BASF

We create chemistry

BASF Factbook

Information for investors and analysts

May 2026

Cautionary note regarding forward-looking statements

This publication contains forward-looking statements. These statements are based on current estimates and projections of the Board of Executive Directors and currently available information. Forward-looking statements are not guarantees of the future developments and results outlined therein. These are dependent on a number of factors; they involve various risks and uncertainties; and they are based on assumptions that may not prove to be accurate. BASF does not assume any obligation to update the forward-looking statements contained in this publication above and beyond the legal requirements.

Data

Due to rounding, individual figures may not add up exactly to the totals shown and percentages may not correspond exactly to the figures shown.

With the Verbund site in Zhanjiang, BASF is strengthening its presence in the Chinese market. The site is a highly integrated, efficient and sustainable production facility that is powered entirely by renewable electricity. It offers a broad portfolio to key industrial sectors in China.

Contents

1 BASF Group

2025 at a Glance

At BASF, we create chemistry for a sustainable future. Our ambition is to be the preferred chemical company to enable our customers' green transformation.[1] We combine economic success with environmental protection and societal responsibility. Around 108,000 employees in the BASF Group contribute to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio is structured into core businesses and standalone businesses.

€59.7bn

Sales[2]

2024: €61.4 billion

€6.6bn

EBITDA before special items[2]

2024: €7.2 billion

€5.6bn

Cash flows from operating activities

2024: €6.9 billion

€1.3bn

Free cash flow

2024: €0.7 billion

€4.0bn

Capital expenditures

2024: €6.0 billion

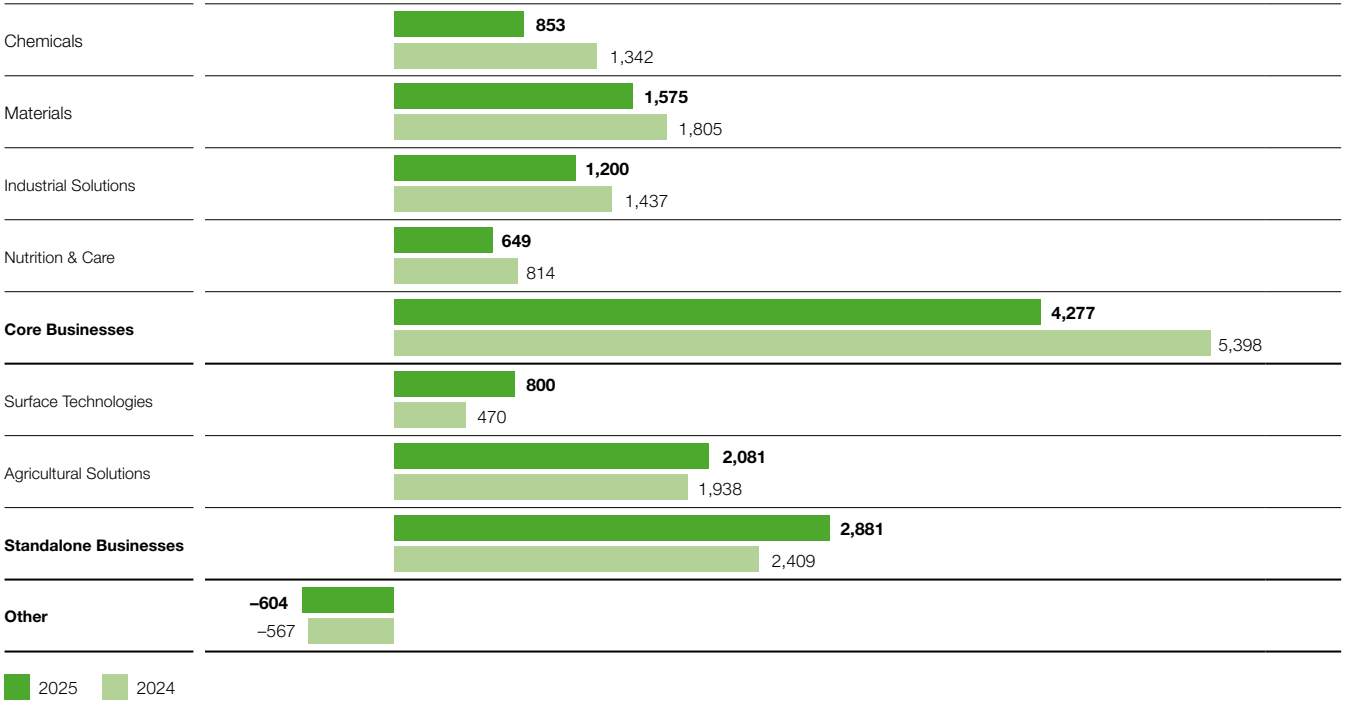
5.8%

ROCE[2]

2024: 5.1%

EBITDA before special items by segment[2,3] and Other

Million €



BASF sales in 2025 by sector

Direct customers

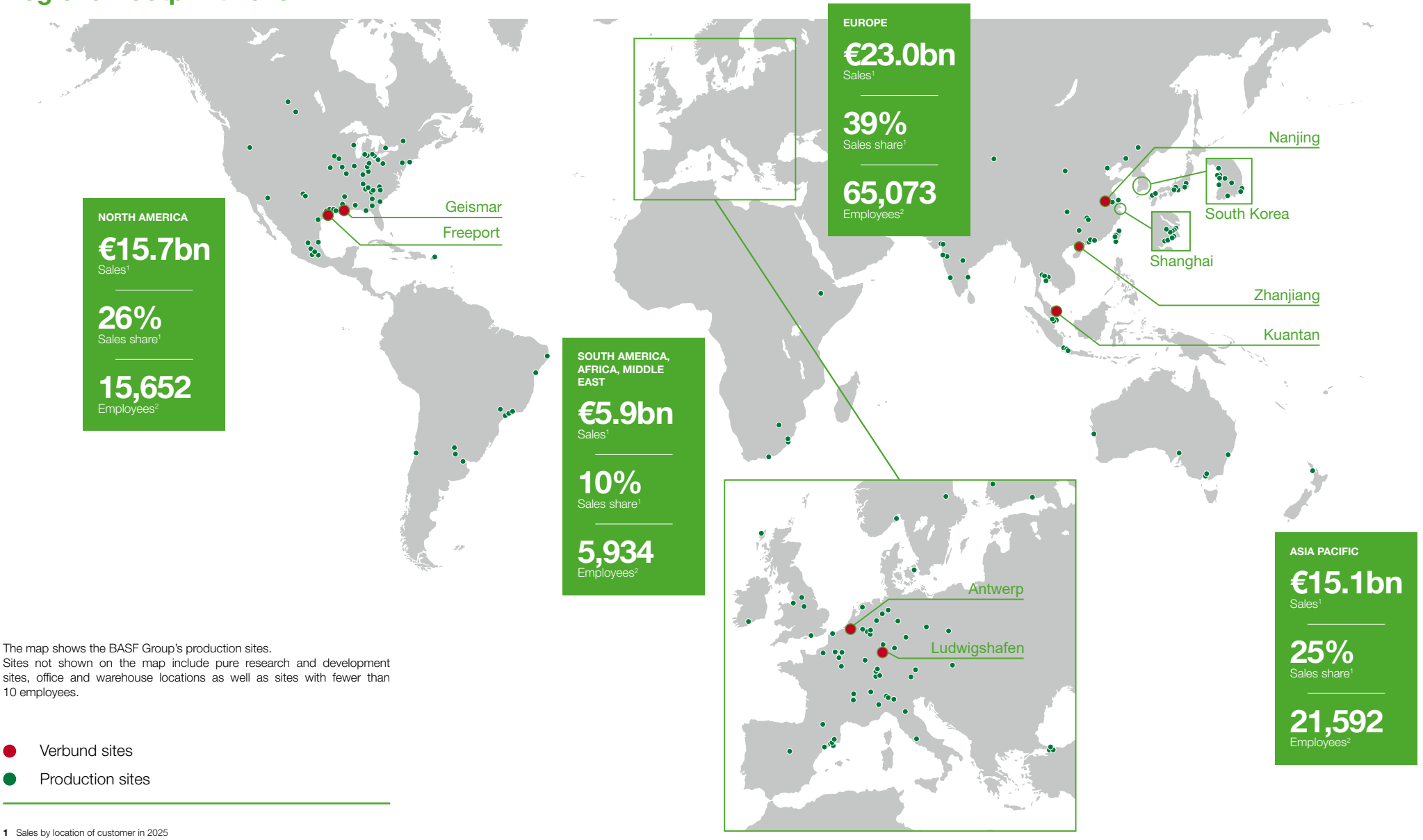
>20%	Chemicals and plastics
10–20%	Transportation and automotive | Agriculture | Consumer goods (respectively)
<10%	Construction | Electronics | Energy and resources | Health and nutrition (respectively)

1 The following understanding underpins all references to green transformation in this publication: To enable our customers' green transformation, BASF systematically develops and offers solutions that minimize negative impacts on the environment and society while maximizing positive results. This includes our efforts to reduce CO_2 emissions, conserve resources and use renewable energy and renewable raw materials. In line with the three dimensions of sustainable development, we place ecological and economic balance as well as social responsibility at the forefront of our actions.

2 With the planned divestiture of the automotive OEM coatings, automotive refinish coatings and surface treatment business units, sales and earnings from these activities are reported as discontinued operations and are no longer part of the sales and EBIT(DA) before special items of the BASF Group and of Surface Technologies. The prior-year figures have been restated accordingly.

3 Since January 1, 2025, the chemical and refining catalysts business has been reported as part of the Performance Chemicals division in the Industrial Solutions segment. It was previously part of the former Catalysts division in the Surface Technologies segment. The prior-year figures have been restated accordingly.

Regional footprint 2025



The map shows the BASF Group's production sites.
Sites not shown on the map include pure research and development sites, office and warehouse locations as well as sites with fewer than 10 employees.

- Verbund sites
- Production sites

1 Sales by location of customer in 2025
2 Employees as of December 31, 2025

Management

Board of Executive Directors of BASF SE

Responsibilities as of May 1, 2026

Dr. Markus Kamieth

Chairman of the Board of Executive Directors

Born in 1970, at BASF since 1999

Responsibilities:
Corporate Development; Corporate Legal, Compliance & Insurance; Corporate Human Resources; Corporate Communications & Government Relations; Corporate Investor Relations

Dr. Dirk Elvermann

Chief Financial Officer and Chief Digital Officer

Born in 1971, at BASF since 2003

Responsibilities:
Corporate Finance; Corporate Audit; Corporate Taxes & Duties; Global Business Services; Global Digital Services; Global Procurement

Anup Kothari

Born in 1968, at BASF since 1999

Responsibilities:
Dispersions & Resins; Performance Chemicals; Coatings; Battery Materials; Environmental Catalyst and Metal Solutions; United States

Dr. Stephan Kothrade

Chief Technology Officer

Born in 1967, at BASF since 1995

Responsibilities:
Monomers, Performance Materials; Group Research; Greater China

Dr. Mary Kurian

Born in 1977, at BASF since 2020

Responsibilities:
Petrochemicals; Intermediates; Nutrition & Health; Care Chemicals

Dr. Katja Scharpwinkel

Industrial Relations Director

Born in 1969, at BASF since 2010

Responsibilities:
European Site & Verbund Management; Global Engineering Services; Corporate Environmental Protection, Health, Safety & Quality

Dr. Livio Tedeschi

Born in 1971, at BASF since 2003

Responsibilities:
Agricultural Solutions

Supervisory Board of BASF SE (as of May 1, 2026)

Shareholder representatives

Dr. Kurt Bock
Chairman of the Supervisory Board of BASF SE; Former Chairman of the Board of Executive Directors of BASF SE (until May 2018)

Mark Garrett
Independent non-executive Director of Orica Limited

Prof. Dr. Stefan Asenkerschbaumer
Vice Chairman of the Supervisory Board of BASF SE; Chairman of the Supervisory Board of Robert Bosch GmbH and managing partner of Robert Bosch Industrietreuhand KG

Alessandra Genco
Former Chief Financial Officer of Leonardo SpA (until November 2025)

Prof. Dr. Thomas Carell
Professor of Organic Chemistry at LMU Munich

Tamara Weinert
Former President and Chief Executive Officer of the Business Area Americas and member of the Leadership Team of Outokumpu Corporation (until October 2025)

Employee representatives

Sinischa Horvat
Vice Chairman of the Supervisory Board of BASF SE; Chairman of the Works Council of BASF SE, Ludwigshafen site, of the BASF Group Works Council and of the BASF Works Council Europe

Natalie Mühlenfeld
District Manager of the Mining, Chemical and Energy Industries Union (IGBCE) Cologne/Bonn

Tatjana Diether
Deputy Chairwoman of the Works Council of BASF SE, Ludwigshafen site, and member of the BASF Group Works Council

Michael Vassiliadis
Chairman of the Mining, Chemical and Energy Industries Union (IGBCE)

André Matta
Member of the Works Council of BASF SE, Ludwigshafen site

Peter Zaman
Secretary of the Works Council of BASF Antwerpen N.V.

For further information, please refer to basf.com/share/supervisory-board

Two-tier management system of BASF SE

Board of Executive Directors
(as of May 1, 2026)

7 members
appointed by the Supervisory Board

Chair
appointed by the Supervisory Board

appoints the Board of Executive Directors

monitors the Board of Executive Directors

advises the Board of Executive Directors

reports to the Supervisory Board

Supervisory Board

12 members
6 shareholder representatives elected by the Annual Shareholders' Meeting and 6 employee representatives

Chair
elected by the Supervisory Board

The Supervisory Board works hand in hand with the Board of Executive Directors to ensure long-term succession planning for the composition of the Board of Executive Directors. BASF aims to fill most Board positions with leaders from within the company. It is the task of the Board of Executive Directors to propose a sufficient number of suitable individuals to the Supervisory Board.

The aim of systematic management development is to enable the Supervisory Board to ensure a reasonable level of diversity with respect to education and professional experience, cultural background, international representation, gender and age when appointing members of the Board of Executive Directors. Irrespective of these individual criteria, a holistic approach will determine a person's suitability for appointment to the Board of Executive Directors of BASF SE.

For more information on the competence profiles, diversity concept and succession planning for the Board of Executive Directors, see **BASF Report 2025, page 116** onward.

BASF Verbund

The Verbund concept is one of BASF's key strengths. From upstream to downstream, the core businesses are deeply integrated into long and multiple-step value chains such as ethylene oxide or polyurethanes. BASF is able to sell products at every step in the value chain, leveraging strong market positions based on local-for-local production. This integration and the application of various technologies provide BASF with advantages in terms of cost position, competitiveness and favorable product carbon footprints.

BASF operates seven Verbund sites worldwide: two in Europe, two in North America and three in Asia. Our Verbund site in Ludwigshafen, Germany, is the world's largest chemical complex owned by a single company that was developed as an integrated network. At our newest Verbund site in Zhanjiang, in the Chinese province of Guangdong, the first products from the Verbund were manufactured in November 2025 and the site was inaugurated in March 2026 (see page 26 onward).

The Verbund system creates efficient value chains that extend from basic chemicals all the way to industrial and final consumer products. In this system, chemical processes make use of energy more efficiently, achieve higher product yields and conserve resources. By-products of one process are used as starting materials for other processes. This saves raw materials and energy, avoids emissions, lowers logistics costs and leverages synergies. In 2025, BASF operated 234 production sites worldwide. The seven Verbund sites produce more than 50% of our volumes. This is a testament to the importance and strength of the Verbund concept within BASF.

Strong sustainability performance

Value chains in integrated Verbund structures can be steered efficiently to conserve resources and reduce CO_2 emissions. The generation of our own steam and power in highly efficient and predominantly natural gas-based combined heat and power plants and our Verbund system are key to a CO_2-optimized energy supply at these sites. In the latter, waste heat generated during one plant's production process is used as energy in other plants. Thanks to combined heat and power generation and our continuously optimized Energy Verbund, we were able to prevent a total of 5.2 million metric tons of CO_2 emissions[1] in 2025 compared with separate, fossil-based power and steam generation without the use of the Verbund system.

BASF Verbund sites worldwide

Verbund flexibility and adaptability

Due to the numerous outlets for product streams, the Verbund can respond flexibly to fluctuating or shifting demand and changing framework conditions.

BASF also has flexibility in adapting its Verbund structures, as demonstrated by the measures to improve competitiveness of the Ludwigshafen site. As part of these measures, the following plants were shut down by the end of 2023: the TDI complex, one ammonia plant, the melamine plant and the fertilizer facility. Further shutdowns in the ammonia and adipic acid value chains will be implemented by the end of 2026.

1 Calculation basis: electricity conversion efficiency of conventional power plants 45%; steam generation efficiency 90%

Strategy

Corporate Strategy

Chemistry is our passion. Our ambition is to be the preferred chemical company to enable our customers' green transformation. With our "Winning Ways" strategy, we aim to grow profitably and create value for our shareholders based on a broad portfolio supported by continuous product and process innovations. Simultaneously, we are further developing our performance culture. We rely on four levers to successfully implement our strategy: Focus, Accelerate, Transform and Win. We are systematically integrating sustainability topics into our strategy and business as well as into our assessment, steering and compensation systems. This principle is embedded in our corporate purpose: We create chemistry for a sustainable future.

Humankind is facing enormous challenges in its efforts to preserve a world worth living in for future generations. The climate is changing, natural resources are becoming scarcer, pressure on ecosystems is increasing and our growing world population needs to be fed. More urgently than ever, solutions are needed for a more sustainable future. Chemistry is of key importance as an essential part of our everyday lives and the foundation of nearly all industries. It can pave the way to greater sustainability and accelerate the transformation needed to achieve this.

Competitive conditions in the chemical industry are changing. Our customers are also adapting their business models – for lower CO_2 emissions and a more circular economy. The speed of this development varies across regions and customer industries. We want to be the preferred chemical company to enable our customers' green transformation. We are committed to the green transformation of our own production and our product portfolio.

We aim to grow profitably and create value for our shareholders with our broad portfolio supported by continuous product and process innovations. Our goal is for customers to be successful in their respective markets thanks to our products. Our solutions and technologies contribute to the more efficient use of raw materials, reducing waste, and enabling healthy and affordable food as well as climate-smart mobility, for example.

Our focus as a company is also on cash generation. Significantly lower capital expenditures compared to a record level in 2024, which was mainly due to the establishment of the Verbund site in Zhanjiang, and the consistent implementation of our cost savings programs demonstrate a high degree of capital discipline.

At the same time, we are further developing our performance culture with the aim of making BASF an even more performance-driven organization. To this end, we have established nine actionable Winning Behaviors.

Our strategic levers

BASF's strategic direction is based on a comprehensive analysis of our markets, competitors and the economic environment. We continuously monitor global trends and short-term developments and anticipate the resulting opportunities and risks. In doing so, we keep a close eye on our customers' needs and the transformation of our company.

Our "Winning Ways" strategy is based on four strategic levers: Focus, Accelerate, Transform and Win.

Focus

At the center of the strategic lever Focus is our portfolio management. BASF distinguishes between core businesses and standalone businesses. The core businesses comprise the Chemicals, Materials, Industrial Solutions and Nutrition & Care segments. These are closely integrated into BASF's value chains and Production Verbund at major sites. They generate value through efficient use of resources, operational excellence and cost efficiency. The portfolio of our core businesses ranges from basic chemicals to specialties. The standalone businesses, which have greater flexibility and operational independence, comprise the Surface Technologies segment with the Environmental Catalyst and Metal Solutions (ECMS) and Battery Materials divisions as well as the Agricultural Solutions segment. Until October 1, 2025, the Surface Technologies segment also included the Coatings division (see page 28 for more information on the changes in Coatings in 2025 and page 32 for more information on the segments and divisions).

In the coming years, we will focus on strengthening our core businesses and growing profitably in these areas, organically or through value-increasing acquisitions: We see the current consolidation in the chemical industry as an opportunity for BASF. We want to operate our core businesses in an even more cost-efficient and leaner manner in order to secure their profitability and competitive advantage over emerging competitors, in particular from China and the Middle East.

Our standalone businesses compete with pure-play peers that are subject to their own market trends. We want these businesses to be able to respond quickly to the specific requirements of their customers and to strengthen their competitive position. We therefore rely on various measures, such as the introduction of standalone ERP (Enterprise Resource Planning) systems or differentiated steering with industry-specific financial steering indicators in order to make the performance of the businesses more transparent compared to competitors (for more information, see page 13 onward). We have further promoted the entrepreneurial independence of our standalone businesses and have identified individual paths through which each business can generate the greatest value:

- Our ECMS business has been carved out since 2023. It operates in a low-growth industry but continues to deliver a strong cash

contribution. At present, we see ourselves as the best owner to operate this business.

- Our Battery Materials business operates in a rapid-growth environment characterized by high market and technology risks. We have significantly reduced fixed costs and capital expenditures and signed contracts with key customers to utilize existing capacities. We are also investigating opportunities for cooperation along the value chain.
- In the Coatings division, we completed the sale of the Brazilian decorative paints business to Sherwin-Williams, Cleveland, Ohio, effective October 1, 2025. In October 2025, we signed a binding agreement with Carlyle, Washington D.C., for the sale of the automotive OEM coatings, automotive refinish coatings and surface treatment business units. The transaction is expected to close in the second quarter of 2026, subject to regulatory approvals. We will then continue to hold a 40% equity stake in this coatings business (for more information, see page 28).
- For the Agricultural Solutions segment, we are targeting IPO readiness by 2027, in order to float a minority stake. The Frankfurt Stock Exchange is envisaged as the listing location. The legal carve-out and the implementation of an industry-specific ERP system are progressing well.

Under the strategic lever Focus, we have changed our internal steering processes for capital and resource allocation in order to focus even more strongly on cash generation and to strengthen our capital discipline. We are now following a strategic allocation approach for our operating divisions instead of the largely project-based approach previously used at BASF Group level. We have developed medium-term value creation plans for the divisions based on their respective roles in the BASF portfolio. These plans are the basis for capital allocation. Within this framework, the operating divisions are empowered with increased autonomy to make business decisions – and thus their accountability for business success.

The strategic focus on profitable growth also means prioritizing high-growth markets. One example of this is our new Verbund site in Zhanjiang, China. We manufactured the first products from the Verbund there in November 2025. Commissioning of the steam cracker and production in the first value chains of the Verbund commenced at the turn of 2025/2026. This project milestone was achieved on schedule with strict cost discipline, and we expect to remain below the original project budget, with total investments of around €8.7 billion in the period 2019 to 2028.

In addition to China, we want to expand our presence primarily in India and five ASEAN countries (Indonesia, Malaysia, Singapore, Thailand and Vietnam) by strengthening local organizational structures, our production sites and our research and development (R&D) activities. These seven countries will account for around 80% of global chemical growth by 2035.

Accelerate

With the strategic lever Accelerate, we want to generate value faster by adjusting the way in which we collaborate and complete tasks at BASF. Our priority is to empower our business units through lean steering, simplify our organizational structure and increase the use of artificial intelligence (AI).

The Board of Executive Directors focuses on topics that are important to BASF as a whole: strategy, portfolio management, capital allocation and talent development. By contrast, the individual operating divisions have greater ownership of specific business decisions and accountability for business success. In line with this, we introduced an enhanced performance management system in 2025 that provides a closer link between incentives and unit-specific performance (for more information, see page 13 onward).

We are making our organization simpler and leaner by sharpening role clarity, flattening hierarchies and by reducing bureaucracy and internal alignment processes. Spans of control are being broadened to increase individual ownership. An important step in this direction was dissolving the regional dimension of our organizational structure, which was mostly completed at the end of 2025. With few exceptions, the responsibilities of the previous country organizations have been transferred to the largest operating division in each country. In smaller markets, we are either forgoing our local presence or developing new sales approaches to reduce the complexity of our sales channels. With this simplified organizational setup, we are aiming to accelerate decisions in all areas of our company.

BASF is harnessing the potential of digitalization and AI to advance productivity and accelerate innovations. We aim to gradually enable our employees to utilize AI in their respective areas of work. For this purpose, we provide them with a variety of digital tools in their day-to-day work and offer accompanying training courses. At the same time, our focus is on applications whose added value has been confirmed by fast and effective pilot projects. In particular, we target key functions such as sales, marketing, R&D, production, procurement and services.

Transform

Sustainability is an integral part of our strategy as well as our targets, steering processes and business models. We are fully committed to our climate protection targets (for more information on our sustainability strategy, see page 18 onward and for more on our targets, see page 16 onward) as well as to the green transformation of our production and our product portfolio.

With the strategic lever Transform, we aim to drive the green transformation in a more differentiated and focused way as well as in line with market development, in order to grow profitably. Our transformation approach goes beyond the green transformation of our own production. Our key customer industries are facing tremendous challenges in achieving their transformation targets. We want to be the preferred chemical company to enable our customers' green transformation with our broad portfolio as well as our product and process innovations.

Our approach here is to intensify our focus on specific opportunities for our business and to increase volumes of products with sustainability attributes according to customer needs. With this approach, we are mitigating the investment and business risks resulting from capital-intensive new technologies and the varying transformation speed of our customer industries. In addition, we

are prioritizing projects that have a positive impact on our license to operate.

Over time, we are staggering our transformation projects based on these priorities. In recent years, we have already increasingly invested in renewable energies to operate our plants. Furthermore, we are already piloting new technologies in selected value chains, are using alternative raw materials and have launched products with sustainability attributes such as a reduced or net-zero product carbon footprint (Low/Zero Product Carbon Footprint; LowPCF/ZeroPCF). We are now focusing on ramping up the use of renewable, recycled and low-emission feedstocks in our existing plants and thus offering more products with a reduced carbon footprint and other sustainability attributes in line with market demand and at low capital expenditure. At the same time, we consistently continue to evaluate new business models and technologies. As markets for more sustainable products grow, we want to be in a position in the medium to long term to apply and scale up the new technologies we are currently developing and, in some cases, already piloting.

In line with our market-oriented approach and the reduced speed of industrial feedstock transformation, we have adjusted our investments to an expected €1.2 billion from 2026 to 2029. We continue to assume that most of the major capital expenditure for our green transformation will be incurred after 2030.

BASF's integrated Verbund system has fundamental advantages for our transformation approach, in particular the energy and resource efficiency provided by the Verbund and the numerous entry points that offer feedstock flexibility. We can be flexible and scalable in how we employ renewable and recycled feedstocks in existing plants. We therefore expect that BASF will benefit from the change and growth momentum in connection with the green transformation. This also applies to our largest site, Ludwigshafen, and its integrated Verbund.

