the team is focused on BASF's core business – and not getting lost in trivialities. In Zhanjiang, our colleagues swiftly and pragmatically established a new Verbund site. And now with the same momentum, they are entering the most important growth market for chemicals. In Ludwigshafen, we see that our employees are not shying away from difficult decisions. And in the lab, our researchers are always striking out in new directions.

***In our heads is where the strength of BASF is decided every day. That is why this place where change happens is so important to me.***

Our employees are taking the initiative. They are pursuing things with speed and focus. They are constantly developing their skills. And so we all step up, with the right attitude. And concentrate on the things that we have the power to change. For this, I want to sincerely thank all BASF employees! For their performance, their openness, and for their willingness to resolutely do what needs to be done.

Dear shareholders,

Today, you got to know just a small part of BASF. And you will recall the question: Is our strategy a good fit for this new world? After everything you've seen today, it is clear: Yes, our strategy is a good fit. It is the right answer to the structural upheaval we are seeing right now. And that is why we are implementing it with determination.

Are we already in the place where we want to be? Not yet. Because we know that our change must become more clearly evident in our figures.

We are working on this. Every day.

We know our strengths. We know that we are on the right path. That is why we look to the future with confidence.

And we are grateful for your trust in Team BASF.

*[Outro film]*