In the medium to long term, our aim is to successfully develop Ludwigshafen into a leading, sustainable chemical site for Europe with an improved competitive position. To this end, we have initiated, among other things, a cost savings program with a focus on the Ludwigshafen site. From the end of 2026, we aim to save more than €2.3 billion worldwide compared to the base year 2022 with all ongoing programs and measures. This is €200 million more than originally targeted.

In Ludwigshafen, we have conducted a thorough analysis of our production asset structure based on current and future market and customer demand: Selected plants and production lines no longer deliver sufficient earnings or are at risk of losing their competitiveness. Against this background, we decided to close individual plants and discontinue business operations in 2025. However, the majority of the assets in the Ludwigshafen Verbund remain competitive. In addition, we are investing in new plants in Ludwigshafen, for example for the production of high-purity chemicals for semiconductor manufacturing, in order to meet the growing demand for advanced semiconductor chips in Europe.

Win

The strategic lever Win is how we want to drive change in corporate culture throughout the entire company. This change is a decisive factor for us in successfully implementing our "Winning Ways" strategy. Our Winning Culture is based on three topics to make BASF an even more performance-oriented company: Accountability (Own it!), Speed (Drive it!) and Improvement Mindset (Excel in it!).

Within these three topics, the Board of Executive Directors has developed nine actionable Winning Behaviors: They define the behavior that BASF expects from all employees, including the Board of Executive Directors, and show in a concrete way how each and every individual can contribute to successful change.

Accountability:

- We give and take ownership over narrow supervision.
- We strive for results, not staying in the comfort zone.
- We take action on low performance, not dragging it along.

Speed:

- We prioritize speed over perfection.
- We spread motivation and inspiration, not skepticism.
- We focus, not do a bit of everything.

Improvement Mindset:

- We fight for the best solution over compromises.
- We give candid and constructive feedback, not empty phrases.
- We learn from external perspectives, not just from internal views.

Our CORE corporate values (creative, open, responsible, entrepreneurial) will remain the guide for our behavior.

We want to deepen our employees' understanding of the Winning Behaviors and inspire them to actively live them out. Employees regularly have the opportunity to provide feedback on the progress of change in corporate culture in global surveys.

Further developing our corporate culture goes hand in hand with our enhanced performance management system with a closer link between incentives and unit-specific achievements. As planned, we introduced this differentiated bonus system for the majority of employees worldwide over the course of 2025.

Steering Concept

The goal of our "Winning Ways" strategy is to strengthen the autonomy of the operating divisions and their responsibility for their own business success, as well as increase the competitiveness of the business units. To this end, we use a steering concept that includes both financial and sustainability-related indicators.

Steering concept of the BASF Group

We use three most important key performance indicators to steer the BASF Group: income from operations before depreciation, amortization and special items (EBITDA before special items), free cash flow as well as Scope 1 and Scope 2 CO_2 emissions.

EBITDA before special items is used to steer our profitability. It describes the operational performance of our businesses independent of age-related depreciation and amortization of assets and is particularly suitable for comparisons with businesses in similar sectors.

We use free cash flow to steer cash generation. The indicator shows the extent to which cash surpluses are available for the payment of dividends, the reduction of debt or for acquisitions.

We regard sustainability as a decisive factor for our long-term business success. This view is also reflected in our steering concept with Scope 1 and Scope 2 CO_2 emissions as the most important sustainability-related key performance indicator at Group level.

In addition, our return on capital is an important part of the steering concept. Return on capital employed (ROCE) depends significantly on strategic decisions such as acquisitions, divestitures and investments, making it a suitable medium-term target for the BASF Group. This is reflected in the ROCE target that we have set ourselves for 2028.

The key figures for steering the business units are based on the most important financial key performance indicators of the BASF Group. For example, the profitability of the segments is measured by their absolute contribution to EBITDA before special items.

To manage cash flow at segment level, we use a specific key figure, segment cash flow, which includes the elements of free cash flow that can be managed by the operating divisions.

Value-based management throughout the company

A performance-related variable compensation system based on financial and nonfinancial targets is an important part of our value-based management. The performance management system has been adapted in line with the increased autonomy of the business units. Since 2024, variable compensation for senior executives has been based on targets derived from the key performance indicators for the steering of the respective business unit or the BASF Group. As planned, we introduced this differentiated bonus system for the majority of employees worldwide over the course of 2025. As part of this enhanced performance management system, BASF takes into account not only the ROCE of the BASF Group, but also other financial and nonfinancial key performance indicators of the operating division in which the employee works. For employees who do not work in an operating division, the targets of the BASF Group and the nonfinancial targets of the respective unit apply. This means that variable compensation is linked to our ROCE target and the performance of the relevant BASF unit. This is a further step toward differentiated steering with a high degree of accountability on the part of the business units.

Key figures in reporting

In line with the steering concept, in financial reporting we analyze, comment on and forecast the most important key performance indicators EBITDA before special items and free cash flow for the BASF Group, and EBITDA before special items and segment cash flow for the segments. We also forecast cash flows from operating activities and payments made for property, plant and equipment and intangible assets as key elements of free cash flow.

ROCE is managed as a medium-term target on the basis of factors that include capital expenditure in property, plant and equipment. These comprise additions to property, plant and equipment excluding additions from acquisitions, IT investments and restoration obligations as well as right-of-use assets arising from leases. Capital expenditure is therefore a key element of ROCE and is also forecast.

Calculation of EBITDA before special items

EBITDA is the result from income from operations reported in the Consolidated Financial Statements plus depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets. This is adjusted for special items that may arise from the integration of acquired businesses, from restructuring measures, from gains or losses resulting from divestitures and sales of shareholdings as well as from other expenses and income that may arise outside of ordinary business activities.

Calculation of free cash flow and segment cash flow

Segment cash flow measures the cash inflow and outflow of a segment and thus its contribution to the BASF Group's free cash flow. It includes only those amounts that can be steered by the segment and is calculated from EBITDA, changes in inventories and trade accounts receivable, and other extraordinary adjustments (such as those related to divestitures), less payments made for intangible assets and property, plant and equipment. The BASF Group's free cash flow also includes components of cash flows from operating activities that are not allocated to the segments as well as adjustments of other noncash effects.

Free cash flow is the cash flows from operating activities less payments made for intangible assets and property, plant and equipment.

Reconciliation of segment cash flow to free cash flow

EBITDA of the segments
+ Changes in inventories
+ Changes in trade accounts receivable
+ Gains (-) / losses (+) from the disposal of noncurrent assets and divestitures
– Payments made for property, plant and equipment and intangible assets
= Segment cash flow
+ Net income from shareholdings
+ Financial result
+ Income taxes
+ Segment cash flow, net income from shareholdings, financial result and income taxes from discontinued operations
– Income after taxes attributable to noncontrolling interests
+ Changes in items included in the segment cash flow that are recognized under Other
+ Remaining items recognized in cash flows from operating activities[1]
= Free cash flow

[1] These include changes in trade accounts payable, provisions, other operating assets, other operating liabilities and pension provisions as well as equity-accounted income, dividends received from equity-accounted investments and other noncash items.

Calculation of CO_2 emissions

We calculate the BASF Group's absolute CO_2 emissions on the basis of greenhouse gas emissions, which are the sum of direct emissions from production processes and the generation of steam and electricity (Scope 1), as well as indirect emissions from the purchase of energy (Scope 2). For this target key figure, direct emissions from the generation of energy for third parties are not considered. Relevant emissions include other greenhouse gases according to the Greenhouse Gas Protocol, which are converted into CO_2 equivalents.

For more information on our CO_2 emissions and climate protection targets, see page 21 onward

Calculation of ROCE and cost of capital

ROCE is calculated as the EBIT of the segments as a percentage of the average cost of capital basis.

To calculate the EBIT of the segments, we take the BASF Group's EBIT and deduct the EBIT of activities recognized under Other, which are not allocated to the segments.

The cost of capital basis is calculated using the month-end figures and consists of the operating assets of the segments. They include property, plant and equipment as well as intangible fixed assets, integral investments accounted for using the equity method, inventories, trade accounts receivable, other receivables and miscellaneous assets as well as, if applicable, the assets of disposal groups, insofar as they are allocated to the segments. The cost of capital basis also includes customer and supplier financing.

We have integrated the cost of capital percentage into our ROCE target as a comparative figure. This is determined using the weighted cost of capital from equity and borrowing costs (weighted average cost of capital). To calculate a pretax figure similar to EBIT, the cost of capital is adjusted using the expected tax rate for the BASF Group for the business year. In addition, the projected net expense of Other is already provided for by an adjustment to the cost of capital percentage. The cost of equity is ascertained using the capital asset pricing model. Borrowing costs are determined based on the financing costs of the BASF Group. The cost of capital percentage for 2026 is 10% (2025: 10%).

Targets and Target Achievement 2025

For us, long-term business success means creating economic, ecological and social value, which is why we pursue measurable targets along the entire value chain. We report transparently on our progress in achieving these targets so that stakeholders can understand and evaluate our development.

Our objective is profitable growth – we have set ambitious targets for our EBITDA before special items, our cumulative free cash flow and our targeted return on capital employed (ROCE) by 2028. We continue to adhere to our shareholder distribution policy: We aim to keep the overall distribution to shareholders at least at prior-year levels through a combination of dividends and share buybacks.

Profitable growth[1]

EBITDA before special items	Status 2025	Target 2028
In the 2028 business year, we want EBITDA before special items to reach a value between €9 billion and €11 billion in moderate to good economic conditions.[1]	**€6.6 billion** 2024: €7.2 billion[1]	**€9.0 billion–€11.0 billion[1]**

Free cash flow	Status 2025	Target 2025-2028
Cumulative free cash flow is expected to be around €11 billion between 2025 and 2028.[1]	**€1.3 billion** 2024: €0.7 billion	**~€11.0 billion[1]**

Return on capital employed (ROCE)	Status 2025	Target 2028
For the 2028 business year, we aim to achieve a return on capital employed (ROCE) of around 10%.	**5.8%** 2024: 5.1%[1]	**~10%**

Dividend per share	Status 2025	Target 2025-2028
We strive for a dividend per share of at least €2.25 annually.	**€2.25** 2024: €2.25	**≥€2.25**

Distribution to shareholders	Status 2025	Target 2025-2028
Between 2025 and 2028, we want to distribute a total of at least €12 billion to shareholders through dividends and share buybacks.	**€2.4 billion[2]**	**≥€12 billion**

1 The target figure (previously €10 billion to €12 billion) and the prior-year figure for EBITDA before special items (previously €7.9 billion), the prior-year figure for ROCE (5.1%) and the target figure for free cash flow (previously >€12 billion) have been technically adjusted as a result of the planned divestiture of the automotive OEM coatings, automotive refinish coatings and surface treatment business units.
2 In 2025, around €2 billion in dividends for the 2024 business year was paid out to the shareholders of BASF SE and shares were repurchased for €355 million.

We have also set ourselves comprehensive targets in the area of sustainability. For instance, regarding climate protection: We want to significantly reduce greenhouse gas emissions from our production processes (Scope 1) and our energy purchases (Scope 2) by 2030. At the same time, we are pursuing an ambitious target to reduce our specific raw materials-related emissions (Scope 3.1). Our long-term target is to achieve net zero for our Scope 1, Scope 2 and Scope 3.1 emissions by 2050.

In addition, we want to advance sustainability in the supply chain in a targeted manner and are therefore focusing on improving the sustainability performance of suppliers with an increased risk.

With our "Winning Ways" strategy, we are continuing our efforts to steer our product portfolio even more toward sustainability. For this reason, we aim to further increase our sales of Sustainable-Future Solutions, defined as products that make a positive contribution to sustainability, by 2030. We are also aiming to increase sales of Loop Solutions – products that close or extend loops and thus support the transition to a more circular economy.

Effective climate protection

CO_2 emissions (Scope 1 and 2)	Status 2025	Target 2030
We want to reduce our absolute CO_2 emissions (Scope 1 and 2) by 25% by 2030 compared with 2018.[1]	**16.1 million metric tons CO_2e** 2024: 17.0 million metric tons	**16.4 million metric tons CO_2e** 2018: 21.9 million metric tons

CO_2 emissions (Scope 3.1)	Status 2025	Target 2030
We want to reduce our specific Scope 3.1 emissions by 15% by 2030 compared with 2022.[2]	**1.62 kg CO_2/kg raw material** 2024: 1.58 kg	**1.39 kg CO_2/kg raw material** 2022: 1.64 kg

Responsible procurement

Sustainability performance	Status 2025	Target 2030
We are striving toward ensuring that annually, 80% of suppliers who underwent a sustainability evaluation during the reporting period, and who had inadequate results in a prior comparable evaluation, improve their sustainability performance.	**77%** 2024: 76%	**80%**

More sustainable products

Sustainable-Future Solutions	Status 2025	Target 2030
By 2030, we want to achieve more than 50% of BASF sales relevant for TripleS[3] from products that make a positive contribution to sustainability.	**48.5%** 2024: 46.3%	**>50%**

Loop Solutions	Status 2025	Target 2030
By 2030, we aim to generate sales of €10 billion from products that contribute to the transition to a circular economy.	**€5.8 billion** 2024: €5.7 billion	**€10 billion**

1 Scope 1 and Scope 2 (excluding the sale of energy to third parties). The emissions account for 96% of total Scope 1 and Scope 2 emissions in relation to the 2018 base year. The target includes greenhouse gases according to the Greenhouse Gas Protocol, which are converted into CO_2 equivalents (CO_2e). Scope 2 emissions are calculated using the market-based approach in accordance with the Greenhouse Gas Protocol. The target is aligned with limiting global warming to a global average of 1.5°C, and is thus science-based. It has not been externally audited.

2 Scope 3.1, raw materials excluding battery materials, excluding services and technical goods, excluding greenhouse gas emissions from BASF trading business. Future adjustment of the baseline in line with the Together for Sustainability guideline (TfS) possible depending on the availability of further primary data. The base year is 2022. In 2025, we adjusted the calculation of Scope 3 emissions in category 3.1 due to increased availability of primary and secondary data.

3 The definition of the relevant portfolio and further information can be found in our TripleS manual at basf.com/en/sustainable-solution-steering

The health and safety of our employees and the protection of the environment are our highest priority. In the area of occupational and process safety, we focus on high severity injuries and incidents.

We also advocate for the protection of water as a resource, the continuous improvement of water use efficiency and the reduction of emissions. We focus on our Verbund sites as well as on production sites in water stress areas.

Furthermore, we strive to increase the number of women in leadership positions worldwide and to create a working environment in which our employees can thrive and perform at their best.

Resource-efficient and safe production

High Severity Process Safety Incidents	Status 2025	Target 2030
We have set ourselves a target of no more than 0.10 High Severity Process Safety Incidents (hsPSI) per 200,000 working hours worldwide by 2030.[1]	**0.04 hsPSI** 2024: 0.03 hsPSI	**0.10 hsPSI**

High Severity Work Process Related Injuries	Status 2025	Target 2030
We have set ourselves a target of no more than 0.05 High Severity Work Process Related Injuries (HSI) per 200,000 working hours worldwide by 2030.[1]	**0.01 HSI** 2024: 0.02 HSI	**0.05 HSI**

Sustainable water management	Status 2025	Target 2030
We aim to introduce sustainable water management at our production sites in water stress areas[2] and at our Verbund sites by 2030.	**73%** 2024: 65%	**100%**

Employee engagement and women in leadership positions

Employee engagement	Status 2025	Target
We would like to create a work environment in which more than 80% of our employees feel that they can thrive and perform at their best at BASF.	**77%** 2024: 79%	**>80%**

Women in leadership positions	Status 2025	Target 2030
We strive to increase the proportion of women in leadership positions with disciplinary responsibility to 30% worldwide by 2030.[3]	**29.9%** 2024: 29.3%	**30%**

1 Includes BASF employees, agency workers and contractors
2 We define water stress areas as regions in which more than 40% of the available water is used by industry, households and agriculture. Our definition is based on the Water Risk Atlas (Aqueduct 4.0) published by the World Resources Institute. For more information, see wri.org/aqueduct. Our water target also continues to take into account the sites that we identified as water stress sites in accordance with Pfister et al. (2009) prior to 2019, as well as water stress sites according to Aqueduct 3.0.
3 We strive to always act in accordance with the applicable local laws.

Innovation

Innovations based on chemistry play a pivotal role in overcoming the greatest challenges of our time. Our activities are aimed at improving and developing new products and processes, further increasing our competitiveness and enabling our customers' green transformation.

Innovations are one of the essential factors in BASF's success. The knowledge and skills of our highly qualified employees are our most valuable resources and the source of our innovative strength. In 2025, approximately 9,000 employees (2024: approximately 10,000) worldwide were working in research and development (R&D).[1]

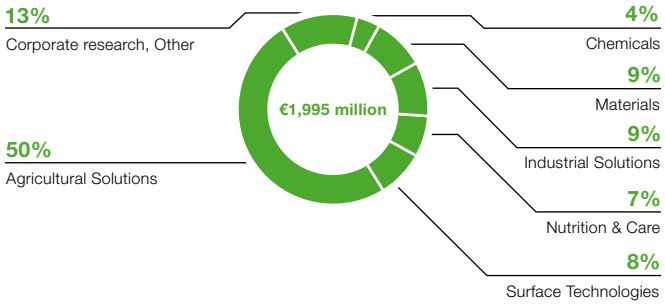
In 2025, we generated sales of around €11 billion (2024: around €11 billion) with products launched on the market in the past five years that stemmed from research and development activities.[2] In the long term, we aim to further increase sales and earnings with new and improved products and processes.

Our research and development expenses amounted to €1,995 million in 2025 (2024: €1,969 million). R&D activities in our operating divisions, which are mainly application- and customer-related, accounted for 87% of this figure (2024: 86%). Cross-divisional and strategic topics were responsible for 13% (2024: 14%) of these expenses.[2]

Our innovation focus encompasses the development of new products and solutions as well as product and process improvements that ensure our long-term competitiveness and enable our customers' green transformation. Another focus is on innovation for more sustainable agriculture.

By using resources more efficiently, manufacturing our products in a more environmentally friendly way and helping to recycle them, we support our customers in reducing their carbon footprint. At the same time, we contribute to decoupling growth from the consumption of limited resources. In the area of electromobility, we develop materials for batteries and electric powertrains in close cooperation with vehicle manufacturers to enable safer and more efficient driving. We are also pursuing innovative technologies in catalyst manufacturing that enable customized, particularly high-performance catalysts to be produced. To help farmers control resistant weeds, we are investing in the development of herbicide-tolerant cotton traits. In addition, we are working on novel production processes that significantly improve the manufacturing of detergent enzymes. We are researching circular solutions for textiles, biodegradable polymers for home and personal care applications, as well as biodegradable UV absorbers for sunscreens, thus supporting our customers in achieving their sustainability goals. At the same time, we are working on new process innovations such as methane pyrolysis, a virtually emission-free process for producing hydrogen.

Research and development expenses by segment 2025[1]



1 Excluding the discontinued coatings business

Our research and development units explicitly address the industry-specific needs of our customers. Customer-focused activities are directly integrated into the operating divisions. Research activities that are relevant to several operating divisions are bundled in the cross-functional global division Group Research, which supports the R&D activities of the operating divisions.

Corporate funding is used to finance Group Research projects that are of strategic relevance to the BASF Group and go beyond the industry-specific focus of the individual operating divisions. These include process innovations for our green transformation, the circular economy of our products, as well as digital tools. The unit is globally positioned with research centers in Asia Pacific, Europe and North America.

The number and quality of our patents demonstrate our innovative power and our long-term competitiveness. In 2025, we filed 898 new patents worldwide (2024: 1,159). Of these, 45% (2024: 44.5%) were for innovations with a particular focus on sustainability. The Patent Asset Index, a method that compares patent portfolios, once again ranked us among the leading companies in the chemical industry in 2025.[2]

Global presence

Our global research and development presence – and its effectiveness – is vital to our long-term success. This enables us to respond to the needs and requirements of the regional markets in a differentiated way, establish strong customer relationships and leverage potential in growth markets. The largest site in our Research and Development Verbund is Ludwigshafen in Germany.

Our global network of top universities, research institutes and companies gives us direct access to external scientific expertise, talented minds from various disciplines as well as new technologies. This strengthens our Research and Development Verbund and makes BASF an even more attractive partner and employer. In 2025, we collaborated with multiple companies as well as with 269 (2024: 260) universities and research institutes.[2]

1 Number of employees including employees of the discontinued coatings business
2 The discontinued coatings business is not included in the 2025 figures and is included in the 2024 figures.

Sustainability

We bring our corporate purpose – We create chemistry for a sustainable future – to life by integrating sustainability into our strategy, our business, and our assessment, steering and compensation systems. We want to secure our long-term success with products, solutions and technologies that create value added for customers, the environment and society.

Our sustainability strategy

Our ambition is to be the preferred chemical company for enabling our customers' green transformation. To support this ambition, we supply our customers with products that contribute positively to sustainability, for example through their reduced carbon footprint.

Our reported sustainability targets apply worldwide and refer to the BASF Group as a whole (for additional information, see page 16 onward). Our strategic approach covers the entire value chain, from the responsible sourcing of our raw materials to safety and resource efficiency in production all the way to more sustainable solutions for our customers.

Our Verbund concept is based on the integrated linking and steering of our plants. The Verbund creates more efficient value chains – ranging from basic chemicals to high value-added products – while enabling a more resource-efficient, carbon-optimized and reliably controllable production process. By-products from one facility are used as raw material elsewhere, for example. This saves raw materials and energy, avoids emissions, lowers logistics costs and leverages synergies. At the same time, the Verbund offers many opportunities to use renewable and recycled raw materials. Going forward, we want to better leverage this potential.

Our organizational and management structures

Sustainability topics are discussed regularly and managed collectively by the Board of Executive Directors. When making its decisions, the Board of Executive Directors continuously considers the results and recommendations from sustainability evaluations of business processes. It makes decisions with strategic relevance for the Group and monitors the implementation of strategic plans and their target achievement. The Supervisory Board is regularly briefed by the Board of Executive Directors on the development of individual sustainability topics, on sustainability targets and the status of target achievement.

In order to achieve the sustainability targets and implement the measures contributing to them, appropriate organizational structures have been put in place: Together with specialists from operating divisions and service units, the various Corporate Center units are responsible for integrating the sustainability targets into decision-making processes as well as for corresponding management and reporting.

Sustainable steering of our product portfolio

The development of our product portfolio is a critical lever in assisting our customers with their green transformation. We rely on our TripleS method (Sustainable Solution Steering), which we use to categorize our product portfolio into five segments on the basis of sustainability-related aspects: Pioneer, Contributor, Standard, Monitored and Challenged (see graphic). We have integrated TripleS into the assessment of our R&D processes so as to incorporate the requirements formulated by the European Commission in its Safe and Sustainable by Design framework, among other things.

Share of sales generated by each TripleS segment in the 2025 business year

TripleS segment	Product performance	Sales (billion €) 2025 2024
Pioneer	Adequate profitability and positive contribution to sustainability above market standard	11.9 / 13.2 Percentage share in sales 24.9% (2024: 24.2%)
Contributor	Adequate profitability with contribution to sustainability in line with the market standard with respect to climate change and energy, resource efficiency or circular economy	11.3 / 12.1 Percentage share in sales 23.6% (2024: 22.1%)
Standard	In line with the market standard with no dedicated contribution to climate change and energy, resource efficiency or circular economy	21.2 / 23.7 Percentage share in sales 44.4% (2024: 43.5%)
Monitored	Impacted by specific regulatory or customer-specific challenges arising in the medium term (2–5 years) or posing a regional reputational risk	2.5 / 3.9 Percentage share in sales 5.3% (2024: 7.1%)
Challenged	Impacted by substantial regulatory or customer-specific challenges arising in the short term (≤2 years), containing substances of very high concern (SVHC) when used in the end consumer market, in violation of the BASF Code of Conduct or posing a global reputational risk	0.5 / 0.7 Percentage share in sales 1.1% (2024: 1.3%)

Taken together, the Pioneer and Contributor products make up our Sustainable-Future Solutions. Products allocated to these segments make a positive sustainability contribution in the value chain. By 2030, more than 50% of BASF's sales in the scope of TripleS are to be attributable to Sustainable-Future Solutions (2025: 48.5%). In 2024, we also introduced a new target for circular economy solutions, known as Loop Solutions. By 2030, we want to achieve €10 billion in sales with these solutions (2025: €5.8 billion).

If our portfolio assessment identifies products with sustainability concerns, we classify them either as Monitored, or in case of significant concerns, as Challenged. In the case of Challenged products, we develop action plans. These include research projects and reformulations to optimize products or replace them with alternatives. We are generally phasing out all Challenged products within five years of their initial classification.

For more information on TripleS, see basf.com/en/sustainable-solution-steering

Our stakeholder management

The acceptance and support of our stakeholders is crucial for our business success. BASF is therefore engaged in continuous dialog with employees, shareholders, suppliers, customers, members of civil society, nongovernmental organizations and international organizations. We can be contacted directly through our grievance mechanism, are involved in networks and initiatives, receive critical feedback in our advisory councils and in the dialog with civil society, and contribute to the communities at our sites.

We have been a member of the U.N. Global Compact since its establishment in 2000. BASF consistently supports the Ten Principles of the U.N. Global Compact for responsible business conduct and the Sustainable Development Goals. We are active around the world in local Global Compact networks, in some cases in a leadership role. BASF is also a member of the World Business Council for Sustainable Development (WBCSD) and the econsense Forum for Sustainable Development of German Business.

Representatives of BASF discuss key issues with independent, international experts in the confidential setting of our own advisory councils. The trustful exchange within the Human Rights Advisory Council (see page 24) helps us to appropriately fulfill our roles and responsibilities, particularly in challenging human rights situations. The Nature Advisory Council (see page 23) provides BASF with an independent perspective on our activities and dependencies in relation to nature and biodiversity topics and ecosystem services.

We bear a particular responsibility toward the neighbors of our sites. We promote continuous dialog between residents and our site management and strengthen trust in our activities with community advisory panels. Our globally valid guidelines for community advisory panels are based on the grievance mechanism standards in the U.N. Guiding Principles on Business and Human Rights. Our political advocacy is conducted in accordance with transparent guidelines and our publicly stated positions. The same applies to our activities in associations.

For more information on our stakeholder activities, see basf.com/stakeholder-engagement
For more information on our guidelines for responsible lobbying, see basf.com/responsible-lobbying
For more information on the Climate Advocacy Review, see basf.com/corporategovernance

Double materiality assessment

We once again carried out a double materiality assessment in accordance with European Sustainability Reporting Standards (ESRS) requirements in 2025. This built on the double materiality assessment from 2024. The materiality assessment identifies the sustainability matters that are material for our company based on potential and actual material impacts, risks and opportunities. We plan to update this assessment on an annual basis.

For more information on our double materiality assessment, see BASF Report 2025, p. 163 onward

Climate change

As an energy-intensive company, we take responsibility for the efficient use of energy, for global climate protection, and are committed to the Paris Agreement. We are determined to follow the path toward climate neutrality and to enable our customers' green transformation by providing low-emission chemistry.

Climate change poses challenges for us but also offers opportunities for our business activities. For example, our products and solutions contribute to reducing greenhouse gas emissions in many areas.

To achieve our climate protection targets, we have developed a transition plan that shows our emissions reduction path based on the most important levers. We are focusing on the following emission reduction levers to reduce our greenhouse gas emissions from our own production and energy purchases (Scope 1 and 2):

- **Renewable energy:** We are increasingly meeting our electricity needs from renewable sources.
- **Operational excellence:** Our operational excellence activities are continually improving the energy and process efficiency of our plants.
- **Low-emission steam generation:** In the future, we will increasingly rely on electrification for steam generation and hence also tap previously unused waste heat potential.
- **Climate-smart technologies:** We are developing completely new emission-free and low-emission processes, and are assessing and piloting new technologies for a more sustainable chemistry.

Despite all our efforts, we expect there to be a residual share of emissions in 2050 that cannot be abated using technical or economic approaches. We are aiming to neutralize all remaining emissions through measures elsewhere that are characterized by high quality and credibility.

For more information on climate protection, see basf.com/climate_protection

Global targets

Based on the 2018 base year, we want to achieve a 25% reduction in greenhouse gas emissions from our production processes (Scope 1) and our energy purchases (Scope 2) by 2030[1] – despite our growth plans and the construction of a new Verbund site in southern China. This corresponds to a decrease of around 60% compared with 1990. Our long-term target is to achieve net-zero greenhouse gas emissions by 2050.[1]

In 2025, the BASF Group's Scope 1 and 2 emissions amounted to 16.1 million metric tons of CO_2 equivalents (2024: 17.0 million metric tons). We further increased the share of electricity from renewable sources to 36% and, together with measures to increase energy and process efficiency, made a relevant contribution to reducing emissions. All in all, we have reduced our greenhouse gas emissions in BASF's operations by 60% since 1990. In 2026, we expect significant additional emissions from our recently commissioned Verbund site in Zhanjiang, China. These have already been taken into account when setting targets.

We set ourselves an ambitious Scope 3.1 target[2] for our specific raw materials-related emissions in 2023. This includes about 92% of our Scope 3.1 emissions based on the base year. By 2030, we want to reduce these in relation to the purchasing volume specifically by 15% from the 2022 base year. In 2025, specific Scope 3.1 emissions amounted to 1.62 kilograms of CO_2 per kilogram of raw material purchased (2024: 1.58).[2] The increase in specific emissions was mainly attributable to a change in the raw materials portfolio. This was countered by initial purchases from suppliers who offer raw materials with a lower PCF.

Renewable energy

Roughly half of our Scope 1 and Scope 2 emissions are attributable to our plants' energy demand. A core component is therefore converting our energy supply from fossil to renewable sources; this applies especially with regard to our electricity supply. In 2025, electricity from renewable sources as a share of total electricity consumption rose further compared with the previous year to 36% (2024: 26%). Our electricity consumption will increase significantly in future due to the planned gradual electrification of our steam generation and the switch from natural gas-based to electricity-based, low-emission production processes.

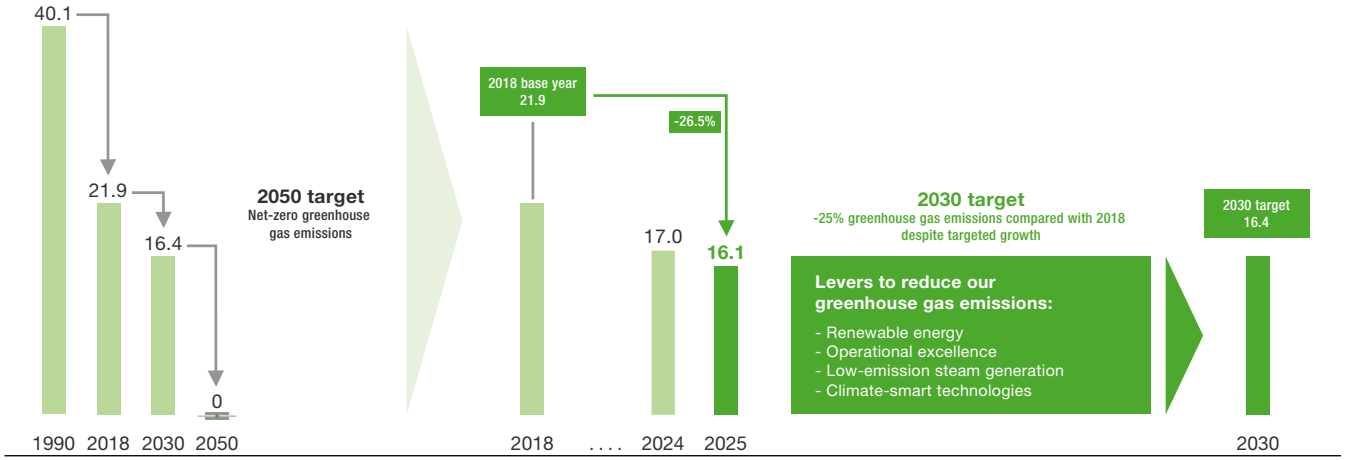
As regards the transformation of our power supply, we are pursuing a make-and-buy approach in the short, medium and long term. On the one hand, BASF is investing in its own renewable power assets. On the other hand, we are focusing on purchasing green power through long-term supply agreements with plant operators, green electricity purchase agreements or renewable energy certificates, depending on the region and market regulations.

In 2025, we further advanced the supply of electricity from renewable sources. Our new Verbund site in Zhanjiang in southern China, where we started manufacturing the first products from the Verbund in November 2025, is powered entirely with electricity from renewable sources. A joint venture was established for this purpose with the Mingyang Wind Power Group Limited, which includes the development, construction and operation of an offshore wind farm in Zhanjiang. The wind farm is under construction and has a planned capacity of 500 megawatts. The grid connection project has been successfully completed and the wind farm is scheduled to start operation in 2026.

The Hollandse Kust Zuid offshore wind farm, a joint project with Vattenfall and Allianz, has been operational since the summer of 2024. With 139 turbines and a capacity of 1.5 gigawatts, it is one of the largest subsidy-free offshore wind farms in the world. We use the electricity generated to supply our production sites in Europe, particularly Ludwigshafen, Germany, and Antwerp, Belgium.

Greenhouse gas emissions of the BASF Group (Scope 1 and 2)[1]

Million metric tons of CO_2 equivalents



1 Scope 1 and Scope 2 (excluding the sale of energy to third parties). The target includes greenhouse gases according to the Greenhouse Gas Protocol, which are converted into CO_2 equivalents (CO_2e).
2 Scope 3.1, raw materials excluding battery materials, excluding services, technical goods and greenhouse gas emissions from BASF trading businesses.

Climate-smart technologies

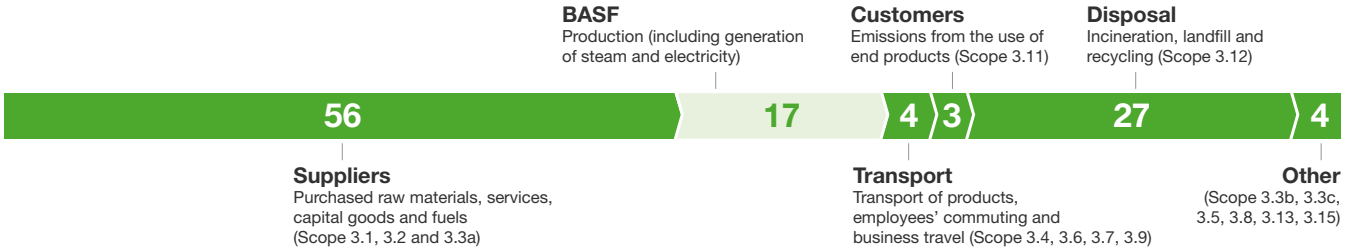
To further abate CO_2 emissions, we are also developing completely new technologies for emission-free and low-emission production and are planning to scale them as far as possible from 2030 onward. The main focus here is on basic chemicals, which are often still emission-intensive to produce. This is the case with steam crackers, for example, which use high temperatures to break down naphtha into olefins and aromatics. The high temperatures have until now been achieved by burning natural gas. A heating concept using electricity from renewable sources could reduce process-related emissions by at least 90% in the future compared to today's conventional technologies. Together with our partners SABIC and Linde, we are testing this new process on an industrial scale, as well as the associated direct and indirect heating concepts, in a demonstration plant for electrically heated steam cracker furnaces at our site in Ludwigshafen, Germany.[1]

In March 2025, we started operation of a proton exchange membrane (PEM) water electrolyzer[2] with a capacity of 54 megawatts at the Ludwigshafen site in Germany. Powered by electricity from renewable energy sources, the electrolyzer produces up to 8,000 metric tons of emission-free hydrogen and thus reduces greenhouse gas emissions at the site by up to 72,000 metric tons per year. BASF will primarily use the hydrogen produced as a raw material for the manufacture of products with a reduced PCF.

We are also testing an alternative production process for hydrogen – methane pyrolysis – in Ludwigshafen, Germany. This process is virtually emission-free if renewable energy is used and requires considerably less electricity than water electrolysis. In November 2025, we agreed on a collaboration with ExxonMobil to jointly advance methane pyrolysis technology to commercial readiness and are planning to construct and operate a joint demonstration plant in Baytown, Texas, to help validate the technology at scale.

CO_2 emissions along the BASF value chain in 2025[3]

Million metric tons of CO_2 equivalents



Another focus area of our technological development is carbon capture and storage (CCS). This technology is expected to be one of the most economically attractive ways to reduce hard-to-abate emissions in the medium and long term. For this reason, we are examining the implementation of CCS at various locations worldwide.

Corporate carbon footprint

BASF has published a comprehensive corporate carbon footprint every year since 2008. This reports on all emissions along the value chain – from raw materials to production and disposal (see graphic).

For more information on our emissions reporting, see basf.com/corporate_carbon_footprint

Product carbon footprints

We use a digital solution that continuously determines the product carbon footprints (PCFs) of our products to increase transparency about our product-specific greenhouse gas emissions and focus CO_2 reduction measures on those areas where they bring the greatest added value. These PCFs include all greenhouse gas emissions – from raw materials extraction to the finished product leaving the factory gates (cradle-to-gate). In 2025, we further expanded our portfolio of products with a certified reduced carbon footprint.

We make our automated PCF calculation approach available to interested industry players through partnerships. We are involved in various initiatives to drive transparency, harmonization and standardization across the industry. This also takes place as part of Together for Sustainability (TfS), where we have been involved in the creation and revision of a uniform guideline for calculating the carbon footprint of products in the chemical industry. This enables the climate impacts of products to be directly compared and evaluated based on a standardized approach. A digital solution developed by TfS and Siemens for sharing PCF data between companies was launched in October 2024. We have fully migrated our queries to this solution since mid-2025.

For more information on product carbon footprints, see basf.com/en/pcf

We launched the Supplier CO_2 Management Program in 2021 to achieve transparency with respect to our raw materials-related emissions. The goal is to obtain a more accurate data base and to better manage and reduce emissions in the supply chain. In a first

1 The project has been granted €14.8 million from Germany's Federal Ministry for Economic Affairs and Energy (BMWE) under the Decarbonization in Industry funding program. It is also being financed by the European Union via the NextGenerationEU fund.
2 The project is funded by Germany's Federal Ministry for Economic Affairs and Energy (BMWE) and the Federal State of Rhineland-Palatinate.
3 According to the Greenhouse Gas Protocol Standard; Scope 1, 2 and 3; reported categories within Scope 3 are shown in parentheses. Scope 3 emissions in category 10 (Processing of sold products) are not reported according to the standard for the chemical sector. Only direct use phase emissions are reported in the customer category (Scope 3.11). Downstream leased assets category emissions (Scope 3.13) are already included in Scope 1 and Scope 2 emissions. For this reason, in order to avoid double counting, no additional emissions are reported under this category. The Franchise category (Scope 3.14) is not relevant for BASF because the BASF Group does not operate as a franchisor. Excluding greenhouse gas emissions from BASF trading business.

step, we have since requested the PCFs of our raw materials and support our suppliers in determining these, for example, by sharing our knowledge of valuation and calculation methods with them. After approximately four years, we have more than 2,200 validated PCFs. This corresponds to a coverage of 40% in relation to the greenhouse gas emissions of our raw materials. We are working to further enhance the transparency of the PCFs for our raw materials and thus the quality of the PCFs of our products.

For more information on the Supplier CO_2 Management Program, see basf.com/suppliers

Safe and efficient production

We work continuously to reduce environmental impacts caused by our business activities. This includes reducing or preventing emissions to air and water, which we achieve first and foremost by operating our plants safely and efficiently. The health and safety of our employees and the protection of the environment are our highest priority.

We use the rate of High Severity Process Safety Incidents (hsPSI) per 200,000 working hours as a reporting indicator. We have set ourselves the target of no more than 0.10 hsPSI per 200,000 working hours by 2030[1] (status 2025: 0.04). For occupational safety, we have set ourselves the target of no more than 0.05 High Severity Work Process Related Injuries (HSI) per 200,000 working hours by 2030[1] (status 2025: 0.01).

For more information on process safety, see basf.com/process_safety

For more information on occupational safety, see basf.com/occupational_safety

Product safety

Before our products are launched on the market, they undergo various tests and assessments – depending on their application profile and legal requirements. By conducting these tests, we aim to identify potential hazard indicators, as well as health and environmental risks, at an early stage. Based on these findings, we devise suitable preventive and protective measures and develop recommendations on secure handling – from production and application through to disposal.

To ensure product safety, we have established global management systems in our downstream value chains: For example, we set global guidelines on the safe transportation of hazardous goods for our logistics service providers and, where necessary, advise our customers on product safety to ensure that our products, when used responsibly and for their intended purpose, do not present any risk to either people or the environment.

For more information on product safety, see BASF Report 2025, page 278

Water

Our aim is to introduce sustainable water management at our Verbund sites and at all production sites in water stress areas by 2030, covering around 90% of BASF's total water withdrawal. In 2025, we achieved 73% of our target (2024: 65%).[2] Sustainable water management was introduced at 11 additional sites in 2025 (2024: eight sites). In the 2025 CDP "Water" assessment, BASF again achieved Leadership status with a rating of A- based on the company's disclosures for the 2024 business year.

For more information on sustainable water management, see basf.com/water

Biodiversity

As a chemical company, we use valuable natural resources such as water, air and soil. At the same time, our business activities have an impact on these resources, for example through emissions to the environment or the sourcing of renewable raw materials.

Our business activities interface with nature, and therefore with biodiversity and ecosystems, in three key areas. These are the sourcing of raw materials, operation of production sites and the attributes of our products. In order to better categorize and understand the impact of BASF on nature at our production sites, in their immediate surroundings and along the value chain, we use the five drivers of biodiversity loss defined by the Intergovernmental Science Policy Platform on Biodiversity and Ecosystem Services (IPBES): land-use change, pollution, climate change, overexploitation and invasive species. We also followed this logic in our double materiality assessment.

We expect our suppliers to comply with internationally recognized environmental standards. Our expectations are laid down in our Supplier Code of Conduct, which is integrated into our purchasing conditions. The Code of Conduct covers among other topics our expectations with regard to environmental, labor and social standards as well as the protection of biodiversity. In 2024, we added principles for the responsible sourcing of renewable raw materials to our procurement requirement, with the aim of halting or reversing the loss of biodiversity.

In the area of crop protection, we are also committed to international standards including the International Code of Conduct on Pesticide Management and the Principles of Integrated Pest Management. We evaluate our products and solutions in crop protection and seeds throughout the entire research, development and registration process for potential risks and impacts to the ecosystems in which they are used.

For more information on product stewardship for crop protection products and seeds, see BASF Report 2025, page 226 onward

Since 2023, our Nature Advisory Council (NAC) has been a dedicated BASF advisory board for topics related to the protection of biodiversity and ecosystems. The NAC supports us in obtaining an independent societal perspective on our activities in relation to nature and biodiversity topics.

For more information on our Nature Advisory Council, see basf.com/en/nature-advisory-council

1 Includes BASF employees, agency workers and contractors
2 The number of sites relevant to the water target is reevaluated each year, so the current year corresponds to the reference year.

In the 2025 CDP "Forests" assessment, BASF again achieved Leadership status with a rating of A based on the company's disclosures for the 2024 business year.

For more information on the CDP forests questionnaire, see basf.com/en/cdp

Raw materials

Overall, we purchased 30.1 million metric tons of raw materials in 2025. We purchase renewable raw materials in accordance with our principles for sustainable sourcing. Our expectations of our suppliers are laid down in our Supplier Code of Conduct.

For more information on supplier management, see basf.com/suppliers

Fossil and petrochemical resources

Petrochemical feedstocks derived from gas and crude oil such as naphtha and benzene are among BASF's most important raw materials by volume. We continuously evaluate whether fossil and petrochemical raw materials can be replaced with renewable or recyclate-based alternatives.

Renewable resources

In 2025, we purchased 1.1 million metric tons of renewable raw materials, mainly based on vegetable oils, fats, grains and sugar. The mass balance approach allows us to allocate the amount of renewable raw materials used to a wide variety of end products.

Palm oil and palm kernel oil are among our most important renewable raw materials, which we use primarily for ingredients in cosmetics, detergents, cleaning products and food products. We have been a member of the Roundtable on Sustainable Palm Oil (RSPO) for more than 20 years. The Care Chemicals division publishes a Responsible Sourcing Report every year. Among other things, the publication documents actions and progress to promote sustainability and transparency in the palm value chain. Since 2023, it has also covered additional renewable raw materials. In relation to our impact in connection with the sourcing of renewable raw materials, we set ourselves the target in 2015 of purchasing 100% certified palm oil and palm kernel oil from 2020 onward. We regard this target as a key indicator of whether our measures in the upstream value chain are successful. With 79.2% in 2025, we were unable to meet this target due to insufficient availability of RSPO-certified palm kernel oil (2024: 98.1%).

For more information on responsible sourcing of renewable raw materials, see basf.com/responsible-sourcing

Recycled feedstocks

One focal point of our activities in the area of circular raw materials is the chemical recycling of plastics. Chemical recycling breaks down plastics into their building blocks or converts them into basic chemicals. As part of ChemCycling®, we feed pyrolysis oil into the BASF Verbund at our production sites in Asia Pacific, Europe and North America as a substitute for fossil feedstocks and manufacture Ccycled® products by applying the mass balance approach.

The Environmental Catalyst and Metal Solutions (ECMS) division has many years of experience and a high degree of specialization in the recycling of precious metals such as platinum, palladium and rhodium. Another focus is on the recycling of mineral raw materials. For example, our Battery Materials division is advancing innovative technologies and solutions for recovering metals such as lithium, nickel, cobalt and manganese from end-of-life lithium-ion batteries or production scrap. With the growing market for electric vehicles, the demand for recycling of lithium-ion batteries will increase. As a leading producer of battery materials with global production capacities, BASF has in-depth expertise in battery chemistry and process technology. We are utilizing these competencies to develop battery recycling as an additional growth market in cooperation with partners along the value chain. In June 2025, we started operation of a battery recycling plant for the production of black mass at the site in Schwarzheide, Germany.

For more information on circular economy, see BASF Report 2025, page 232 onward

Mineral raw materials

We have relationships with a large number of suppliers of mineral raw materials, which we use to manufacture products including automotive and process catalysts or battery materials for electromobility. We have implemented the EU's Conflict Minerals Regulation, for example by carrying out a compliance check for the import of conflict minerals in our ordering system. Furthermore, BASF is committed to responsible and sustainable global supply chains for other mineral raw materials. These include cobalt, a key component in the production of battery materials.

Responsibility for human rights

We have embedded our responsibility for human rights and thus also for ensuring safe working standards and preventing potential child and forced labor in BASF's Code of Conduct and Supplier Code of Conduct and have set it out in more detail in our Policy Statement on Human Rights. All employees and leaders bear responsibility for ensuring that we act in accordance with our Code of Conduct and Policy Statement on Human Rights. The head of our Legal and Compliance organization also acts as Chief Human Rights Officer and is responsible for monitoring overall risk management, including human rights risks under the German Supply Chain Due Diligence Act (LkSG).

The Human Rights Advisory Council (HRAC) provides a trust-based and constructive dialog to enable us to better meet our role and responsibility, particularly in situations that are challenging in terms of human rights. The HRAC helps us to better understand different perspectives on human rights (including the limits of corporate due diligence), address conflicting aims and take into account the rights of Indigenous peoples in our business activities.

For more information, see basf.com/humanrights

For more information on the Human Rights Advisory Council, see basf.com/human-rights-council

Investments and Portfolio Measures

Portfolio management is a key element of our strategy: Our goal is to empower the core businesses and to realize the value of the standalone businesses. In addition, investments remain a significant driver of our targeted profitable growth as well as our green transformation. In this context, we focus on high-growth markets. The establishment of the new Verbund site in Zhanjiang, China, is an important step in achieving these goals.

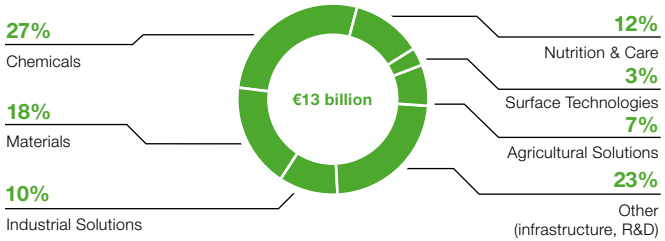
Continuous investments in our plants provide the basis for achieving the organic growth we strive for in our core businesses. We invest in ensuring the safety of our production facilities and securing our license to operate. In addition, we are driving the use of new technologies to enable our own green transformation and that of our customers. At the same time, we are taking measures to increase the efficiency of existing production processes and thereby to improve the profitability and competitiveness of our operations. For the period 2026 to 2029 we are planning capital expenditures[1] of around €13 billion. Having reached a record level of capital expenditures in 2024, mainly due to the establishment of the Verbund site in Zhanjiang, capital expenditures in 2025 were significantly below the prior-year figure at around €4 billion. For 2026, we anticipate a further decline to €3.3 billion; the investment volume is thus expected to be below the level of depreciation and amortization, as planned.

In the context of portfolio management, we want to further strengthen our core businesses through value-adding acquisitions. With regard to our standalone businesses, we are pursuing options to create the greatest value for BASF and its shareholders.

Investments in the segments

In 2025, investments in property, plant and equipment (including restoration obligations, IT investments and right-of-use assets arising from leases) amounted to €4,562 million (2024: €6,506 million). Capex accounted for €4,027 million of this amount (2024: €5,996 million). Our investments in 2025 focused on the Chemicals, Materials and Nutrition & Care segments.

Capex by segment 2026–2029



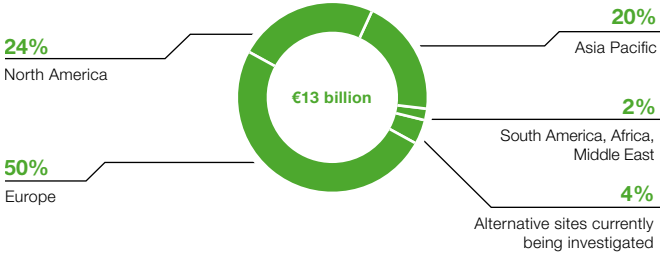
Investments in the regions

In 2025, we focused our investment projects on the expansion of our position in our three key regions: Asia Pacific, North America and Europe. The Asia Pacific region, especially China, is making a significant contribution to the growth of the global chemicals market with a market share of almost 70%. We expect that over 80% of growth in the chemical industry will be concentrated in this region by 2035. By establishing our new integrated Verbund site in Zhanjiang we aim to participate in this development and serve the increasing demand from various growth industries in this region. We manufactured the first products from the Verbund there in November 2025. Commissioning of the steam cracker commenced at the end of December 2025. We also continuously invest in the ongoing development of our other Asian sites.

The expansion of our production capacities in the isocyanates value chain in Geismar, Louisiana, BASF's largest own investment in North America, remains on schedule and is set for startup in 2026. This will increase BASF's production capacity for methylene diphenyl diisocyanate (MDI) in North America from 380,000 metric tons per year to around 600,000 metric tons per year.

We are also strengthening our sites in Europe. At the Verbund site in Ludwigshafen, for example, we have started construction of a new production plant for semiconductor-grade sulfuric acid as well as a new plant for electronic-grade ammonium hydroxide. After the planned startups of the plants in 2027, the new capacities are expected to meet the growing demand from the European semiconductor industry while strengthening the resilience of supply chains in this sector.

Capex by region 2026–2029



1 Additions to property, plant and equipment excluding acquisitions, restoration obligations, IT investments and right-of-use assets arising from leases

New Verbund site in Zhanjiang

In recent years, market growth in China has been driven by rising domestic consumption, higher standards of living as well as more local value creation. With a global market share of more than 50%, China is the largest chemical market and drives the growth of global chemical production. BASF wants to participate in this growth and has built an extensive network throughout the country:

- Shanghai is home to our Greater China headquarters, one of our two Innovation Campuses in the Asia Pacific region as well as our Caojing production site.
- Nanjing is the location of our joint venture Verbund site with Sinopec as well as a wholly owned site.
- In Chongqing, we operate a wholly owned MDI production complex.
- Our new fully owned Verbund site in Zhanjiang is BASF's third-largest Verbund site globally.

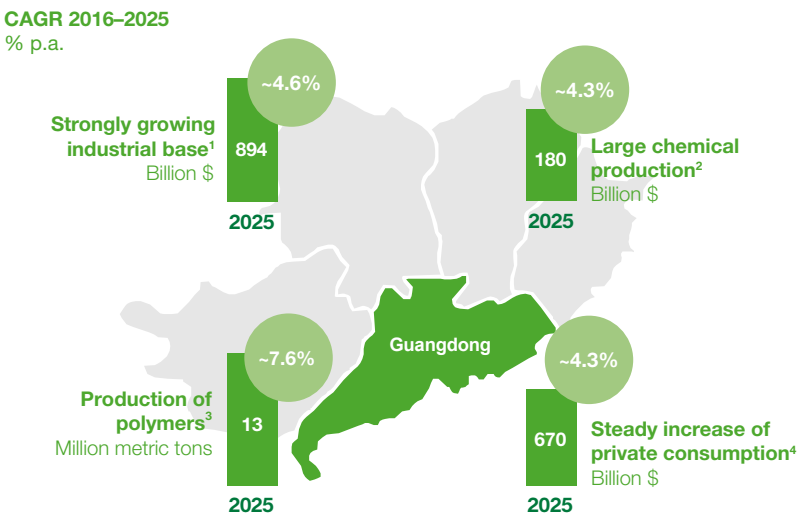
As of December 31, 2025, BASF had 12,452 employees in Greater China, 29 major wholly owned subsidiaries, 11 major joint ventures and 29 production sites. In 2025, BASF posted sales of approximately €8.2 billion[1] to customers in Greater China.

With around 128 million residents, Guangdong is the most populous province in China. The province is the economic powerhouse of China and accounted for more than 10% of the country's GDP in 2025. Guangdong province is home to many BASF customers in fast-growing industries such as transportation, consumer goods, home and personal care, and electronics. Zhanjiang has a deep-water seaport with easy access to shipments of raw materials and finished goods to and from other ports in China, Asia and other regions. It also offers the shortest sea routes between mainland China and Southeast Asia. The government of Guangdong province is committed to providing this area with world-class infrastructure.

To accelerate the company's growth in Asia, BASF announced the Zhanjiang Verbund site project in 2018 and laid the foundation stone the following year. The first production plant to begin operation at the Zhanjiang site was for engineering plastics in 2022; it was followed by

BASF's Zhanjiang Verbund site (photograph taken in December 2025)

Guangdong is home to key customers from fast-growing industries



Market characteristics[5]

- Nearly 128 million residents in Guangdong province (2025)
- GDP Guangdong (2025): ~$2.26 trillion
- GDP CAGR 2025–2040: ~4.4% p.a.
- Key customer industries: transportation, consumer goods, home and personal care, electronics
- Chemical products are generally undersupplied from local production

1 Industry real output, 2021-based, Guangdong Bureau of Statistics
2 Real chemical gross output, 2021-based, inferred by gross output/value added ratio for China, Guangdong Bureau of Statistics
3 Plastics in primary forms, Guandong Bureau of Statistics
4 Real private consumption, 2021-based. S&P Global and BASF revised estimate
5 Guangdong Bureau of Statistics, S&P Global

1 Excluding the discontinued coatings business

a thermoplastic polyurethane plant in 2024. At the turn of 2025/2026, BASF began production in the first value chains in the Verbund and successfully ramped up the world-scale flex-feed steam cracker, which can use both naphtha and butane as feedstocks. The project has been accomplished on schedule and well below the original budget, with total investments of around €8.7 billion in the period 2019 to 2028.

As of the first quarter of 2026, BASF has successfully started up 18 plants, 32 production lines, and is producing more than 70 products in Zhanjiang. With the proven Verbund concept with long value chains, BASF offers a broad, highly diversified product portfolio from its Chemicals, Materials and Nutrition & Care segments for the transportation, consumer goods, electronics, home care and personal care industries. Covering an area of around four square kilometers, BASF's Zhanjiang site employs over 2,000 people.

The Zhanjiang Verbund site also sets new benchmarks for sustainable chemical production, both in China and worldwide. The site has been supplied with 100% renewable electricity since the beginning of 2025. As BASF's first implementation of a fully digital smart Verbund concept in a large-scale project globally, the site has been built on the basis of cutting-edge technologies that maximize resource and energy efficiency and reduce environmental impact. Circular economy concepts have been incorporated to support customers in the region with low-emission solutions.

Acquisitions

On July 1, 2025, BASF completed the purchase of the 49% stake held by DOMO Chemicals GmbH, Leuna, Germany, in the Alsachimie S.A.S. joint operation in Chalampé, France, which had been announced on May 28, 2025. BASF had held 51% of the joint operation prior to the transaction. Full ownership of Alsachimie enables BASF to optimize backward integration of key raw materials, ensuring supply reliability and efficiency across the polyamide 6.6 value chain.

On March 31, 2026, BASF Agricultural Solutions successfully closed its acquisition of AgBiTech. This follows the agreement with private equity firm Paine Schwartz Partners and other shareholders signed in January 2026, and the receipt of all necessary regulatory approvals. The acquisition is expected to enable faster scaling and broader adoption of biological solutions and reinforces BASF's commitment to offer farmers more effective and diversified insect control options.

Divestitures

On March 25, 2025, BASF and Vattenfall announced the sale of BASF's 49% equity share in the Nordlicht 1 and 2 wind farm projects to Vattenfall. The collaboration with Vattenfall will continue, securing BASF a long-term supply of electricity from renewable sources for its chemical production in Europe – at a later point in time when additional green electricity is needed.

Effective April 21, 2025, BASF completed the divestiture of its shares in BASF Markor Chemical Manufacturing (Xinjiang) Co., Ltd. and Markor Meiou Chemical (Xinjiang) Co. Ltd. in Korla, China, to Verde Chemical Singapore Pte. Ltd. The companies operated production plants for butanediol and PolyTHF, which were allocated to the Chemicals segment. The assets and liabilities allocated to the disposal group were derecognized in April 2025.

On September 30, 2025, BASF successfully completed the sale of the food and health performance ingredients business to the Louis Dreyfus Company (LDC), Rotterdam, Netherlands. This transaction included the production site in Illertissen, Germany, three application laboratories outside Germany and around 300 employees. The transferred business activities were part of the Nutrition & Health division and include food performance ingredients, health ingredients and several smaller product lines.

After approval by the responsible competition authority, BASF completed the sale of its Brazilian decorative paints business to Sherwin-Williams, Cleveland, Ohio, on October 1, 2025. On a cash and debt-free basis, the purchase price amounted to $1.15 billion (€981 million). The transaction included the Brazilian production sites in Demarchi and Jaboatão, related contracts, the Suvinil and Glasu! brands, and the transfer of approximately 1,000 employees. The decorative paints business, which was part of the Coatings division in the Surface Technologies segment, generated sales of around €485 million in 2024 and operated almost exclusively in Brazil.

The sale of BASF's optical brightening agent business to Catexel was completed effective March 1, 2026. Optical brightening agents are ingredients in laundry detergent formulations. Both parties have agreed to keep the financial details of the transaction confidential. The transaction comprises the international business including the production of optical brightening agents at the Monthey site in Switzerland. As part of the divestment, around 80 employees transferred to Catexel.

Agreed transactions

On October 10, 2025, BASF and Carlyle, Washington D.C., announced they had signed a binding agreement for the sale of BASF's automotive OEM coatings, automotive refinish coatings and surface treatment business units ("coatings"). The enterprise value of the transaction amounts to €7.7 billion. Subject to approval from the relevant regulatory bodies, the transaction is expected to close in the second quarter of 2026. Upon closing, BASF will receive pre-tax cash proceeds of approximately €5.8 billion as well as a 40% equity stake in the new coatings entity, which it will report as a financial investment accounted for using the equity method.

The business to be divested generated sales of around €3.7 billion in 2025. Owing to the planned divestiture, the affected business units are reported as discontinued operations in accordance with IFRS 5 as of September 30, 2025. From this date, the sales and earnings of the automotive OEM coatings, automotive refinish coatings and surface treatment business units will no longer be part of the sales and EBIT(DA) of the BASF Group or the Surface Technologies segment. Retroactively to January 1, 2025, and until the transaction closes, the income after taxes of these business units is presented in the income after taxes of BASF Group as a separate item (income after taxes from discontinued operations). The 2024 figures have been restated accordingly. The decorative paints business was not affected by this retroactive restatement and remained part of the Surface Technologies segment until the divestiture on October 1, 2025.

Employees

Our employees are crucial to BASF's success. We want to attract talented employees, support them in their development and retain them for the long term – in a working environment that inspires and connects. This is founded on an open corporate culture of mutual trust, respect and dedication to top performance.

Strategy

The "Winning Ways" strategy is our plan for BASF's long-term business success. As part of this strategy, we are driving development toward a performance culture. After all, we can only achieve BASF's targets with a high level of engagement from our skilled employees and leaders. With our adequate and competitive compensation, we want to contribute to attractive working conditions at BASF and thus attract and retain engaged employees.

BASF is committed to equal opportunities and fosters an inclusive work environment and offers all employees fair working conditions and support in the event of any possible concerns. Our Policy Statement on Human Rights underlines our commitment to a workplace that is characterized by trust, respect and appreciation.

When identifying leadership talents, we also take into account the promotion and appreciation of diversity. For example, we are committed to increasing the global proportion of women in leadership positions to 30% by 2030. We strive to always act in accordance with the applicable local laws. As of December 31, 2025, the proportion of women working in the BASF Group was 27.3% (2024: 27.1%). The global proportion of women in leadership positions with disciplinary responsibility was 29.9% as of December 31, 2025 (2024: 29.3%).

We consider employee engagement to be a decisive indicator of the success of our actions. All employees are invited on a regular basis to give feedback on their working environment and the corporate culture as part of our employee survey. In the employee survey,[1] BASF measures employee engagement based on five central questions. We have set ourselves the target of achieving an Engagement Index of more than 80%. Worldwide, nearly 85,000 employees participated in the survey in 2025 (participation rate: 75%, 2024: 78%). The survey showed a global Engagement Index of 77%, which was a slight decrease compared to the previous year (2024: 79%). Our aim is to increase this score to the defined target value of higher than 80%.

Number of employees

The total number of employees as of December 31, 2025, was 108,251. This is a decrease compared to the number of 111,822 employees as of December 31, 2024. The decline was primarily due to departures in connection with the ongoing cost savings programs and as part of the divestiture of the Brazilian decorative paints business. The number of employees includes employees of the discontinued coatings business; as of December 31, 2025, the number of employees was 9,928 (2024: 10,122).

BASF Group employees by region

	December 31, 2025	%
Europe	65,073	60.1
of which Germany	*48,955*	*45.2*
Asia Pacific	21,592	19.9
of which Greater China	*12,452*	*11.5*
North America	15,652	14.5
of which United States	*13,045*	*12.1*
South America, Africa, Middle East	5,934	5.5
Total	**108,251**	**100.0**

The rate of employee turnover, i.e., the proportion of employees who left the company in 2025, amounted to 7.5% globally (2024: 7.2%). We adhere to the ESRS definition, which includes voluntary and involuntary leaves, retirements, and deaths in service.

As of December 31, 2025, the BASF Group was training 2,663 people in various occupations (2024: 2,941).

For more information on careers at BASF, see basf.com/careers

Compensation and benefits

Adequate wages are an important component of the package we offer to employees that makes us a compelling choice as employer. We review our compensation levels worldwide annually in close cooperation with local units, including on the basis of external market data. This allows us to aim for market-oriented and adequate compensation in the respective countries or markets and to analyze the effectiveness of adjustments to our compensation levels as part of the process. As a rule, compensation comprises fixed and variable components as well as benefits. In many countries and companies, our additional benefits exceed legal requirements.

Based on defined, globally uniform criteria, positions are classified into BASF job grades, which form the basis for compensation, independent of the individual. The classification is based on the requirements of the relevant function. In this way, we want to make positions globally comparable and create the basis for compensation commensurate with function. In addition, we have introduced an enhanced performance management system in 2025 that provides a closer link between incentives and unit-specific achievements.

1 The scope of employees participating in the survey goes beyond the scope of consolidation. However, there are exceptions for companies that represent joint ventures as well as companies held for sale.

Expenses for wages and salaries, social security contributions and assistance, as well as for pensions increased to €12,299 million in 2025. The increase was mainly due to a higher wage and salary level and higher additions of bonus provisions compared with 2024. This includes personnel expenses of the discontinued coatings business of €878 million in 2025 (previous year: €853 million).

BASF Group personnel expenses
Million €

	2025	2024	+/–
Wages and salaries	9,936	9,022	+10.1%
Social security contributions and assistance expenses	1,826	1,665	+9.7%
Pension expenses	538	554	–2.9%
Total personnel expenses	**12,299**	**11,241**	**+9.4%**

Compliance Program and Code of Conduct

Our Compliance Program is based on our corporate values and voluntary commitments as well as applicable international standards. We are convinced that compliance with these principles plays a key role in ensuring our company's long-term success. The global program describes our commitment and requirements for responsible conduct of all BASF employees in their interactions with business partners, officials, coworkers and society.

At the core of our Compliance Program is the global, standardized Code of Conduct, which is overseen by the BASF Board of Executive Directors and to which all employees and leaders must adhere. It covers topics ranging from corruption and antitrust laws to human rights, labor standards, conflicts of interest, whistleblower protection, trade control and data protection. The Code of Conduct is supplemented by additional global and regional requirements that address specific topics such as corruption and conflicts of interest in more detail.

The structure of BASF's Code of Conduct

We care	We earn trust	We play fair	We respect	We protect
– Our Code of Conduct – How we make decisions – We always speak up – We lead with integrity	– Anti-corruption – Trade control – Anti-money laundering	– Antitrust laws – Gifts and entertainment – Conflicts of interest	– Human rights, labor and social standards – Environmental protection, health and safety	– Sensitive company information – Personal data – Digital responsibility – Company property – Accurate books and records

The regular compliance audits performed by the Corporate Audit unit are another source for the systematic identification of risks. These risks are documented in the relevant risk or audit report. The same applies to specific risk minimization initiatives as well as the time frame for their implementation.

Workshops and mandatory training are a key element in preventing compliance violations and are conducted on an ongoing basis either in person or online. Within a prescribed time frame, all employees are required to complete basic, refresher or specialized training on topics such as antitrust legislation, money laundering and trade control regulations. In 2025, we registered more than 111,000 participations worldwide (2024: >120,000) in our Code of Conduct trainings. In total, more than 93,000 training hours were completed (2024: 105,000). Functions-at-risk are fully covered by the training program.

Leaders play a key role in our compliance culture by embodying and communicating our values both internally and externally. In addition to special workshops on integrity as a leadership task for newly appointed senior executives, separate training sessions were also offered in 2025 for the managing directors of BASF Group companies.

The online version of our Code of Conduct is aimed at our employees and offers user-friendly features such as case studies, FAQs and additional references. We continuously provide our employees worldwide with up-to-date content such as videos, links to specialist units and requirements as well as direct contact to subject matter experts on the internal online platform and the corresponding app.

In 2025, the BASF compliance hotline received 739 reports (2024: 751). In 2025, violations of our Code of Conduct led to termination of employment in a total of 59 cases (2023: 67).

For more information on the BASF Code of Conduct, see basf.com/code-of-conduct

Code of Conduct
is the core of our Compliance Program

More than 111,000
participations in compliance training courses

50 internal audits
on adherence to our compliance standards

2 Segments

Segments

The BASF Group consists of 11 operating divisions, which are grouped into six segments. The core businesses comprise the Chemicals, Materials, Industrial Solutions and Nutrition & Care segments. They benefit from their deep integration in value chains and the Production Verbund. The standalone businesses are clustered in the Surface Technologies and Agricultural Solutions segments. These serve distinct industries and compete with peers who focus exclusively on individual industries.

BASF Group segments in 2025

Core businesses

Chemicals

The Chemicals segment supplies both external customers and BASF's other segments with basic chemicals and intermediates.

- Share of sales: 16.9%
- R&D expenses: €87 million
- Investments including acquisitions[1]: €2,108 million

Materials

In the Materials segment, we produce advanced plastics and precursors for processing industries.

- Share of sales: 21.4%
- R&D expenses: €184 million
- Investments including acquisitions[1]: €940 million

Industrial Solutions

The Industrial Solutions segment develops and markets ingredients and additives for industrial applications.

- Share of sales: 14.4%
- R&D expenses: €187 million
- Investments including acquisitions[1]: €391 million

Nutrition & Care

The Nutrition & Care segment produces ingredients for consumer applications such as human nutrition and cleaning agents.

- Share of sales: 10.9%
- R&D expenses: €137 million
- Investments including acquisitions[1]: €662 million

Standalone businesses

Surface Technologies

The Surface Technologies segment produces chemical solutions for surfaces in the area of battery materials and emissions catalysts.

- Share of sales: 15.0%
- R&D expenses: €155 million
- Investments including acquisitions[1]: €116 million

Agricultural Solutions

The Agricultural Solutions segment is an integrated solutions provider of seeds, crop protection products and digital solutions for the agricultural sector.

- Share of sales: 16.1%
- R&D expenses: €990 million
- Investments including acquisitions[1]: €351 million

1 Additions to property, plant and equipment and intangible assets, excluding additions attributable to the discontinued coatings business

Chemicals

The Chemicals segment is one of our core businesses and forms the heart of the Verbund with its production facilities. Its Petrochemicals and Intermediates divisions market high-quality basic chemicals and intermediates to customers in downstream industries. They also reliably supply BASF's other segments with chemicals to produce higher value-added products and in this way, ensure the competitiveness of the BASF Group.

The segment strives for technological leadership and operational excellence and focuses on individual value chains. It concentrates on the essential success factors of the traditional chemicals business: leveraging economies of scale and the advantages of our Verbund, high asset reliability, continuous optimization of access to raw materials, lean and energy-efficient processes, and reliable, cost-effective logistics. This enables fundamental cost advantages and opens up various opportunities for decarbonization. The segment aims to create value through process and product innovation and invests in research and development to implement new, more sustainable technologies and make existing technologies more efficient. Thanks to our integrated production processes, the carbon footprint of a number of our products is significantly lower than that of our competitors. Furthermore, by using renewable, recycled and low-emission feedstocks in our production network, we can provide products with diverse sustainability attributes. Examples of these offerings include our LowPCF, ZeroPCF and Ccycled® products.

The Petrochemicals and Intermediates operating divisions are continuously developing their value chains and are expanding their market position – especially in Asia – with investments and collaborations in growth markets. We want to participate in the growth of the largest chemicals market in the world and establish the Verbund site in Zhanjiang as a pioneer in sustainability in the manufacturing industry. We manufactured the first products from the Verbund there in November 2025, and commissioning of the steam cracker commenced at the end of December 2025. We are also continuously reviewing and improving our production structures in other regions and aligning them with regional market requirements. At the Verbund site in Ludwigshafen, for example, the production capacity of Neopor® is being expanded.

Materials

The Materials segment is also a core business and in terms of production capacity is a global leader in high-performance plastics and their precursors. Materials is home to the Performance Materials and Monomers divisions. The Performance Materials division offers innovative and customized solutions in engineering plastics, polyurethanes and thermoplastic polyurethanes, as well as specialty plastics, and creates value through co-creations with customers,

particularly in the field of sustainability. Our global production network enables us to provide our solutions wherever our customers are. At the same time, we constantly review the efficiency of our production network. The Monomers division has a broad portfolio of large-volume monomers and basic polymers in the isocyanate and polyamide value chains and follows a lean and cost-driven approach focused on efficient structures. In a large part of its business areas, the Monomers division holds one of the top three market positions with regard to product capacities, for example in polyamides and isocyanates.

The Materials segment combines expertise in basic chemicals with a diverse range of high-performance specialties and successfully operates some of BASF's most profitable value chains, for example methylene diphenyl diisocyanate (MDI). Throughout the chemical cycle, the Materials segment plays an important role in BASF's portfolio with its high cash flow and earnings contributions. The fully integrated polyurethane and polyamide value chains with world-scale plants ensure cost advantages. Thanks to its R&D capabilities, the segment is developing new, more sustainable high-performance materials and applications for a broad range of industries, particularly in the automotive, construction and consumer goods industries.

Both divisions follow ambitious sustainability roadmaps. They understand sustainability as the decisive factor for future business success and utilize their industry knowledge and application expertise to provide customers with the right solutions.

Industrial Solutions

The Industrial Solutions segment is another part of the core businesses and develops and markets ingredients and additives for industrial applications. The customers of its two operating divisions, Dispersions & Resins and Performance Chemicals, are primarily active in the following key industries: coatings, construction, electronic materials, plastics and adhesives, paper coatings, automotive, petrochemical and petroleum processing, as well as energy and resources. The segment aims to generate value through customer proximity, in-depth industry expertise and a broad product portfolio that is tightly integrated into the BASF Verbund. The portfolio includes fuel and lubricant solutions, process catalysts and adsorbents as well as refinery catalysts, dispersions, resins and additives, electronic materials and plastic additives. The segment's focus is on research and development with the aim of enabling a more efficient use of resources and developing high-performance and more sustainable products and production procedures. This also enables our customers' green transformation through their applications and processes. Furthermore, the divisions focus on efficient production setups and backward integration in our Production Verbund's value chains. In addition, capacity management as well as technology and cost leadership are important levers for the segment.

Trends such as ever faster time to market for electronic materials innovations, longer product life cycles and increasing processing of recycled plastic are boosting the need for products that enable precisely these trends. With its broad product portfolio, the segment is ideally positioned for this. Our global presence enables us to operate close to our customers, collaborate with them on new and customized solutions and strive for long-term partnerships that create mutually profitable growth opportunities.

Nutrition & Care

The Nutrition & Care segment is also part of our core portfolio. The Care Chemicals and Nutrition & Health divisions provide highly attractive markets with high-quality, high-performance products. Future growth in these markets will be driven by rising consumer awareness of sustainable product solutions with lower carbon footprints and the demand for natural and organic ingredients and their traceability. Moreover, digitalization, a focused technology and product portfolio, and close cooperation with our customers are crucial to meeting the dynamic market requirements. The basis for this segment's business are highly competitive, world-scale plants that are deeply embedded in the BASF Verbund.

For this segment, we strive to expand its market position as a leading provider of nutrition and care ingredients. The divisions generally focus their portfolio on growth markets and continuously develop their capabilities in areas such as biotechnology. They offer new biodegradable products. The Care Chemicals division supports its customers globally with innovative and more sustainable high-performance products, solutions and concepts, especially in the cosmetics, detergent and cleaner industries. The Nutrition & Health division focuses on important product platforms (vitamins, carotenoids and feed enzymes), which are supplemented by selected growth fields such as special aroma ingredients and (bio)pharma ingredients. With its (bio)pharma ingredients, the division serves a variety of markets, such as bioprocessing and formulation of vaccines and antibodies.

Surface Technologies

Some of our standalone businesses are bundled in the Surface Technologies segment, consisting of the Battery Materials and Environmental Catalyst and Metal Solutions divisions. Together with our customers, we develop novel products and technologies for emissions catalysts, coatings and battery materials. We also offer services in the areas of precious and base metals. We leverage our portfolio of technologies to find the best solution for our customers in terms of performance and cost and thus to generate growth. This helps our customers to drive forward innovation in their industries and contribute to more sustainable development.

Our key growth drivers are the increasing demand for chemicals in the automotive market, especially in Asia, and the shift toward more sustainable low-emission mobility. As one of the largest chemical suppliers to the automotive industry, the segment is developing customized, more sustainable solutions for battery and catalyst recycling in close cooperation with its customers. Our specialties

and system solutions in these areas enable our customers to stand out from their competitors.

Until October 1, 2025, the Surface Technologies segment also included the Coatings division, which is no longer listed as part of the segment due to the following two transactions:

- On October 10, 2025, BASF and Carlyle, Washington D.C., announced the signing of a binding transaction agreement relating to BASF's automotive OEM coatings, automotive refinish coatings and surface treatment business units ("coatings"). Subject to approval from the relevant regulatory bodies, the transaction is expected to close in the second quarter of 2026. Owing to the planned divestiture, the affected business units are reported as discontinued operations in accordance with IFRS 5 as of September 30, 2025. From this date, the sales and earnings of the automotive OEM coatings, automotive refinish coatings and surface treatment business units are no longer part of the sales and EBIT(DA) before special items of the BASF Group and the Surface Technologies segment. Retroactively to January 1, 2025, and until the transaction closes, the income after taxes of these business units is presented in the income after taxes of BASF Group as a separate item (income after taxes from discontinued operations). The 2024 figures have been restated accordingly.
- On October 1, 2025, the sale of BASF's Brazilian decorative paints business to Sherwin-Williams, Cleveland, Ohio, was completed following approval by the relevant competition authority. The decorative paints business was not affected by the aforementioned retroactive restatement and was the only business reported under Coatings in 2025.

Agricultural Solutions

The Agricultural Solutions division, which shares its name with the segment, is one of our standalone businesses. As one of the world's leading agricultural solutions companies, we are making a positive impact on sustainably transforming agriculture and food systems. The goal of efficient farming is to provide healthy and affordable food globally to a rapidly growing world population.[1] At the same time, farmers must reduce their environmental impact as natural resources are limited. We support them in achieving this and strive to contribute to building a sustainable future for agriculture by connecting innovation, customers and society.

The segment's strategy focuses on long-term and profitable growth within selected crops and their appropriate cultivation systems: soy, corn (maize) and cotton in the Americas; wheat, canola (oilseed rape) and sunflower in North America and Europe; rice in Asia; and fruit and vegetables globally. Our sustainability approaches are integral to all business and portfolio decisions. In this way, we help farmers sustainably grow more and higher-quality crops.

We leverage our expertise in research and development as well as our many years of experience working with growers, data and artificial intelligence to provide crop-specific offers across technologies. These include novel solutions for seeds and traits, seed treatment, fungicides, herbicides, insecticides, biological solutions and digital products tailored to the farming needs of their region and crop systems.

For the Agricultural Solutions segment, we are targeting IPO readiness by 2027, in order to float a minority stake. The Frankfurt Stock Exchange is envisaged as the listing location. The legal carve-out and the implementation of an industry-specific ERP system are progressing well.

1 Compared with 2024, the world's population is expected to grow by around 1.5 billion people by 2050; source: U.N. World Population Prospects 2024.

Chemicals

The Chemicals segment comprises the Petrochemicals and Intermediates divisions. It contributes to our direct customer business and supplies the other segments with basic chemicals and intermediates, contributing to the organic growth of our key value chains. Customers in this segment mainly come from the chemical and plastics industries. We aim to further strengthen our competitiveness through technological leadership, operational excellence and products with a lower carbon footprint.

Divisions

Petrochemicals

Broad portfolio of high-quality basic chemicals and specialties, tailored to the needs of internal and external customers, which serve as starting materials for products such as dispersions, paints, coatings, plastics, insulating materials and hygiene products

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Intermediates

Comprehensive portfolio of commodities and specialties, which are used as precursors for products such as coatings, plastics, textile fibers, pharmaceuticals and crop protection products

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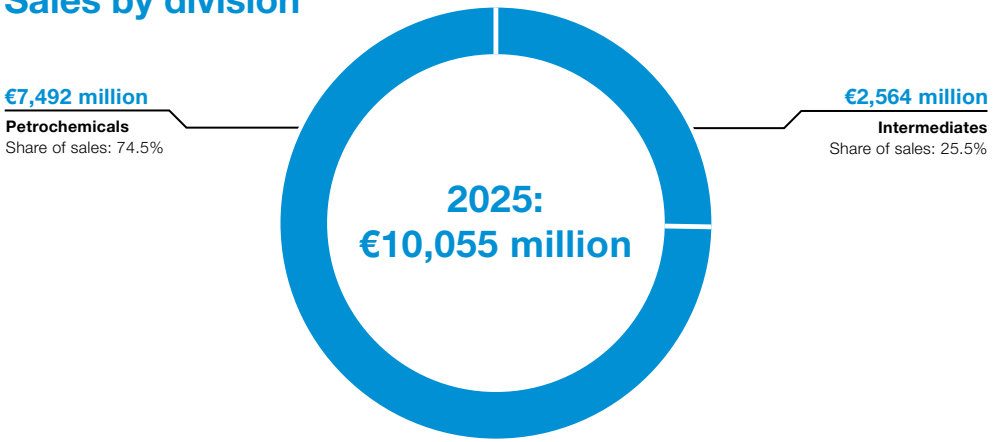
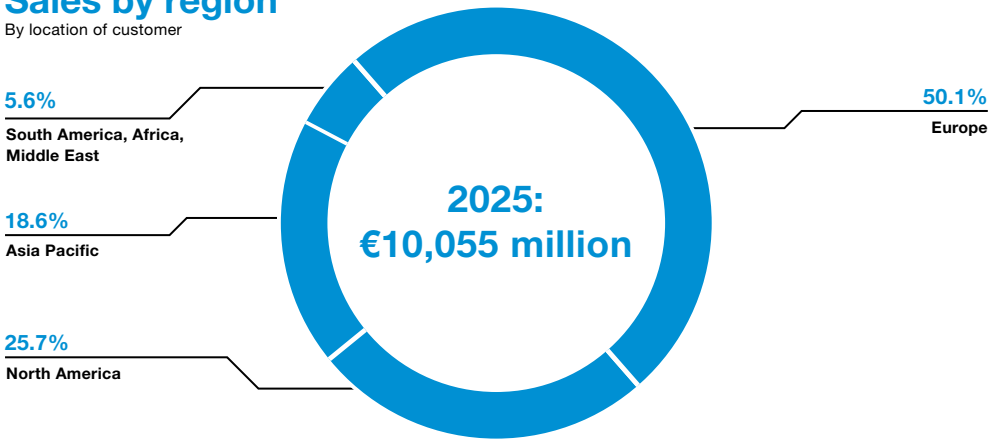
Chemicals

Sales by division



Sales by region

By location of customer

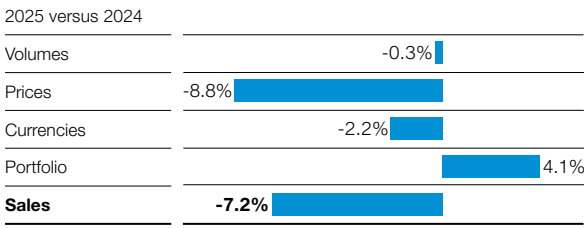


Segment data

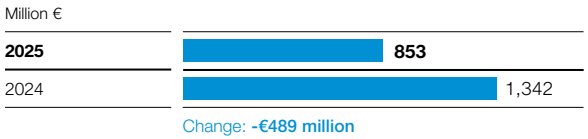
Million €

		2025	2024	2023	2022	2021
Sales to third parties		10,055	10,838	10,369	14,895	13,579
Share of total BASF sales	%	16.9	17.6	15.0	17.1	17.3
of which Petrochemicals		7,492	8,050	7,418	10,546	9,674
Intermediates		2,564	2,788	2,951	4,349	3,904
EBITDA before special items		853	1,342	1,167	2,774	3,842
EBITDA margin before special items	%	8.5	12.4	11.3	18.6	28.3
EBITDA		747	1,314	1,167	2,771	3,882
EBITDA margin	%	7.4	12.1	11.3	18.6	28.6
Income from operations (EBIT) before special items		–88	503	361	1,956	3,092
Income from operations (EBIT)		–374	429	364	1,758	3,115
Segment cash flow		–1,182	–2,051	–936	1,878	–

Factors influencing sales



EBITDA before special items



Change: **-€489 million**

Petrochemicals

The Petrochemicals division is the starting point of BASF's petrochemical-based value chains throughout the regions. The division manufactures and markets a broad portfolio of high-quality basic chemicals and tailored specialties for internal and external customers. To contribute to the green transformation of our customers, we offer certain products based on circular or bio-based feedstock as well as LowPCF and ZeroPCF solutions. For this purpose, either renewable or chemically recycled feedstock is used instead of virgin fossil resources at the beginning of the value chain. We also use renewable electricity in our production. Furthermore, we develop processes to reduce greenhouse gas emissions in our existing plants.

Portfolio

Acrylic monomers and superabsorbent polymers

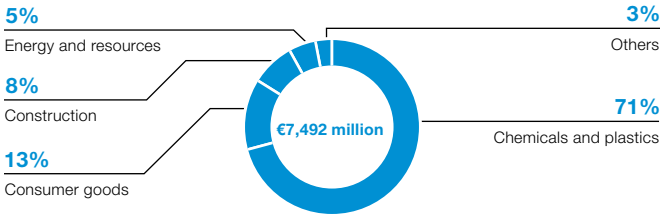
BASF is the world's largest and most widespread producer of acrylic monomers, which are sold to internal and external customers in the form of acrylic acid, acrylic esters and specialty acrylates. Acrylic monomers are used as precursors to manufacture acrylic polymers and polymer dispersions for various applications such as adhesives, coatings, flocculants, superabsorbent polymers and surfactants.

Superabsorbent polymers (SAP) are used in various hygiene applications, such as baby diapers, adult incontinence products and feminine hygiene articles. With our world-scale production plants in every region, we are close to our customers. Through our market knowledge and R&D expertise, we aim to foster trusted relationships with customers and partners in the global hygiene industry.

Alcohols and solvents

BASF is the world's largest producer of oxo alcohols and is also a major producer of oxygenated solvents in Europe, including acetates, glycol ethers, glycol ether acetates and specialty solvents.

Sales by direct customer industry 2025



Major customer industries are paints and coatings, pharmaceuticals and cosmetics.

Alkylene oxides and glycols

Ethylene oxide derived from ethylene is used mainly to produce surfactants, ethanolamines, glycols, glycol ethers and polyols. Ethylene glycol is used in antifreeze applications and the production of fibers, films and PET (polyethylene terephthalate) plastic bottles.

Cracker products

BASF produces the entire range of cracker products from ethylene and propylene to butadiene, butenes, benzene and others. Forward integration into main cracker downstream products such as ethylene oxide, polyethylene, styrenics, acrylic monomers and oxo alcohols results in a high share of captive use.

Plasticizers

BASF offers a broad product portfolio of general purpose and special purpose plasticizers. Plasticizers give flexibility to PVC products such as cables or films. At the same time, they offer protection against the effects of weathering and temperature, thereby helping to maintain the product's functionality. Plasticizers are used in a large number of industries such as construction, automotive, toys and medical devices.

Styrenics

The styrenics value chain of BASF comprises styrene monomers, polystyrene and expandable polystyrene (EPS, with the brands

Innovation

Scaling of methane pyrolysis toward commercial readiness

Methane pyrolysis is a low-carbon emitting technology that uses electricity to convert natural gas or other gases such as biomethane into hydrogen and solid carbon. The technology does not generate process-related CO_2 emissions, requires approximately one-fifth of the electrical energy needed for water electrolysis and does not require the use of water. BASF developed a superior reactor concept that we successfully validated at our test plant in Ludwigshafen. With our partner ExxonMobil, we now plan to construct and operate a demonstration plant in Baytown, Texas, as a next step toward commercial readiness.

Styropor® and Neopor®). The most important industries for BASF's styrenics business are construction and packaging, where the unique properties of styrenic polymers allow customers to realize various eco-efficient solutions, for example, as insulation material.

Market position and main competitors

The Petrochemicals division holds one of the top three market positions in almost half of the strategic business areas in which it is active.

The main competitors (alphabetical order) include Dow, ExxonMobil, INEOS, LG Chem, LyondellBasell, Nippon Shokubai, SABIC, Satellite Chemical, Shell, Sinopec and Wanhua.

Focus of research and development

We aim to set the benchmark for cost competitiveness and environmental footprint. The focus is on developing new processes and optimizing our existing ones. We want to be a thought and action leader in sustainability with a special focus on CO_2 reduction and the circular economy. In terms of product innovation, we advance research, for example, in the field of superabsorbent polymers and styrenics.

Key capabilities

- Competitive Verbund sites with world-scale production facilities
- Leading process technology and operational excellence
- Enabling reduction of greenhouse gas emissions
- Strong global market position with regional production
- Outstanding market knowledge, technical capabilities and innovation competence

Acquisitions/JVs/investments/divestitures/shutdowns

From 2023 onward

Product group	Description	Year
tert-Butyl acrylate	New plant in Nanjing, China	2023
Cracker products and downstream	Establishment of an integrated Verbund site in Zhanjiang, China	2026
Ethylene oxide	Expansion of integrated complex in Antwerp, Belgium	2023
Expandable polystyrene (EPS)	Closure of styrenics operations in Ulsan, South Korea	2026
	Expansion of Neopor® production capacity in Ludwigshafen, Germany	2027
Extruded polystyrene (XPS)	Sale of Styrodur® business to Karl Bachl Kunststoffverarbeitung GmbH & Co. KG (BACHL)	2025
Superabsorbent polymers	Investment in Excellence Center in Antwerp, Belgium	2023

Major nameplate capacities of BASF

Thousand metric tons per year

Product group	Location													
	Antwerp, Belgium	Camaçari, Brazil	Cornwall, Canada	Freeport, Texas	Geismar, Louisiana	Kuantan, Malaysia[1]	Ludwigshafen, Germany	Nanjing, China[2]	Pasadena, Texas	Port Arthur, Texas[3]	Rayong, Thailand	Tarragona, Spain[4]	Zhanjiang, China	Total[5]
Acrylic acid	■	■		■		■	■	■					■	1,890
Benzene	■						■	■		■			■	1,000
Butadiene	■						■	■		■				680
Ethylene	■						■	■		■			■	4,480
Ethylene oxide	■				■		■	■					■	2,315
Oxo C4 alcohols				■		■	■	■	■				■	2,135
Plasticizers (incl. Hexamoll® DINCH)			■				■		■					595
Propylene	■						■	■		■		■	■	3,300
Styropor®/Neopor®							■							460
Superabsorbents	■	■		■				■			■			615

1 BASF 60%; PETRONAS 40%
2 BASF 50%; Sinopec 50%
3 BASF 60%; Total 40%
4 BASF 51%; Sonatrach 49%
5 All capacities are included at 100%, including plants belonging to joint operations and joint ventures.

Intermediates

With more than 600 products in its portfolio, in particular amines, diols, polyalcohols, acids and specialties, the Intermediates division offers innovative and sustainable solutions for a wide range of industries – from coatings and plastics to pharmaceuticals and crop protection. The division focuses primarily on the C1 and C2 value chains. Its products are typically used by customers as precursors for their downstream chemicals, and the products are also widely used for BASF's own downstream production. The Intermediates division is a global leader in sustainable chemical intermediates, which can support our customers in achieving their sustainability goals, for instance with our OASE® gas treatment solutions as well as LowPCF, reduced PCF (rPCF) and ZeroPCF products.

Portfolio

Acetylenics and carbonyl derivatives

These specialty intermediates are based on raw materials from BASF's Verbund, such as acetylene and chlorine. Among the acetylene derivatives are vinyl monomers, acetylenic alcohols and higher alkylpyrrolidones. Chlorine-based intermediates include acid chlorides and chloroformates. Further specialty intermediates are glyoxal and imidazoles, 2-mercaptoethanol and triphenylphosphine. The products serve as building blocks for crop protection agents and pharmaceuticals or as monomers and performance additives for polymers, coatings and printing inks.

Acids and polyalcohols

BASF is the world's leading manufacturer of polyalcohols, such as neopentyl glycol (NPG) and 1,6 hexanediol (HDO®), and carboxylic acids, such as formic acid (FA) and propionic acid (PA). Carboxylic acids are used as preservatives for the feed and food industries, as auxiliaries for textile and leather applications and as deicing agents. The portfolio also includes higher carboxylic acids such as 2-ethylhexanoic acid and isononanoic acid, which are primarily utilized in synthetic lubricants, paint dryer and PVC plasticizer applications. Polyalcohols are mainly offered for the production of a wide range of coatings.

Amines

With about 300 different amines, we have the world's most diverse portfolio of this type of chemical intermediate. Along with alkyl-, alkanol-, alkoxyalkylamines and ethyleneamines, we offer heterocyclic and aromatic as well as specialty amines. The range is completed by a portfolio of chiral amines of high optical and chemical purity. The versatile products are used mainly to manufacture process chemicals, pharmaceuticals and crop protection agents, as well as cosmetic products and detergents. They also serve to produce coatings, specialty plastics, composites and specialty fibers.

Butanediol and its derivatives

In Europe and North America, BASF is among the largest manufacturers of 1,4-butanediol, which is a chemical building block for products such as polyesters and polyurethanes. Its derivatives are used to manufacture products ranging from fibers to paints, pharmaceuticals and lithium-ion batteries, and include N-methylpyrrolidone, tetrahydrofuran (THF) and PolyTHF®.

Innovation

With a focus on CO_2 management, recycled and renewable carbon, we offer solutions that support our customers in achieving their sustainability goals. Our portfolio includes different sustainable product variants – all designed to meet the diverse sustainability needs of our customers.

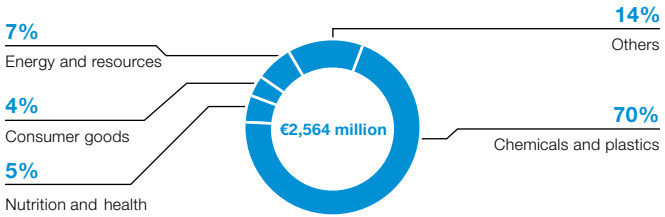
Our standard intermediates deliver high performance with a competitive carbon footprint, powered by BASF's integrated Verbund and continuous efficiency improvements. Some standard products even come with a LowPCF claim, indicating a cradle-to-gate PCF demonstrably below the global average PCF of fossil-based equivalent products produced by third parties. Current LowPCF products include FA, PA and HDO®.

We also offer NPG and PA from our Ludwigshafen Verbund site as ZeroPCF products. Their cradle-to-gate PCF of zero or below is achieved by allocating renewable feedstocks and in some cases renewable electricity via our certified biomass balance (BMB)[1] approach. This enables customers to effectively reduce their Scope 3 emissions and increase the share of renewable raw materials in their value chains.

In addition, we are expanding our portfolio with rPCF intermediates. These products have a cradle-to-gate PCF that is at least 10% lower than the BASF standard product in the producing region. The PCF reduction is achieved through active measures, specifically the use of low-emission feedstocks and low-emission energy supplies. The new product range will be expanded, supporting our customers to fulfill their CO_2 targets.

For more information, visit basf.com/sustainable-intermediates

Sales by direct customer industry 2025



1 In the biomass balance approach, fossil fuels are replaced by renewable feedstock in the value chain. The corresponding share of renewable raw material is attributed to the specific sales product via a certified methodology. This contributes to saving fossil raw materials and reduces the product carbon footprint. For more information on the mass balance approach, see basf.com/massbalance

Innovation

Low-VOC polyurethane catalyst Lupragen® N 208

BASF is adding a modern catalyst, Lupragen® N 208, to its portfolio of amine catalysts for the production of polyurethane (PU) foams. As a reactive catalyst, Lupragen® N 208 is firmly integrated into the PU polymer network during foam production and therefore cannot escape from the foam afterwards. This prevents the emission of volatile organic compounds (VOCs), which can cause unwanted effects such as odor. This property makes Lupragen® N 208 particularly suitable for the manufacture of PU products for applications in which stringent low-VOC standards must be met. Examples range from flexible foams for mattresses and upholstery to more rigid foams for automotive interiors such as dashboards or armrests.

Market position and main competitors

The Intermediates division holds one of the top three market positions in all strategic business areas in which it is active.

The main competitors (alphabetical order) include Dairen, Dow, Eastman, Huntsman, Luxi, LyondellBasell and Wanhua.

Focus of research and development

The main aim of process innovation is to optimize existing production technologies and develop new, highly efficient products and processes that offer significant sustainability contributions and cost benefits.

Key capabilities

- World-scale plants based on leading process technology
- Competitive raw material sourcing and/or backward integration
- Operational, logistical as well as commercial excellence
- Strong market position with regional setup

Major nameplate capacities of BASF[1]

Thousand metric tons per year

Product group	Capacity
Alkylamines	250
Butanediol equivalents	350
Ethanolamines and derivatives	560
Formic acid	300
Neopentyl glycol (Neol®)	335
PolyTHF®	250
Propionic acid	210
Specialty amines	>100

1 All capacities are included at 100%, including plants belonging to joint operations and joint ventures.

Acquisitions/JVs/investments

From 2023 onward

Product group	Description	Year
Alkylethanolamines	Capacity expansion in Antwerp, Belgium	2024
Chlorofomates/ acid chlorides	Capacity expansion in Ludwigshafen, Germany	2026
3-(Dimethylamino)propylamine (DMAPA) and polyetheramine (PEA)	Capacity expansion in Nanjing, China	2025
2-Ethylhexanoic acid	Capacity expansion in Kuantan, Malaysia[1]	2024
Neopentyl glycol	New plant in Zhanjiang, China	2025
Propionic acid/ethanolamines/ethyleneamines	Capacity expansion in Nanjing, China[2]	2023

1 Operated in a fully consolidated joint venture with PETRONAS Chemicals Group Berhad
2 Operated in a joint venture with Sinopec; the startup of the plant expansions for ethanolamines and ethyleneamines took place in early 2024.

Divestitures/shutdowns

From 2023 onward

Product group	Description	Year
1,4-Butanediol (BDO)	Divestiture of shares in joint ventures in Korla, China, to Verde Chemical Singapore Pte. Ltd.	2025
Cyclododecanone (CDon) and cyclopentanone (CPon)	Closure of plants in Ludwigshafen, Germany	2025
o-Nitrotoluene (oNT) and o-toluidine (oT)	Closure of plants in Schwarzheide, Germany	2025
LPG-based tetrahydrofuran (THF)	Closure of plant in Caojing, China	2025
Neopentyl glycol	Divestiture of shares in joint venture in Jilin, China, to PetroChina Co., Ltd. Jilin Petrochemical Branch	2026
PolyTHF® and tetrahydrofuran (THF)	Discontinuation of production in Ulsan, South Korea	2026

Materials

The Materials segment comprises the Performance Materials and the Monomers divisions. Together, these divisions have one of the world's largest production capacities for high-performance plastics and precursors for processing industries. With its broad portfolio of large-volume monomers and basic polymers along the isocyanate and polyamide value chains, the Monomers division follows a lean and cost-optimized approach. The Performance Materials division offers innovative and customized solutions in engineering plastics, polyurethanes, thermoplastic polyurethanes and specialty plastics. Close cooperation with customers, especially with regard to sustainable product developments, generates additional value.

Divisions

Performance Materials

Polyurethanes, thermoplastic polyurethanes, engineering plastics and specialty plastics for sectors such as automotive, construction, consumer goods as well as industrial applications

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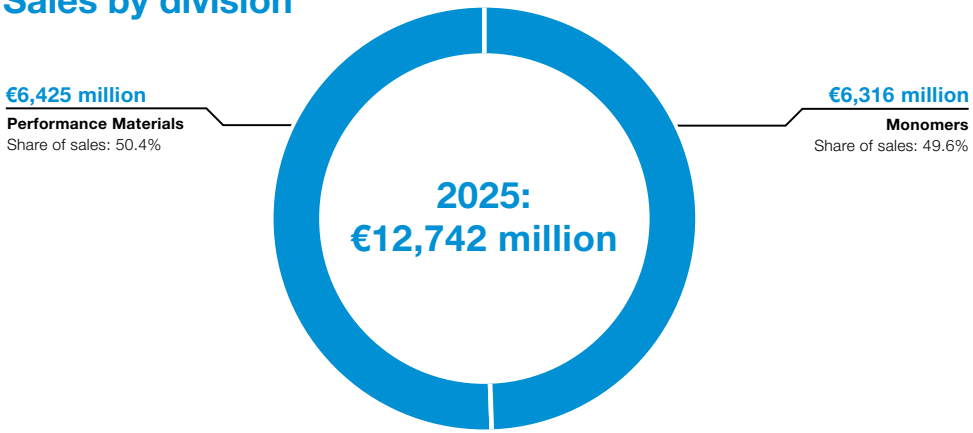
Monomers

Isocyanates and polyamides as well as inorganic basic products and specialties for various sectors, including plastics, automotive and construction

page 45

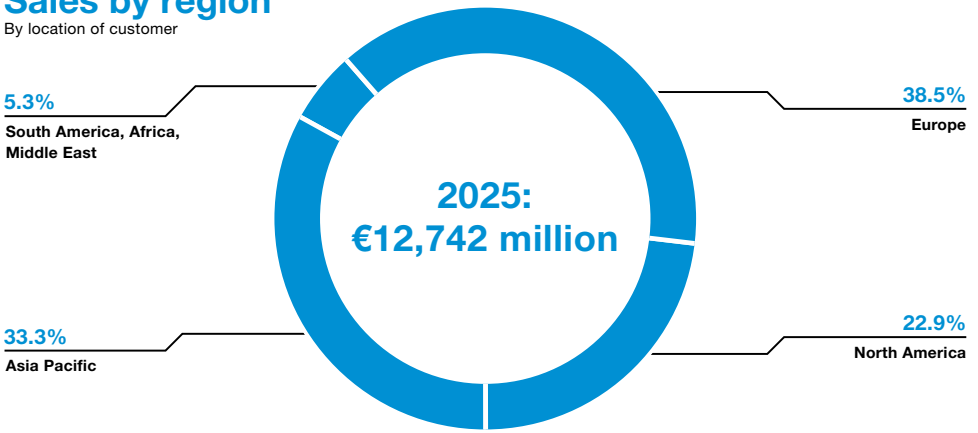
Materials

Sales by division



Sales by region

By location of customer

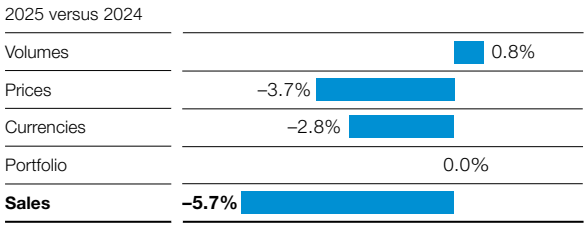


Segment data

Million €

		2025	2024	2023	2022	2021
Sales to third parties		12,742	13,510	14,149	18,443	15,214
Share of total BASF sales	%	21.4	22.0	20.5	21.1	19.4
of which Performance Materials		6,425	6,848	7,244	8,567	7,292
Monomers		6,316	6,661	6,905	9,877	7,922
EBITDA before special items		1,575	1,805	1,650	2,686	3,208
EBITDA margin before special items	%	12.4	13.4	11.7	14.6	21.1
EBITDA		1,502	1,769	1,523	2,660	3,162
EBITDA margin	%	11.8	13.1	10.8	14.4	20.8
Income from operations (EBIT) before special items		722	987	826	1,840	2,418
Income from operations (EBIT)		635	939	378	1,776	2,345
Segment cash flow		1,054	766	1,369	2,363	–

Factors influencing sales



EBITDA before special items

Change: **-€230 million**

Performance Materials

BASF's Performance Materials division drives the transformation of the plastics industry by uniting sustainability with high performance. Our materials expertise, deep industry know-how, and broad product portfolio make us the preferred partner for comprehensive solutions across the plastics lifecycle. With dedicated material-focused teams, strong R&D power, and a global production network close to our customers, we deliver tailored offerings that meet regional and industry-specific needs. Our products enhance performance and efficiency in key sectors such as automotive, construction, consumer goods, and industrial applications.

Portfolio

Engineering plastics

Engineering plastics are used in numerous applications, such as automotive engineering, the electrical and electronics sectors, household appliances and precision technology as well as in medical technology. This product group includes Ultraform® based on polyoxymethylene (POM), Ultradur® based on polybutylene terephthalate (PBT) and Ultramid® based on polyamide (PA) and polyphthalamide (PPA).

Functional foams

Basotect® is a flexible open-cell functional foam made from melamine resin that is used for sound and thermal insulation in the construction and transportation industries and as a cleaning sponge in the consumer industry.

Polyurethanes

Polyurethane solutions make life more comfortable, safer and more pleasant, while helping to save energy. They contribute toward improved insulation of buildings and household appliances, automotive lightweighting and other consumer products. Several industry fields use the unique advantages of polyurethanes provided with the knowledge and experience of BASF's polyurethane experts worldwide. This product group includes PU (polyurethane) systems, TPU (thermoplastic polyurethanes) and MPU (microcellular polyurethane or Cellasto®) technologies.

Specialty plastics

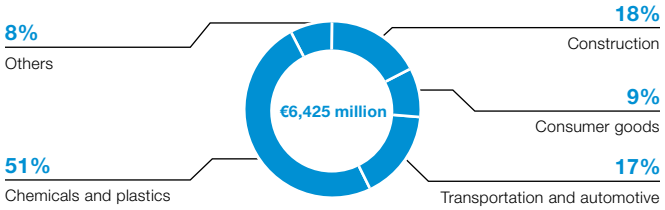
Specialty plastics include certified compostable and soil-biodegradable biopolymers, mainly used in various packaging applications and sold under the ecoflex® and ecovio® brands, as well as Ultrason®, a high-temperature plastic based on polyarylethersulfone (PPSU, PSU, PESU), mainly used for water filtration and household applications.

Market position and main competitors

The Performance Materials division holds one of the top three market positions in almost all strategic business areas in which it is active.

The main competitors (alphabetical order) include Ascend, Celanese, Covestro, Dow, Envalior, Huntsman, Kingfa, Syensqo and Wanhua.

Sales by direct customer industry 2025



Focus of research and development

Our R&D focus is on all stages of the plastics journey: make, use and recycle. The make phase is about improving how plastics are made, from the choice of raw materials to renewable energy sources and optimized production technologies. In the use phase, we improve plastics' strengths such as light weight, robustness and thermal resistance. At the end of the product lifecycle, recycling is key to closing the loop to achieve a circular economy. We are involved in the early stage of product development and design to help our customers transform toward CO_2 neutrality.

Key capabilities

- Materials expertise and deep industry know-how
- Product innovation thanks to strong R&D power
- Customer proximity through a global production network
- Reliability and consistent quality thanks to operational excellence

Innovation

BASF and Össur collaborate to enhance performance of foot prostheses

BASF co-created the Pro Flex® Terra foot prosthesis together with Össur, a leading global provider of prosthetic solutions. The cutting-edge material technology of Cellasto® combines softness and flexibility with remarkable energy return. This enables the Pro Flex® Terra to deliver an intuitive response and closely mimic the natural muscle tendon movement of the human foot. The unique Cellasto® foam design adapts to a wide range of load conditions without any mechanical or electrical adjustments, making it suitable for activities ranging from slow walking and hiking to high impact sports in both extremely cold and hot environments.

Acquisitions/JVs/investments

From 2023 onward

Product group	Description	Year
Cellasto®	Expansion of Cellasto® capacity in Shanghai, China	2025
	Expansion of Cellasto® capacity in Dahej, India	2025
Engineering plastics	Expansion of Ultramid® (PA) and Ultradur® (PBT) in Pasir Gudang, Malaysia	2023
Polyurethanes	New TPU plant in Zhanjiang, China	2023

Divestitures/shutdowns

From 2023 onward

Product group	Description	Year
Functional foams	Sale of Neopolen® business to Knauf Industries	2023

Major nameplate capacities of BASF[1]

Thousand metric tons per year

Product group	Capacity
Engineering plastics	889

1 All capacities are included at 100%, including plants belonging to joint operations and joint ventures.

Monomers

The Monomers division supplies a broad portfolio of large-volume monomers, basic polymers and inorganic chemicals. Major products include MDI (methylene diphenyl diisocyanate), TDI (toluene diisocyanate), propylene oxide, caprolactam, adipic acid, HMD (hexamethylenediamine), ammonia, polyamide 6 and 6.6, nitric acid, sulfur and chlorine products, inorganic salts, urea, glues and impregnating resins. The products are used in a broad spectrum of industries, such as automotive, furniture, construction, woodworking, food, pharmaceuticals, feed, solar, packaging and textiles. By providing a circular or low product carbon footprint (PCF) option in every major product line, the Monomers division is in a key position to drive the sustainable transformation of the various industries it serves.

Portfolio

Ammonia-based chemicals

In the ammonia value chain, BASF provides ammonia, urea and AdBlue®. The production of liquid CO_2 is also part of this value chain.

Ammonia is a key component in BASF's production Verbund. It is an important raw material for urea as well as many other products such as nitric acid, amines and isocyanates. BASF uses urea as a raw material to produce both glues and AdBlue®, a high purity urea solution that is used in trucks and passenger cars to reduce NOx emissions from diesel engines.

BASF offers various LowPCF and circular options for ammonia, urea and AdBlue®. These include renewable ammonia, ammonia solution 24.5% BMBcert®, urea BMBcert® and AdBlue® ZeroPCF.

Glues and impregnating resins

BASF is the inventor of Kaurit® and Kauramin® glues, two well-known brands in the wood-working industry. For both products, BASF offers a LowPCF option produced with renewable electricity as well as a biomass balance option based on biomethane and renewable electricity. BASF's glues and impregnating resins can be used for different types of panel boards and laminated flooring. The portfolio encompasses liquid and powder glues specifically developed to produce a broad range of wood-based materials that meet low-emission standards. Powder glues are also used in other industries, for example, to produce clutch linings in vehicles. BASF's impregnating resins have been designed for the treatment of various papers, including overlay, counterbalance and decor papers for the flooring or furniture industry.

Inorganic chemicals

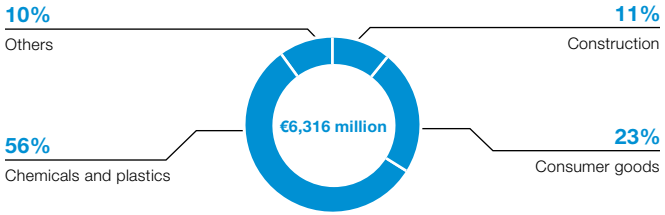
Inorganic chemicals are mainly used as precursors for plastics, amines and other high-value chemicals. The product portfolio ranges from basic chemicals to inorganic salts and includes ammonium salts, caustic soda, chlorine, nitric acid, standard alcoholates and sulfuric acid.

BASF is one of the leading suppliers of sodium nitrate (a component for storage media for solar thermal power applications), sodium methylate (a catalyst and reactant for the production of biodiesel and in the pharma and agricultural industry) and a variety of inorganic salts for different industries such as food, feed, textiles and paper.

Isocyanates and propylene oxide

BASF is a world leader in isocyanates, which are key components to produce soft or rigid foams. The company's isocyanate portfolio offers customers a broad range of MDI and TDI grades. MDI is a versatile isocyanate for the production of flexible foams as well as semi-rigid and rigid polyurethane plastics. Its primary applications are construction, consumer appliances, automotive components and shoe soles. TDI is an isocyanate used primarily in the manufacturing of flexible foams. Its main applications include mattresses and cushions for furniture and automotive seating.

Sales by direct customer industry 2025



Propylene oxide is the main raw material for polyether polyols. Polyols are – together with isocyanates – the second key component for polyurethane foams. Other applications for propylene oxide are propylene glycols, surfactants and amines.

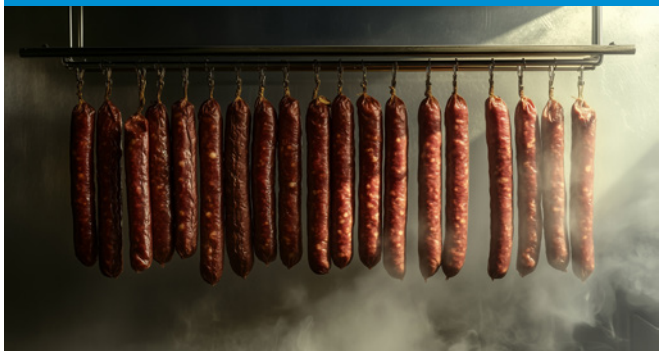
Polyamides and precursors

BASF is one of the world's leading suppliers of high-quality polyamides, with the trade name Ultramid®, and polyamide precursors such as caprolactam, HMD and adipic acid. BASF offers a wide product range of polyamides for injection molding and extrusion. The product range includes polyamide 6 grades (Ultramid® B), polyamide 6.6 grades (Ultramid® A), special grades based on copolyamides (Ultramid® C) as well as Ultramid® Ccycled®, which is produced using recycled plastic waste or end-of-life tires and biomass-balanced Ultramid® derived from renewable raw materials. The newest variants, Ultramid® LowPCF and Ultramid® ZeroPCF have a reduced or net zero product carbon footprint.

Polyamides from BASF are the materials of choice for many applications:

- Engineering plastics: Ultramid® is used to produce molding compounds. Due to their outstanding properties, the various Ultramid® grades have become indispensable in almost all fields of engineering for the most varied components and machine parts for the automotive industry, as high-quality electrical insulating materials and for many special applications.

Innovation



Ultramid® H combines mechanical strength and water permeability

With Ultramid® H, BASF introduces a breakthrough in thermoplastic polyamides. This innovative material enables significantly thinner artificial casings for sausages and meat products while still allowing smoke and moisture to pass efficiently, supporting both smoking and drying directly in the casing. Its unique hydrophilic profile expands the functional possibilities of pure polyamide solutions and provides an alternative to traditional collagen or cellulose casings. With seamless processing in existing production setups, Ultramid® H sets a new benchmark for advanced polymer design and reinforces BASF's role as a pioneer in developing high-performance, application-driven materials.

- Films for food packaging: Ultramid® is especially well-suited for the packaging sector due to its high strength, outstanding thermoformability, high thermal stability and very good barrier properties toward gases, especially oxygen, flavors and aromas.
- Textiles: With loopamid®, BASF offers a polyamide 6 that is entirely made from textile waste, thus closing the loop for polyamide 6 garments. Additionally, BASF's variety of polyamide 6 grades for textiles enable the manufacturing of superior quality textiles, e.g., for swimwear and high-tech outdoor garments as well as high-end polyamide carpets and technical fiber applications.

Market position and main competitors

The Monomers division holds one of the top three market positions in around three-quarters of the strategic business areas in which it is active.

The main competitors (alphabetical order) include AdvanSix, Ascend, Covestro, Dow, Envalior, Grupa Azoty, Huntsman, Ube and Wanhua.

Focus of research and development

R&D efforts are focused on process innovation to optimize the division's large asset base as well as the development of new products and applications to support the green transformation of the various customer industries it serves.

Key capabilities

- World-scale plants based on leading process technology
- Competitive raw material sourcing and backward integration
- Operational, logistical as well as commercial excellence
- Strong market position with regional setup

Acquisitions/JVs/investments

From 2023 onward

Product group	Description	Year
Alcoholates	New alcoholates plant in Ludwigshafen, Germany	2027
HMD	New world-scale plant in Chalampé, France	2024
MDI	Expansion of production in Geismar, Louisiana (staggered investment approach)	2020–2026
Polyamide 6.6	BASF acquires DOMO Chemicals' 49% share in the Alsachimie joint venture in Chalampé, France	2025
	New loopamid® plant in Shanghai, China	2025

Divestitures/shutdowns

From 2023 onward

Product group	Description	Year
Adipic acid value chain	Closure of the adipic acid plant, the plant for the precursors cyclohexanol and cyclohexanone, and the soda ash plant in Ludwigshafen, Germany	2023–2025
Ammonia value chain	Closure of one of two ammonia plants, the melamine plant and the ammonium sulfate nitrate fertilizer plant in Ludwigshafen, Germany	2023
	Closure of the caprolactam plant in Ludwigshafen, Germany	2023–2026
Inorganic chemicals	Closure of the hydrosulfite plant in Ludwigshafen, Germany	2025
TDI	Closure of the TDI complex in Ludwigshafen, Germany	2023

Major nameplate capacities of BASF[1]

Thousand metric tons per year

Product group	Capacity
Adipic acid	470
Ammonia	1,370
Caprolactam	670
Chlorine	495
Isocyanates	2,480
Polyamides 6 and 6.6	885
Propylene oxide	675
Sulfuric acid	920
Urea	545

1 All capacities are included at 100%, including plants belonging to joint operations and joint ventures.

Industrial Solutions

The Industrial Solutions segment consists of the Dispersions & Resins and the Performance Chemicals divisions. It develops and markets ingredients and additives for industrial applications, such as polymer dispersions, resins, process catalysts, adsorbents as well as refinery catalysts, additives and electronic materials. The segment aims to grow organically in key industries, such as coatings, construction, electronic materials, plastics and adhesives, paper coatings, automotive, as well as energy and resources. It intends to expand its market position by leveraging comprehensive industry expertise and application know-how.

Divisions

Dispersions & Resins

Raw materials used to formulate products in the coatings, construction, paper, printing and packaging, adhesives and electronics industries

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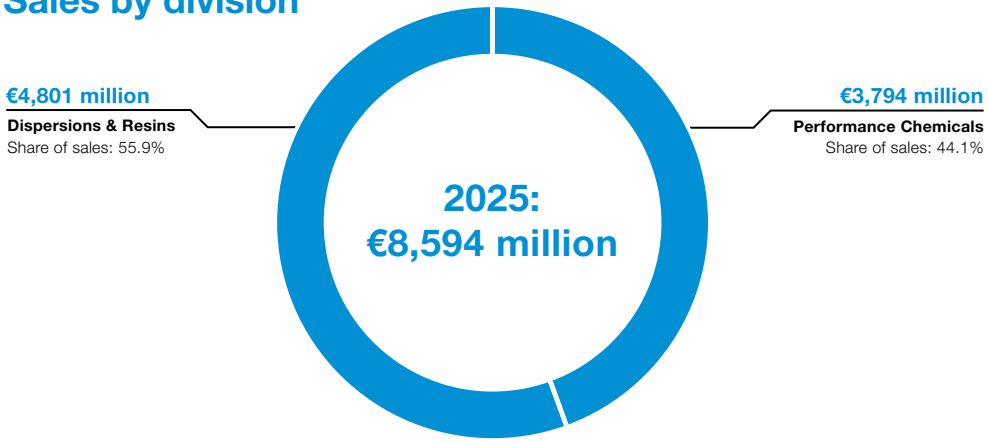
Performance Chemicals

Customized products for various customer industries such as chemicals, plastics, automotive and utilities as well as energy and mining

page 51

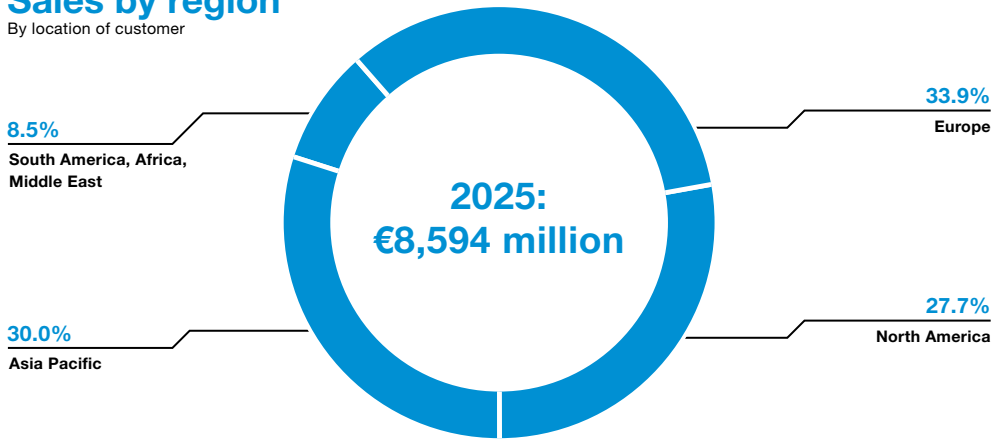
Industrial Solutions[1]

Sales by division



Sales by region

By location of customer



Segment data

Million €

		2025	2024	2023	2022	2021
Sales to third parties		8,594	9,223	8,010	9,992	8,876
Share of total BASF sales	%	14.4	15.0	11.6	11.4	11.3
of which Dispersions & Resins		4,801	5,110	4,921	6,019	5,681
Performance Chemicals		3,794	4,114	3,088	3,973	3,195
EBITDA before special items		1,200	1,437	965	1,437	1,343
EBITDA margin before special items	%	14.0	15.6	12.0	14.4	15.1
EBITDA		1,153	1,412	1,010	1,443	1,344
EBITDA margin	%	13.4	15.3	12.6	14.4	15.1
Income from operations (EBIT) before special items		786	994	625	1,091	1,006
Income from operations (EBIT)		705	959	660	1,097	965
Segment cash flow		1,061	1,102	1,292	852	–

Factors influencing sales

2025 versus 2024

Volumes	–0.6%
Prices	–2.5%
Currencies	–2.6%
Portfolio	–1.1%
Sales	**–6.8%**

EBITDA before special items

Million €

2025	**1,200**
2024	1,437

Change: **-€237 million**

1 Since January 1, 2025, the chemical and refining catalysts business has been reported as part of the Performance Chemicals division in the Industrial Solutions segment. It was previously part of the former Catalysts division in the Surface Technologies segment. The figures for 2024 have been adjusted accordingly.

Dispersions & Resins

The Dispersions & Resins division is the leading global supplier of raw materials used in formulations for several industries and applications, including coatings, construction, paper, printing and packaging, adhesives and electronics. Our portfolio encompasses dispersions, resins and a broad range of additives, such as performance and formulation additives as well as electronic materials. We focus on environmentally friendly systems, such as low-VOC (volatile organic compound) water-based coatings.

Portfolio

Additives

BASF offers a broad range of performance and formulation additives that significantly improve the quality and performance of paints and coatings. We are a market leader for performance additives, particularly in light stabilizers. Light stabilizers protect paint films against degradation and several undesirable effects, including changes in appearance from long-term exposure to UV radiation. Our formulation additives offer solutions in the range of defoamers, dispersing agents, film-forming agents, rheology modifiers as well as wetting agents and surface modifiers to improve the properties of coatings. Our unique portfolio is based on a broad technology platform and helps performance-driven products meet the latest and most stringent environmental regulations.

Dispersions

Polymer dispersions are water-based systems used in formulations for adhesives, sealants, architectural coatings, paper coatings, construction and fiber bonding materials. Our strength lies in our backward integration into acrylics, strong technical expertise and application know-how. In addition, our worldwide presence is a key advantage in serving our global customer base.

Electronic materials

BASF delivers fully customized solutions for next-generation semiconductor and display manufacturing processes and metal systems. Our portfolio includes ultra-pure process chemicals, advanced materials for semiconductor manufacturing, high-end formulations for displays as well as products for injection molding and metal systems. We provide reliable services and innovative solutions to customers in the fast-paced electronics industry.

Resins

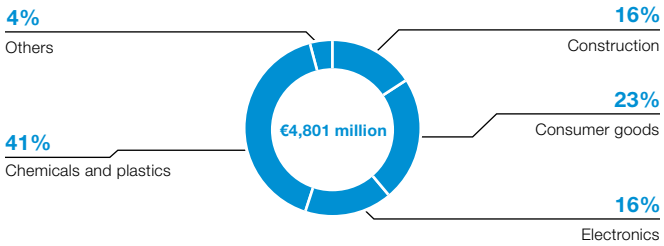
Resins are film-forming components used in industrial, automotive and wood coatings as well as in printing and packaging for ink formulations and barrier coatings. The product portfolio includes water-based resins, acrylic oligomers, polyisocyanates, amino resins, aldehyde resins and high-solid polyols. Our portfolio offers customers a wide range of water-based technologies that fulfill regulatory requirements regarding volatile organic compounds.

Market position and main competitors

The Dispersions & Resins division holds one of the top three market positions in more than 80% of the strategic business areas in which it is active.

The main competitors (alphabetical order) include Altana, Arkema, Covestro, Dow, DuPont, Evonik, Fujifilm, Merck, Qnity, Synthomer and Trinseo.

Sales by direct customer industry 2025



Focus of research and development

We invest in research and development to create innovative, differentiating and more sustainable products and solutions. Our innovations allow our customers to offer environmentally friendly solutions with dispersions for applications in the coatings, printing, adhesives and construction industries. In addition, customers benefit from new and improved resins and formulation additives, which enable them to upgrade the performance of their product portfolio. In electronic materials, the focus is on developing innovative solutions for semiconductors in the electronics industry. We advance digital and automation solutions in our laboratory environment to optimize our efficiency.

Key capabilities

- Leading technology and cost position enable consistent product quality, reliability and competitiveness
- Comprehensive portfolio of raw materials for coatings, printing and packaging inks, adhesives and construction materials
- Strong technical and application know-how, professional service, close to our customers
- Key chemical materials enabler for the semiconductor industry
- Global production footprint close to relevant markets

Innovation

Fast, reliable construction waterproofing powered by HydroBoost Technology

Amid fast changing market dynamics, the construction sector increasingly relies on innovation to accelerate project timelines and reduce labor costs, making fast curing waterproofing solutions essential. BASF's HydroBoost Technology delivers on this need with a unique dispersion design that optimizes interaction with cement. Acronal® Xpress 7856, powered by HydroBoost Technology, provides robust performance while enabling rapid application, helping customers significantly reduce labor time and overall project costs.

Acquisitions/JVs/investments

From 2023 onward

Product group	Description	Year
Additives	Capacity expansion in Dilovası, Turkey	2023
	Capacity expansion in Nanjing, China	2025
Dispersions	Capacity expansion in Merak, Indonesia	2023
	Production line optimization in Huizhou and Zhenjian, China	2023
	Capacity expansion in Huizhou, China	2024
	Capacity expansion in Dilovası, Turkey	2025
	Capacity expansion in Durban, South Africa	2026
	Capacity expansion in Mangalore, India	2028
Electronic materials	Capacity expansion in Jiaxing, China	2024
	New plants for semiconductor-grade sulfuric acid and ammonium hydroxide in Ludwigshafen, Germany	2027
Resins	New plant in Mangalore, India	2023
	Capacity expansion in Heerenveen, Netherlands	2024

Major production sites

BASF's dispersions, resins, additives and electronic materials are produced at more than 60 plants worldwide. Our most important sites for each product group are listed below.

Product group	Site
Additives	Appleton, Wisconsin; Bradford, UK; Heerenveen, Netherlands; Nanjing, China; Schweizerhalle, Switzerland
Dispersions	Bradford, UK; Cengkareng, Indonesia; Chattanooga, Tennessee; Dagang, Huizhou and Shanghai, China; Dahej, India; Dilovası, Turkey; Freeport, Texas; Guaratinguetá, Brazil; Ludwigshafen, Germany; Mangalore, India; Monaca, Pennsylvania; Pasir Gudang, Malaysia; Tarragona, Spain
Electronic materials	Jiaxing, China; Kemaman, Malaysia; Kuan Yin and Taichung, Taiwan; Ludwigshafen, Germany; Schweizerhalle, Switzerland; Yeosu, South Korea
Resins	Heerenveen, Netherlands; Ludwigshafen and Schwarzheide, Germany; Shanghai, China; Tarragona, Spain; Wyandotte, Michigan

Performance Chemicals

As an innovative partner, the Performance Chemicals division offers chemicals for various customer industries and applications such as plastics, automotive, refineries, lubricants, oilfield and mining. Our highly qualified and experienced team has outstanding market knowledge. Together with our innovation platform and application know-how, this ensures BASF's technological competence and allows us to provide our customers with excellent solutions.

Portfolio

Chemical catalysts and adsorbents

BASF is a leading global manufacturer of catalysts for the chemical industry, with solutions across the chemical value chain. The business comprises chemical catalysts, adsorbent solutions and custom catalysts. Priority is given to developing new and improved products that enable the chemical industry transformation to net-zero emissions.

Fuel and lubricant solutions

BASF provides high-performance formulations and components for the automotive, transportation and energy industries. Our portfolio includes:

- Automotive fluids such as engine coolants and brake fluids
- Fuel additives and fuel performance packages
- Lubricant components, additives and base stocks
- Finished transportation lubricants
- Polyisobutenes (PIB) across low, medium and high molecular weight grades

Mining solutions

BASF's mining solutions business offers a diverse range of mineral processing and hydrometallurgical chemistries and technologies to improve process efficiencies and the economic extraction of valuable resources. Our offer includes reagents and process technologies focusing on applications such as leaching, solvent extraction and flotation.

Oilfield chemicals

Based on industry-leading technical expertise, we offer a wide range of sustainable solutions and high-quality products that help our customers develop efficient formulations for the oil and gas industry. Our product portfolio includes:

- Chemicals for drilling, cementing and stimulation for the completion of production wells
- Additives for continuous and cost-efficient production of oil and gas
- Next-generation surfactants and conformance polymers designed to support enhanced oil recovery (EOR) operations

Plastic additives

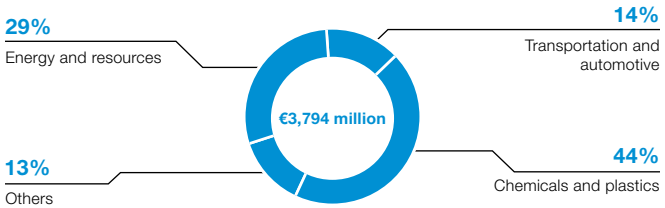
BASF is the globally leading supplier for stabilizer additives to the plastics industry. The product range includes high-performance light and thermal stabilizers, antioxidants, process stabilizers, UV absorbers, additive formulations and other functional additives. We continuously analyze, assess and actively enhance our portfolio, focusing on solutions that deliver a greater contribution to sustainability. The main fields of application are:

- Automotive
- Agricultural films
- Construction materials
- Electrical and electronics
- Fibers and tapes
- Mechanical recycling
- Packaging and consumer goods

Refining catalysts

BASF is a provider of novel catalysts for the petroleum refining industry, offering tailored fluid catalytic cracking (FCC) catalyst and additive solutions based on its customers' specific needs. With a strong focus on customer-driven research and development, BASF continuously innovates its portfolio of FCC refining catalysts, creating new technologies that enhance operational efficiency and profitability in the refining industry.

Sales by direct customer industry 2025



Market position and main competitors

The Performance Chemicals division holds one of the top three market positions in more than 80% of the strategic business areas in which it is active.

The main competitors (alphabetical order) include Afton, Clariant, Ketjen, Lanxess, Rianlon, Songwon, Suqian Unitechem, Syensqo and W.R. Grace.

Focus of research and development

Developing solutions together with our customers and ensuring technology leadership to improve our cost position are crucial to the success of Performance Chemicals. By leveraging the breadth of our competencies, we develop products that help improve the performance of our customers' products and processes. We utilize advances in data analytics, modelling and automation to accelerate development and enable faster implementation of innovations. With sustainability as a growth driver for our businesses, we focus our innovation pipeline on solutions that will enable the transformations in the end markets. Important fields are resource efficiency, emissions reduction and the circular economy.

Key capabilities

- Industry-leading innovation platform and application know-how
- Customer proximity and market focus
- Technological competence to provide excellent solutions to our customers
- Continuous improvements in cost competitiveness in production

Major production sites

Product group	Site
Chemical catalysts and adsorbents	Elyria, Ohio; Ludwigshafen and Nienburg, Germany; Rome, Italy; Seneca, South Carolina; Shanghai, China; Vidalia, Louisiana
Fuel and lubricant solutions	Antwerp, Belgium; Cincinnati, Ohio; Dahej, India; Geismar, Louisiana; Guaratinguetá, Brazil; Kaisten, Switzerland; Kuantan, Malaysia; Lampertheim and Ludwigshafen, Germany; McIntosh, Alabama; Meaux, France; Nanjing and Shanghai, China; Puebla, Mexico; Singapore
Mining solutions	Cork, Ireland; Jacarei, Brazil; Ludwigshafen, Germany
Oilfield chemicals	Lerma, Mexico; Tarragona, Spain; Trostberg, Germany
Plastic additives	Kaisten, Switzerland; Lampertheim, Germany; Manama, Bahrain; McIntosh, Alabama; Pontecchio Marconi, Italy; Puebla, Mexico; Shanghai, China; Singapore
Refinery catalysts	Attapulgus, Edgar and Savannah, Georgia

Acquisitions/JVs/investments

From 2023 onward

Product group	Description	Year
Chemical catalysts and adsorbents	Construction of global Catalyst Development and Solids Processing Center in Ludwigshafen, Germany	2024
	Construction of additional production capacity for X3D® catalyst shaping technology in Ludwigshafen, Germany	2025
Plastic additives	Capacity expansion for hindered amine light stabilizers (HALS) in Pontecchio Marconi, Italy, and Lampertheim, Germany	2024

Divestitures/shutdowns

From 2023 onward

Product group	Description	Year
Mining solutions	Divestiture of flocculants business for mining applications to Solenis	2024

Innovation

Low electrical conductivity coolants

BASF has introduced its new GLYSANTIN® ELECTRIFIED® low electrical conductivity coolants (LECCs) to enhance the safety and operational stability of battery systems in electric vehicles. The products comply with the GB 29743.2 2025 standard, which took effect in China on October 1, 2025, and are designed to maintain consistently low electrical conductivity when in contact with high voltage components. This helps reduce fluid decomposition and hydrogen generation, thereby lowering the risk of overheating, fire or explosion and contributing to improved battery durability and vehicle safety. In addition, the coolants provide robust corrosion protection and broad material compatibility. Their performance has been validated by external testing and certification bodies, including SGS and RATTC, a subsidiary of the Ministry of Transport of China.

Nutrition & Care

The Nutrition & Care segment consists of the Care Chemicals and the Nutrition & Health divisions. It serves the growing demands of food and feed producers and of the pharmaceutical, cosmetics, detergent and cleaner industries. We leverage the BASF Verbund to offer innovative products, combining performance with beneficial sustainability profiles. We strive to expand our position as a leading provider of essential ingredients in the areas of nutrition, home and personal care, as well as for technical applications, mainly through organic growth based on global production capacities. We are focused on markets with long-term growth potential.

Divisions

Care Chemicals

Ingredients for the cosmetics, detergents and cleaning industries, agrochemical and technical applications

page 55

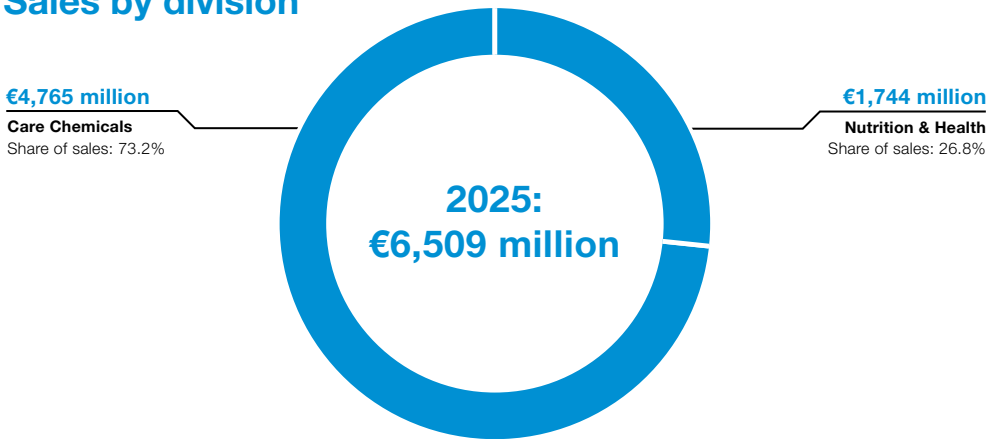
Nutrition & Health

Ingredients for the food and feed, flavor and fragrance as well as pharmaceutical industries

page 57

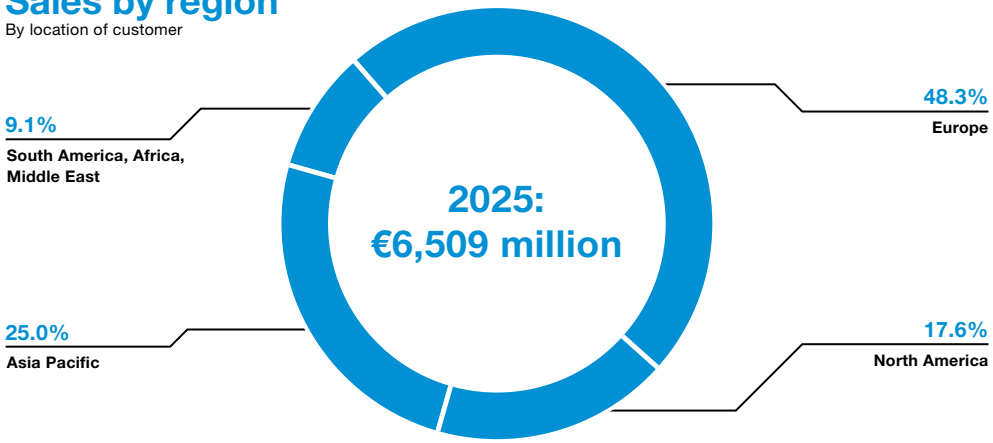
Nutrition & Care

Sales by division



Sales by region

By location of customer

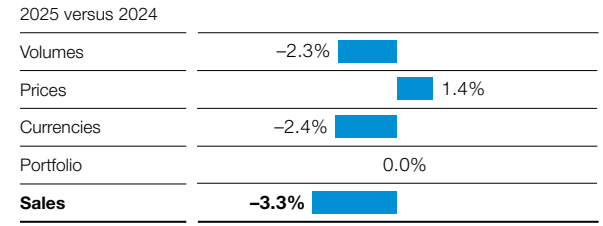


Segment data

Million €

		2025	2024	2023	2022	2021
Sales to third parties		6,509	6,729	6,858	8,066	6,442
Share of total BASF sales	%	10.9	11.0	10.0	9.2	8.2
of which Care Chemicals		4,765	4,751	4,721	5,619	4,439
Nutrition & Health		1,744	1,978	2,137	2,447	2,003
EBITDA before special items		649	814	565	1,067	909
EBITDA margin before special items	%	10.0	12.1	8.2	13.2	14.1
EBITDA		630	819	578	1,055	967
EBITDA margin	%	9.7	12.2	8.4	13.1	15.0
Income from operations (EBIT) before special items		133	273	107	618	497
Income from operations (EBIT)		76	220	119	605	554
Segment cash flow		–67	–31	503	–99	–

Factors influencing sales



EBITDA before special items

Change: **-€165 million**

Care Chemicals

BASF's Care Chemicals division is a globally leading supplier to the cosmetics, detergents and cleaning industries. We also offer solutions for technical applications and crop protection. Together with our customers, we create innovative solutions to meet the current and future needs of society more sustainably. We contribute to the long-term success of our customers' brands with a broad range of products and concepts via our global network of production and development sites.

Portfolio

Home care and industrial & institutional cleaning

We develop, produce and market a wide range of ingredients for the global detergents and cleaners industry. As the innovation leader in this market, we offer choices to our customers by providing a broad portfolio to successfully cater to today's and tomorrow's market needs, always considering the changing regulatory requirements. Our strong and integrated global production footprint, combined with a state-of-the-art R&D base and in-depth market and application expertise, drives our unique value proposition. This makes us the partner of choice for formulators of efficient, convenient, sustainable and safe-to-use cleaning products. Our portfolio, which is constantly being further developed, includes surfactants, enzymes, performance boosters, chelating agents, biocides, stabilizers and methanesulfonic acid.

Personal care

We envision a future in which performance, sustainability and scientific innovation are at the core of every product. Driven by the expertise and passion of our teams, we embrace agility and proactively address the rapidly evolving desires and needs of consumers in the industry. Our commitment goes beyond individual products. We collaborate with partners across the ecosystem, leveraging our extensive portfolio and scientific expertise to deliver innovative solutions to our customers, considering the entire value chain. Our broad personal care portfolio includes actives, bioactives, emollients, emulsifiers, polymers, surfactants and UV filters.

Industrial formulators

As a leading supplier of processing aids for industrial chemical formulations, we provide high-performance additives and surface-active ingredients that enhance the efficiency, sustainability and reliability of industrial formulations. We deliver formulation expertise and customer-specific solutions across agrochemicals, coatings and adhesives raw materials, construction, textiles, metal surface treatment and chemical processing.

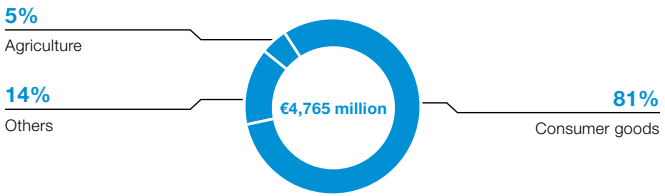
Our product portfolio includes dispersants, emulsifiers, surface modifiers, solvents, chelating agents, biocides, micronutrients and methanesulfonic acid that support formulators in improving performance while reducing resource use and operational costs.

Market position and main competitors

The Care Chemicals division holds one of the top three market positions in all strategic business areas in which it is active.

The main competitors (alphabetical order) include Ashland, Clariant, Croda, Dow, Evonik, Sasol, Stepan and Syensqo.

Sales by direct customer industry 2025



Focus of research and development

We are committed to delivering innovative and sustainable products and solutions in close collaboration with customers in our core markets, with a strong focus on bio-based and biodegradable ingredients. With process innovation in our core technologies, we target continuous capacity and yield improvement to ensure competitiveness and reduce carbon footprints. We systematically identify and establish new technologies to best support our customers in driving innovation for end consumers.

Key capabilities

- Strong global production footprint close to our customers, also in emerging markets
- Differentiated portfolio with innovative products that combine performance with sustainability through BASF's global R&D network
- State-of-the-art formulation technologies

Acquisitions/JVs/investments

From 2023 onward

Product group	Description	Year
Alkoxylates	Capacity expansion in Antwerp, Belgium	2023
	Capacity expansion in Ludwigshafen, Germany	2024
	New production plant in Zhanjiang, China	2026
Alkylpolyglucosides (APG)	Expansion of global capacities in Bangpakong, Thailand, and Cincinnati, Ohio	2025–2026
Enzymes	Investment in production setup for bacterial enzymes and biotechnology products, Kundl/Schaftenau, Austria	2024
UV filters	New plant in Jinshan, China	2023

Divestitures/shutdowns

From 2023 onward

Product group	Description	Year
Anionic surfactants	Sale of softex business to GOVI CAST Sdn. Bhd.	2026
Optical brighteners	Sale of optical brighteners business and production assets to Catexel	2026

Major nameplate capacities of BASF[1]

Thousand metric tons per year

Product group	Location	Capacity
Anionic surfactants	Europe, North America, South America, Asia Pacific	550
Chelating agents	Europe, North America, South America	170
Methanesulfonic acid	Europe	50
Nonionic surfactants	Europe, North America, Asia Pacific	1,015

1 All capacities are included 100%, including plants belonging to joint operations and joint ventures.

Innovation

© Getty Images

From seed to scalp: Nature-powered hair renewal with Aloversil™

Aloversil™ is a new cosmetic ingredient with potent natural peptides designed to support the appearance of denser hair in men experiencing visible signs of shedding. It helps maintain a healthy scalp environment, which is key for visibly stronger, fuller and more resilient hair. In a clinical study, daily application of a leave-in hair serum containing Aloversil™ led to noticeable improvements in the look of hair coverage and density over a four-month period. In vitro studies show that the new ingredient supports the body's own cellular communication and natural micro-vascularization, both of which are associated with nourishing healthy hair follicles and improving the hair's appearance. Aloversil™ is made from the seedcake of sea buckthorn (*Hippophae rhamnoides*), a by-product of juice and oil production, and is 100% of natural origin according to ISO 16128.

Nutrition & Health

BASF's Nutrition & Health division develops, produces and markets ingredients for the nutrition and health industries. Our cost-competitive products fulfill the highest safety, regulatory and sustainability standards. Together with our customers, we play an active part in enhancing the nutrition and health of consumers all over the world.

Portfolio

Aroma ingredients

BASF is a leading supplier of cost-competitive, high-quality and innovative aroma ingredients for the flavor and fragrance industry. We offer a wide variety of aroma ingredients, such as L-menthol, geraniol, citronellol and linalool, which are part of our citral value chain. Our broad portfolio also includes renewable-based natural ingredients under the Isobionics® brand. We are committed to a sustainable future by providing aroma products with a significant sustainability contribution. We offer products with reduced carbon footprints by using steam electricity and raw materials with reduced carbon footprints that we assign via a mass balance approach. Our aroma ingredients are sold to the flavor and fragrance industry for use mainly in home and personal care products, in fine fragrances and in the food industry. Our global production network – comprising world-scale citral plants in Ludwigshafen, Germany; Kuantan, Malaysia; and Zhanjiang, China – puts us in a unique position to ensure the highest level of supply reliability.

Nutrition ingredients

BASF is one of the leading suppliers of feed additives for livestock and companion animals. With decades of experience in the feed sector, in development, production and application, we place particular importance on delivering high quality for the benefit of humans and animals alike. Our focus is on supplying the feed industry with highly effective products like vitamins A and E, carotenoids, enzymes and organic acids. We offer our customers ingredients that reduce greenhouse gas emissions and improve resource efficiency as well as animal wellbeing.

Our cost-competitive ingredients for human nutrition comprise high-quality vitamins, such as vitamin A, E, B_2 and carotenoids. They show performance excellence in a variety of applications in strategic market segments such as functional nutrition, dietary supplements, colorants for food and beverages as well as pharmaceutical applications. For specific vitamin A and E products, a third-party certified benchmark study showed that the product carbon footprints of our products are at least 20% lower than the global market average.[1] In our food fortification initiative, our health ingredients help fortify staple foods to combat micronutrient deficiencies across the world.

Pharma solutions

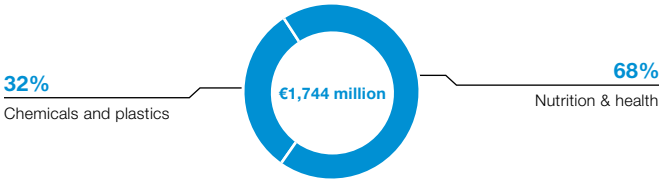
In pharma solutions, we produce innovative excipients and active ingredients of outstanding quality and performance. Our portfolio comprises not only functional excipients, but also active pharmaceutical ingredients and nutritional ingredients. We offer a diverse range of ibuprofen and omega-3 grades, in addition to other actives including L-menthol, PVP-iodine, azelaic acid and dexpanthenol.

With digital solutions such as the Virtual Pharma Assistants and a global team of industry experts, BASF supports its customers in developing efficient, cost-effective and reliable formulations. Equipped with an in-depth understanding of multiple technologies and applications, we have the knowledge and resources to make biologics, drug manufacturing and delivery safer, cost-competitive and more sustainable.

Market position and main competitors

The Nutrition & Health division holds one of the top three market positions in more than 80% of the strategic business areas in which it is active.

Sales by direct customer industry 2025



The main competitors (alphabetical order) include Ashland, Croda, DSM-Firmenich, IFF, NHU, Symrise and ZMC.

Focus of research and development

Our innovation centers around protecting and strengthening the cost leadership of our core product platforms. Long-term cost competitiveness is ensured via incremental and step-change process improvements, complemented by formulation excellence that enables cost, quality and regulatory targets to be met. In parallel, targeted next-generation biotech and non-biotech products are developed, while a combination of innovation and digital services increases efficiency across the development process.

Key capabilities

- Cost leadership through integration into the Verbund
- Value-driven innovation to support customer needs
- Deep understanding of the nutrition and health market
- High expertise in a complex regulatory environment
- Sustainability and quality management

1 Data source BASF's product carbon footprints: BASF's Strategic CO_2 Transparency Tool (SCOTT), July 2023; Data sources for producers: BASF own estimations on bill of materials and energies (in-house technology and business intelligence experts); market average weighted – based on nameplate capacities without BASF; stating at least 20% reflects safety buffer to account for degrees of freedom in ISO methods.

Major nameplate capacities of BASF[1]

Thousand metric tons per year

Product group	Location	Capacity
Citral	Europe, Asia Pacific	78

1 All capacities are included 100%, including plants belonging to joint operations and joint ventures

Acquisitions/JVs/investments

From 2023 onward

Product group	Description	Year
Animal nutrition	Startup of new world-scale vitamin A formulation plant in Ludwigshafen, Germany	2023
Aroma ingredients	New world-scale citral plant in Zhanjiang, China	2026
	New menthol and linalool plants in Ludwigshafen, Germany	2026

Divestitures/shutdowns

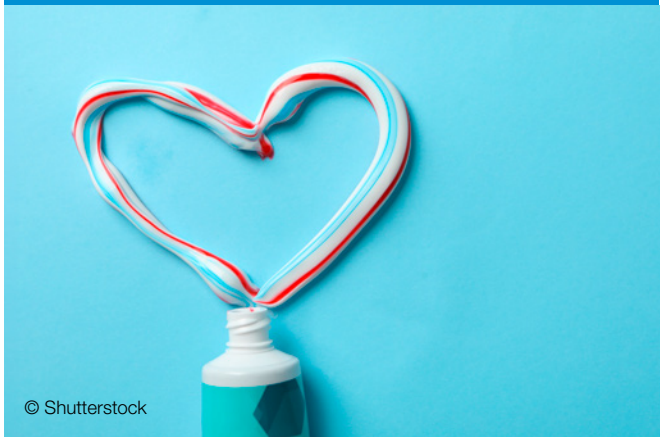
From 2023 onward

Product group	Description	Year
Human nutrition	Sale of food and health performance ingredients business to Louis Dreyfus Company (LDC)	2025

Major production sites

Product group	Site
Animal nutrition	Gunsan, South Korea; Ludwigshafen, Germany; Shenyang, China
Aroma ingredients	Geleen, Netherlands; Kuantan, Malaysia; Ludwigshafen, Germany; Zhanjiang, China
Human nutrition	Ballerup, Denmark; Boussens, France; Cheltenham, Hutt Lagoon and Whyalla, Australia; Gunsan, South Korea; Ludwigshafen, Germany
Pharma solutions	Bishop, Texas; Callanish, United Kingdom; Sandefjord, Norway

Innovation



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New aroma ingredients with reduced product carbon footprints

BASF has launched a range of aroma ingredients with a reduced product carbon footprint (rPCF), including L-menthol FCC rPCF. These products help customers achieve their Scope 3 emission reduction targets. BASF's rPCF aroma ingredients come with a PCF reduction of about 10% to 15% compared with the respective conventional BASF product thanks to the use of raw materials or energy supplies with lower PCFs. The PCFs of BASF's rPCF portfolio are calculated in accordance with the guidance issued by the Together for Sustainability (TfS) initiative. TÜV Rheinland has certified that BASF's calculation method conforms with this standard.

Surface Technologies

The Surface Technologies segment consists of the Battery Materials and Environmental Catalyst and Metal Solutions (ECMS) divisions. Until October 1, 2025, the segment also included the Coatings division (for more information on the Coatings transactions, see page 34). The Surface Technologies portfolio includes chemical solutions for surfaces in the areas of battery materials and emissions catalysts, as well as services in the areas of precious metals and base metals. We improve our customers' applications and processes with tailored products, technologies and solutions, and support them through geographical proximity across all regions. The aim is to drive BASF's growth by leveraging our portfolio of technologies and existing customer networks.

Divisions

Battery Materials

Advanced cathode active materials (CAM) for lithium-ion batteries suitable for all battery applications, precursors, base metals management, battery recycling solutions

page 61

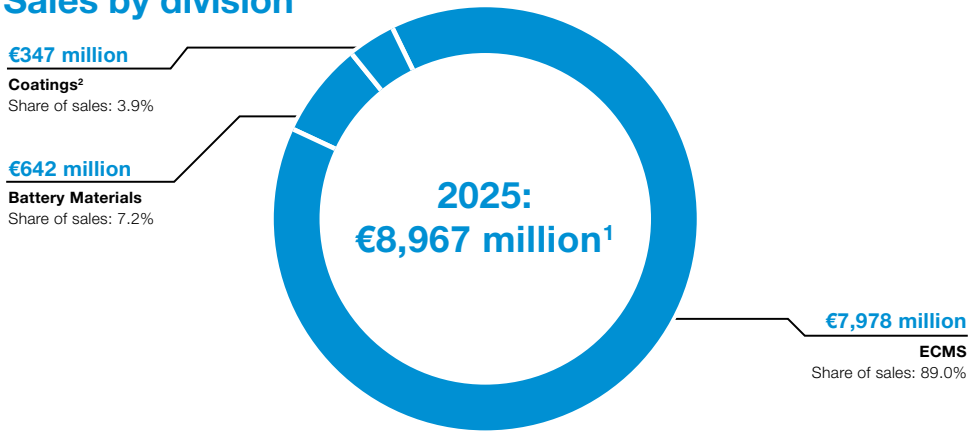
Environmental Catalyst and Metal Solutions (ECMS)

Mobile emissions catalysts, precious metal trading and recycling, precious metal chemicals, temperature sensing, clean air technologies, solutions for hydrogen value chain

page 63

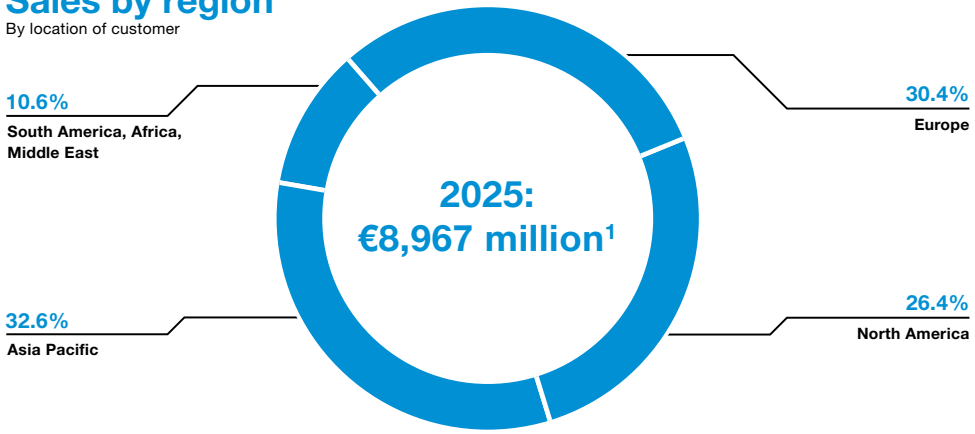
Surface Technologies

Sales by division



Sales by region

By location of customer



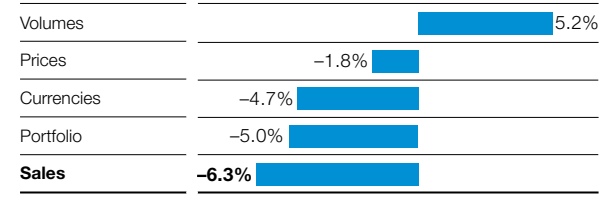
Segment data

Million €

		2025¹	2024¹	2023	2022	2021
Sales to third parties		8,967	8,055	16,204	21,283	22,659
Share of total BASF sales	%	15.0	13.1	23.5	24.4	28.8
of which Coatings²		347	486	4,387	4,220	3,440
Battery Materials		642	599	–	–	–
ECMS		7,978	6,970	–	–	–
Adjusted sales to third parties³		2,631	2,809	8,626	8,947	6,933
EBITDA before special items		800	470	1,520	1,464	1,277
EBITDA margin before special items	%	8.9	5.8	9.4	6.9	5.6
Adjusted EBITDA margin before special items³	%	30.4	16.7	17.6	16.4	18.4
EBITDA		1,394	405	1,351	1,264	1,243
EBITDA margin	%	15.5	5.0	8.3	5.9	5.5
Income from operations (EBIT) before special items		587	203	938	902	800
Income from operations (EBIT)		1,141	–392	366	612	761
Segment cash flow		627	415	1,488	61	–

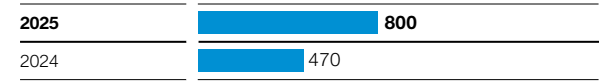
Factors influencing sales[1,3]

2025 versus 2024



EBITDA before special items[1]

Million €



Change: **€330 million**

1 With the planned divestiture of the automotive OEM coatings, automotive refinish coatings and surface treatment business units, sales and earnings from these activities will be reported as discontinued operations and will no longer be part of the sales and EBIT(DA) before special items of the BASF Group and of Surface Technologies. The prior-year figures have been restated. Since January 1, 2025, the chemical and refining catalysts business has been reported as part of the Performance Chemicals division in the Industrial Solutions segment. It was previously part of the former Catalysts division in the Surface Technologies segment. The prior-year figures have been restated accordingly. In addition, the two business units Battery Materials and Environmental Catalyst and Metal Solutions were established as new divisions in the segment as of January 1, 2025. They emerged from the Catalysts division.
2 The figures of the Coatings division for 2025 and 2024 refer exclusively to the decorative paints business unit.
3 Adjusted figures excluding sales in precious metal trading and precious metal sales in the automotive catalysts business (reported since 2021).

Battery Materials

BASF's Battery Materials division is a global leader in advanced cathode active materials (CAM) for lithium-ion batteries. We empower the world's leading cell manufacturers and OEM platforms with high-performance solutions tailored to their needs. In addition, our portfolio includes precursors, base metals management as well as battery recycling solutions. By leveraging our industry-leading R&D platform and passion for innovation, we develop unique, proprietary solutions that drive customer success and support the transition towards electromobility. Through our global production and R&D footprint across key regions, we ensure a reliable supply of high-quality materials and localized support for our partners, allowing us to better serve our customers worldwide.

Portfolio

Cathode active materials (CAM)

Cathode active materials are the heart of a lithium-ion battery. Within the electrified powertrain, they provide the greatest level of differentiation and comprise the largest material value.

Our innovative and proprietary know-how allows for customization of the optimal CAM dedicated for specific application segments and customer needs. Our broad product portfolio includes

- Materials with high capacity or fast-charging capabilities
- Technically high-performing materials for high-end applications
- Materials to maximize battery lifetime
- Materials with a customized balance of energy, power, lifetime and costs

Thanks to our broad portfolio, we offer materials suitable for all battery cell applications, including light-duty vehicles, heavy-duty vehicles, stationary energy storage, consumer electronics, e-bikes or e-scooters, medical devices or power tools as well as aerospace, aviation and marine applications.

Battery recycling

Battery recycling allows valuable materials contained in end-of-life batteries and production scrap to be recovered and reintegrated into the production cycle. Recycling reduces the dependency on primary mining resources as well as emission of greenhouse gases, while establishing a local supply of key raw materials.

Based on our extensive knowledge of the electric vehicle industry and our unparalleled expertise in the chemical industry, we have developed comprehensive solutions for battery recycling. We are thus able to cover all steps along the entire battery recycling value chain, from logistics to discharging and dismantling, as well as black mass production and refining, leveraging our strong partner network.

Metals management

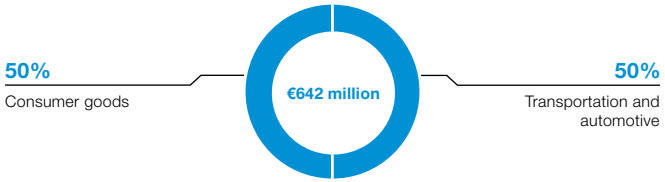
Raw material security and metal risk management solutions are essential to enable a successful battery business. BASF provides metal management services to customers to manage their risks more effectively. We offer a full range of services, including ensuring security of supply through global sourcing and recycling footprints, effective price risk management, liquidity management through trading, global end-to-end optimization of metal flow, supply and inventory management or fixed and index-based pricing mechanisms and forward hedges. We have also established a responsible sourcing management framework to enable low CO_2 footprints and a strong ESG performance.

Market position and main competitors

The Battery Materials division holds one of the top five market positions in all strategic business areas in which it operates.

The main CAM competitors (alphabetical order) include Easpring, EcoPro BM, Huayou, L&F, LG Chem, Posco Future M, Ronbay and Umicore.

Sales by direct customer industry 2025



Focus of research and development

Our innovation strategy for battery materials focuses on three key areas:

- We develop high-performance CAM for lithium-ion battery technologies. This enables our customers to optimize their battery cells in terms of cost, stability, sustainability and safety.
- We create advanced solutions for the recycling of lithium-ion batteries. In doing so, we not only enhance sustainability, but also improve long-term raw material security.
- We explore new materials and production technologies to ensure our future readiness. This includes researching CAM for solid-state batteries, sodium-ion batteries, and innovative materials that minimize the use of costly and scarce metals such as nickel and cobalt.

Through our global R&D setup, we collaborate with customers across different regions, maintain proximity to production plants and foster partnerships with leading academic and technological institutions worldwide.

Key capabilities of BASF

- Broad and innovative product portfolio
- Customer proximity, with especially strong position in Europe and Asia
- Operational excellence in production
- Global R&D footprint
- Base metals expertise

Acquisitions/JVs/investments

From 2023 onward

Product group	Description	Year
Battery materials	CAM capacity expansion at the joint venture BASF Shanshan in Chansha, China	2023
	CAM manufacturing plant in Schwarzheide, Germany	2023
	Battery recycling prototype plant in Schwarzheide, Germany	2024
	CAM capacity expansion at the joint venture BASF TODA in Onoda, Japan	2024
	Black mass recycling plant in Schwarzheide, Germany	2024

Innovation

Mass-produced cathode active materials for semi-solid-state batteries

Through its joint venture BASF Shanshan Battery Materials Co., Ltd., BASF has developed an ultra-high nickel NCM (Nickel Cobalt Manganese) cathode active material with a unique composite coating layer to address interface issues between cathode active materials (CAM) for semi-solid-state batteries and solid electrolytes. This not only enhances the energy density by ensuring higher capacity and lower resistance, but also improves the cycling performance and calendar life by suppressing side reactions in interfaces between the CAM and the electrolyte. BASF and Beijing WELION New Energy Technology Co., Ltd., a pioneering battery producer with over 40 years of experience in exploring solid-state battery technologies, moved swiftly from concept to mass production in just one year through seamless teamwork and a shared commitment to technological advancement. The collaboration represents a true milestone toward industrializing solid-state batteries.

Environmental Catalyst and Metal Solutions

BASF's Environmental Catalyst and Metal Solutions (ECMS) division is a global market leader in mobile emissions catalysts and precious metals trading, recycling and related products and services. Leveraging its deep expertise, ECMS serves customers in many industries including light and heavy-duty automotive, aerospace, power generation and the hydrogen economy, and provides full loop services with its precious metals trading and recycling offering.

Portfolio

Mobile emissions catalysts

The mobile emissions catalysts business unit provides innovative and cost-effective technologies that control emissions from gasoline and diesel-powered passenger cars, trucks, buses, off-road vehicles and motorcycles. The unit also offers technologies to improve cabin air quality in airplanes and clean air technologies for power generation systems (gensets) for data centers. ECMS is the preferred development partner for our customers, with manufacturing sites, research and development labs, and sales offices located in all major regions.

Leading OEMs rely on ECMS to ensure they can meet increasingly stringent current and upcoming emissions regulations implemented throughout the world. ECMS catalysts used in exhaust aftertreatment systems of gasoline vehicles remove critical pollutants like hydrocarbons, carbon monoxide and nitrogen oxides as well as particulate matter. ECMS diesel engine catalysts remove particulates and other pollutants from diesel engine exhaust.

The business is backward-integrated into zeolite production and partners with key suppliers around the globe to ensure security of supply.

ECMS is also a leading supplier of ozone removal systems for many aircraft. The technology reduces harmful ozone and volatile organic compounds in aircraft cabin air. This improves air quality and odors from sources such as jet fuel, lubricant leaks and on-ground maintenance activities.

Precious metal services and recycling

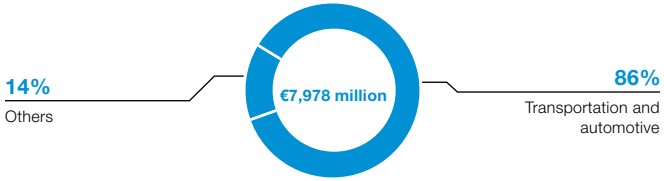
This business unit has in-depth knowledge and vast experience in the field of end-to-end metals management. ECMS offers automotive and industrial customers "full loop" services ranging from precious metal supply and recycling to financial risk management. Its full loop offering begins with ensuring security of supply through our global recycling business as well as sustainable sourcing of precious metals via relationships with mining companies. Additionally, the business has precious metals trading offices in the United States, United Kingdom, Japan and China that provide metal sourcing and price risk management services for our global customer network and for mobile emissions catalysts and other BASF units.

Through ECMS recycling operations, precious metals are recovered from spent catalyst and scrap materials, providing the business with an additional level of secondary supply that can be used to meet its own needs for platinum group metals (PGM) and those of customers. Recycled metal has a significantly lower carbon footprint than primary mined metal, supporting decarbonization of the supply chain. Customers looking to reduce their carbon footprint can purchase 100% recycled metal under the brand name Verdium™.

ECMS also operates a temperature sensing business that serves a wide range of industries, providing accurate and precise measurement of mission-critical temperatures.

Additionally, the division supports the developing green hydrogen economy with circular solutions that improve performance and reduce costs for proton exchange membrane (PEM) electrolysis and fuel cells. ECMS offers catalyst coated membranes (CCMs) that support PEM electrolyzers for hydrogen production, fuel cell catalysts that utilize hydrogen to produce electricity with only water as a by-product, and innovative Celtec® membrane electrode assemblies (MEAs) that enable high-temperature PEM fuel cell technology.

Sales by direct customer industry 2025



Market position and main competitors

ECMS holds one of the top three market positions in all strategic business areas in which it is active.

The main competitors (alphabetical order) include Cataler, Heraeus, Johnson Matthey, Sibanye-Stillwater, Tanaka, Techemet and Umicore.

Focus of research and development

For mobile emissions catalysts, the focus is on total cost of ownership and providing improved, cost-competitive products to meet future vehicle emission standards.

Precious metal services and recycling is developing next-generation electrocatalysts and catalyst coated membranes to improve performance and reduce cost for proton exchange membrane (PEM) electrolyzers and fuel cells.

Key capabilities

- Global R&D footprint with technology leadership in mobile emissions catalysts
- Full loop recycling capabilities to support the net-zero transition in the mobility and energy sectors, and offer significant future growth opportunities
- Professional metals management, including sourcing, trading, handling (supply chain and physical inventory management), pricing and risk management to ensure sustainable and secure metal supply
- Global production footprint with manufacturing facilities in all key markets
- Operational excellence in catalyst production and precious metals management

Acquisitions/JVs/investments

From 2023 onward

Product group	Description	Year
Precious metal services	Acquisition of Arc Metal AB in Hofors, Sweden	2024
	Construction of production facility for green hydrogen and fuel cell components in Budenheim, Germany	2025

Divestitures/shutdowns

From 2023 onward

Product group	Description	Year
Precious metal services	Sale of BASF HERAEUS (China) Metal Resource Co., Ltd., Pinghu, China	2026

Innovation

New catalyst technology enables heavy-duty trucks to meet stricter NOx and N_2O regulations

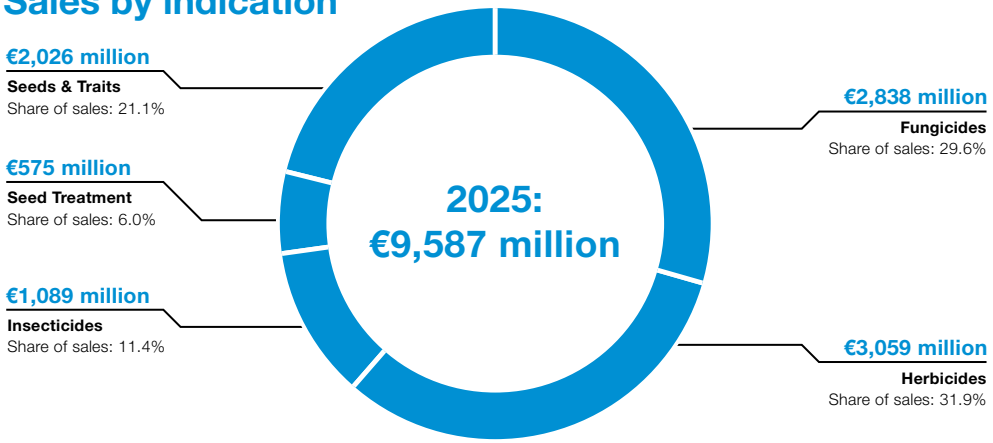
ECMS has developed a new chabazite-based, copper-zeolite Selective Catalytic Reaction (GenV+CuSCR) technology to fulfill the nitrogen oxides (NOx) and nitrogen dioxide (N_2O) emissions limits in the upcoming on-road Euro VII and U.S. EPA27 heavy-duty regulations. This innovation is a significant advancement over ECMS's copper chabazite (CuCHA) SCR technology. Compared with the current GenIV CuSCR, the new technology provides a 30% to 40% N_2O reduction across the typical heavy-duty diesel vehicle operating temperature window, maintains the same high levels of low-temperature NOx conversion, and increases high-temperature NOx conversion. The GenV+ technology is now technically qualified at several global truck customers and will be implemented on many key platforms to meet the upcoming emissions regulations.

Agricultural Solutions

Farming is fundamental to provide sufficient and affordable food for a rapidly growing population, while reducing environmental impacts. That's why Agricultural Solutions works with partners and experts to integrate sustainability criteria into all business decisions. Connecting seeds and traits, crop protection products, digital tools and sustainability approaches to help deliver the best possible outcomes for farmers, growers and stakeholders along the value chain. We invest in a strong R&D pipeline and our solutions are purpose-designed for different crop systems. Our innovation pipeline is targeting a sales potential of more than €7.5 billion for products launched by 2035.

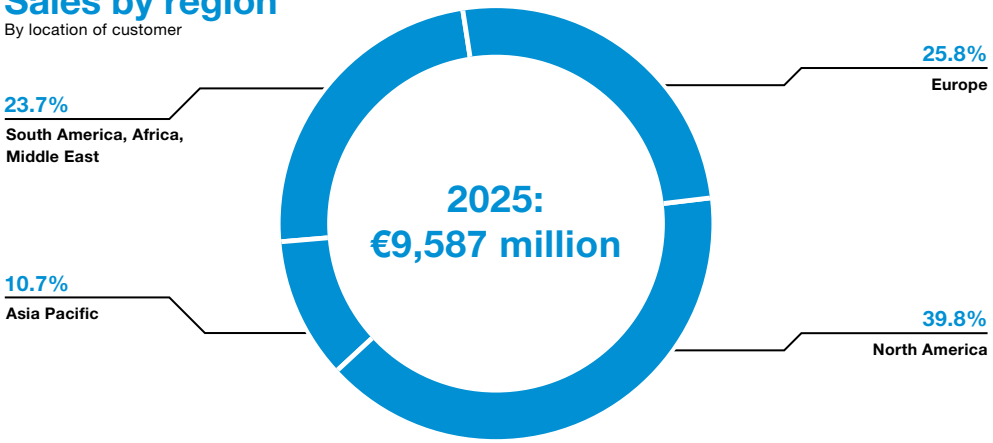
Agricultural Solutions

Sales by indication



Sales by region

By location of customer



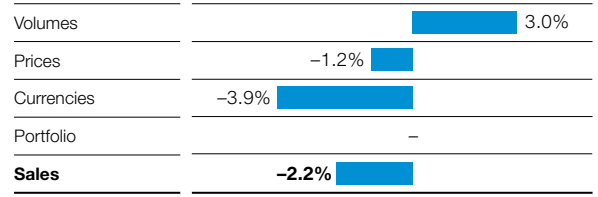
Segment data

Million €

		2025	2024	2023	2022	2021
Sales to third parties		9,587	9,798	10,092	10,280	8,162
Share of total BASF sales	%	16.1	15.9	14.6	11.8	10.4
EBITDA before special items		2,081	1,938	2,270	1,928	1,375
EBITDA margin before special items	%	21.7	19.8	22.5	18.8	16.8
EBITDA		1,925	1,659	2,177	1,922	1,358
EBITDA margin	%	20.1	16.9	21.6	18.7	16.6
Income from operations (EBIT) before special items		1,500	1,270	1,563	1,220	715
Income from operations (EBIT)		1,342	984	1,131	1,221	696
Segment cash flow		1,505	1,861	1,746	179	–

Factors influencing sales

2025 versus 2024



EBITDA before special items

Million €

Change: **€143 million**

Agricultural Solutions

The goal of efficient farming is to provide healthy and affordable food globally to a rapidly growing world population with an increasing demand for food, feed, fibers and energy. At the same time, farmers must reduce their environmental impact as natural resources are limited. We support them in achieving this and strive to contribute to a sustainable future for agriculture by connecting innovation, customers and society.

Portfolio

Fungicides

Conducting pioneering research to find new active ingredients and provide our customers with new options to control fungal diseases:

- Adapzo® Active is a new class of chemistry with a novel mode of action. Its product family delivers exceptional control of key soybean diseases, including Asian Soybean Rust.
- Pavecto®[1] Active provides farmers with an effective solution to control a broad range of leaf spot diseases in soy, wheat, and fruits and vegetables and to overcome widespread resistance.
- Revysol® Active offers outstanding biological performance against difficult-to-control pathogens in fruits, vegetables and row crops. The active ingredient has received registrations in all regions, and Revysol®-based products have been introduced globally in all major crops.
- Xemium® is a key component of BASF's fungicides portfolio due to its broad-spectrum disease control and is available in more than 80 countries for roughly 150 different crops.

Herbicides

Reducing competition from weeds secures yield and harvest quality, enabling no-till farming practices:

- Luximo® Active provides soil residual control against a broad range of grasses in cereal crops. Luximo® has no known cross-resistance.
- Tirexor® Active is a PPO-inhibitor herbicide (protoporphyrinogen IX oxidase) for controlling weeds currently resistant to other PPO inhibitors. It provides effective burndown of broadleaf weeds and suppression of annual ryegrass. Voraxor®, which combines Tirexor® Active and Kixor® Active, harnesses the strength of two potent PPO active ingredients to offer a powerful, new weed control solution.
- Glufosinate-P-ammonium Active is an advanced active ingredient herbicide powered by the latest glufosinate innovation, Glu-L™ technology. This active ingredient controls broadleaf weeds and grasses while reducing product bulk and increasing efficacy, operational efficiency and sustainability. It can be used in row crops, including soybean, cotton, corn and canola.

Insecticides

Combating insect pests in agriculture and beyond:

- Prexio® Active is a new insecticide active ingredient designed specifically to manage all four rice hopper pest species and has no known cross-resistance to market standards.
- Axalion® Active introduces a completely new class of chemistry with a novel mode of action that controls many of the most problematic piercing and sucking insect pests, with no cross-resistance to existing chemistries. Designed to work in harmony with beneficial insects, Axalion® becomes an essential tool for growers looking to strengthen their Integrated Pest Management programs.
- Inscalis®[2] Active offers an alternative mode of action for the control of piercing and sucking insects in row crops and specialty crops and ornamentals.
- Broflanilide[3] Active is a powerful and versatile multispectrum insecticide and provides high efficacy against caterpillars and beetles in specialty crops and row crops.

Seed treatment

Biological and chemical products, functional coatings and colorants to improve seed performance:

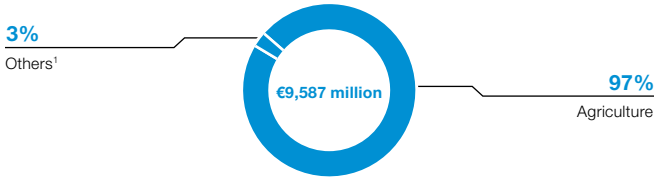
- Poncho® Votivo® is a systemic insecticide and biological seed treatment to control insect pests and protect against soil plant pathogenic nematodes.
- Teraxxa® is the only seed treatment for cereals that eliminates wireworms by interfering with nerve signal communication.
- ILEVO® seed treatment for soybeans provides broad-spectrum nematode protection against soybean sudden death syndrome and cyst nematode, two of the top yield robbers.
- Vault® IP Plus seed treatment, a fully dimensional soybean inoculant, augments nitrogen fixation with a unique EPA-registered dual-strain biofungicide and the lowest application rate in its class.
- Sepiret® delivers performance and industry-leading sustainability with microplastic-free seed coatings.

Field crop seeds & traits

Bringing high-yield-potential germplasm, advanced trait technologies and continuous innovation addressing the current and future needs of farmers:

- A strong seed brand portfolio that delivers high-quality seed germplasms via high-performing hybrids and varieties that adapt to the growing conditions of local farmers. The portfolio includes InVigor® canola (oilseed rape), FiberMax® cotton, Stoneville® cotton, Credenz® soybean, Lidero® rice and InSun® sunflower seed.
- From herbicide tolerance to insect resistance and agronomic trait technologies, our traits help crops realize their full potential. The portfolio includes pod shatter reduction technology for canola, LibertyLink®, GlyTol®, TwinLink®, TwinLink® Plus, Clearfield® Production System and Provisia® Rice System. The newest traits are Axant® Flex and Seletio® herbicide tolerance technology for cotton.

Sales by direct customer industry 2025



1 Aquaculture, forestry, home and garden, industrial weed control, ornamentals, public health, turf, urban pest control

1 Co-developed with Sumitomo Chemical Co., Ltd.
2 Co-developed with Meiji Seika Pharma Co. Ltd
3 Co-developed with Mitsui Chemicals Agro, Inc.

Vegetable seeds

We develop innovative vegetable seeds and solutions for tomorrow's needs. With over 100 years of breeding expertise, BASF | Nunhems offers 1,200 varieties across 20 crops, helping growers overcome challenges while delivering high-quality vegetables enjoyed by 500 million consumers worldwide.

- Our commitment to disease resistance is exemplified by the early introduction of resistant varieties for the Tomato Brown Rugose Fruit Virus (ToBRFV), achieved through accelerated development using innovative breeding practices like indoor farming and marker technology. This proactive approach ensures that plants and fruits remain symptomless and marketable, providing reliable revenue for growers.
- BASF | Nunhems develops melon varieties designed to perform reliably across diverse growing conditions while meeting evolving market expectations. Galkia melons feature a unique natural color change from green to yellow at ripeness, enabling harvest at optimal maturity and helping ensure consistent flavor and quality once in stores.

Market position and main competitors

The Agricultural Solutions division holds one of the top four market positions in almost all of the strategic business areas in which it is active. The main competitors (alphabetical order) include Bayer, Corteva, FMC, Syngenta and UPL.

Focus of research and development

Our innovation pipeline has an incremental peak sales potential of more than €7.5 billion for products and solutions launched by 2035, with further value expected from innovations launching beyond this 10-year view. Steered by our crop system approach, R&D focuses on delivering the best solutions for farmers' highest-value problems. This includes integrated solutions of high-performance seeds, innovative traits, and state-of-the-art seed treatments together with novel active ingredients, high tech formulations, emerging biologicals, and digitally enabled agronomic solutions. For example, the pipeline features novel traits developed with the crop protection pipeline, such as new herbicides with corresponding herbicide tolerance traits.

Digital farming

With products from xarvio® Digital Farming Solutions, we enable precision farming and help farmers globally optimize crop yield using fewer natural resources and crop inputs.

- xarvio® FIELD MANAGER, a crop optimization platform, provides tailored, field-specific agronomic advice to help farmers use inputs at the right time, place and in the right amount to improve yield, profit, efficiency and sustainability.

Key capabilities

- Strong customer orientation with a comprehensive offer for strategic crop systems: soy, corn (maize) and cotton in the Americas; wheat, canola (oilseed rape) and sunflower in North America and Europe; rice in Asia; and fruit and vegetables globally
- Value-driven R&D pipeline for sustainable agriculture helping farmers balance environmental and economic challenges as well as meeting consumer demand for more sustainably produced food
- Stringent patent management
- Innovative digital farming solutions

Selected acquisitions/JVs/investments/divestitures

From 2023 onward

Product group	Description	Year
Crop protection/active ingredients	New fermentation plant for biological and biotechnology-based crop protection products (Germany)	2025
	Closure of glufosinate-ammonium production network in Frankfurt and Knapsack (Germany)	2025
	Acquisition of biological insect control group AgBiTech (Australia)	2026
Seeds	Acquisition of melon breeding company ASL (France)	2023
	Acquisition of Noble Seeds Pvt. Ltd. (India)	2026

Innovation

Advanced seed technology against resistant weeds

Axant® Flex is cotton's first and only quadruple-stack herbicide tolerance trait package. This unprecedented tolerance to multiple herbicides provides farmers with critical options to control resistant weeds. The seed technology is incorporated into BASF's high-quality cotton varieties and supported by its industry-leading herbicide pipeline. This integrated solution safeguards yield stability and fiber quality and was recently launched for farmers in major cotton-growing regions, including the United States; in Brazil, it is available as Seletio®, a triple-stack herbicide trait package. The innovation strengthens BASF's market position as a leading provider of quality cotton seed varieties with advanced trait technologies.

Other

Activities that are not allocated to any of the divisions are recorded under Other.

This applies to the following activities and transactions:

- Cross-divisional corporate research working on long-term topics of strategic importance to the BASF Group
- The BASF Group's steering by corporate headquarters and centrally managed strategic projects
- Other businesses which include commodity trading, engineering and other services, rental income and leases, as well as renewable energy trading
- Certain activities remaining after divestitures as well as remanent fixed costs and one-time expenses resulting from organizational changes or restructuring that are not allocated to the operating divisions
- Assets and liabilities of discontinued operations, as well as any expenses and income arising in connection with the divestiture
- Foreign currency results not allocated to the segments and measurement effects from the hedging of raw materials price and foreign currency exchange risks as well as gains and losses from the long-term incentive programs (LTI programs)
- Idle capacity costs from internal human resource platforms as well as consolidation effects that cannot be allocated to a division.

Financial data – Other[1]

Million €

	2025	2024	+/–
Sales	3,202	3,290	–2.7%
EBITDA before special items	–604	–567	–6.7%
of which costs for cross-divisional corporate research	–168	–183	8.3%
costs of corporate headquarters	–241	–232	–4.0%
other businesses	175	182	–3.9%
miscellaneous income and expenses	–371	–334	–11.0%
EBITDA	–1,732	–1,167	–48.4%
Depreciation and amortization[2]	159	160	–0.9%
EBIT before special items	–752	–706	–6.5%
Special items in EBIT	–1,139	–622	–83.2%
Income from operations (EBIT)	–1,891	–1,328	–42.4%
Investments including acquisitions[3]	131	240	–45.6%
Assets (December 31)[4]	18,299	19,647	–6.9%
Research and development expenses	254	276	–7.9%

1 Information on the composition of Other can be found in the BASF Report 2025 from page 328 onward. The prior-year figures have been restated due to the planned divestiture of the automotive OEM coatings, automotive refinish coatings and surface treatment business units.
2 Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments), excluding depreciation and amortization, impairments or reversals of impairments attributable to the discontinued coatings business; previous year's figures have been restated
3 Additions to property, plant and equipment and intangible assets excluding additions attributable to the discontinued coatings business; prior-year figures have been restated
4 Includes assets of businesses recognized under Other and reconciliation to assets of the BASF Group

In 2025, **sales** in Other amounted to €3,202 million, below the prior-year level by €88 million. This was mainly due to lower sales in both commodity and energy trading.

EBITDA before special items of Other decreased by €37 million year on year to –€604 million. This was primarily due to increased LTI expenses and a lower earnings contributions from other businesses.

EBITDA in Other included special items of –€1,128 million in 2025. This included special charges in the amount of €595 million for restructuring measures as well as €328 million related to the sale of BASF's shares in the Nordlicht 1 and 2 wind farm projects.

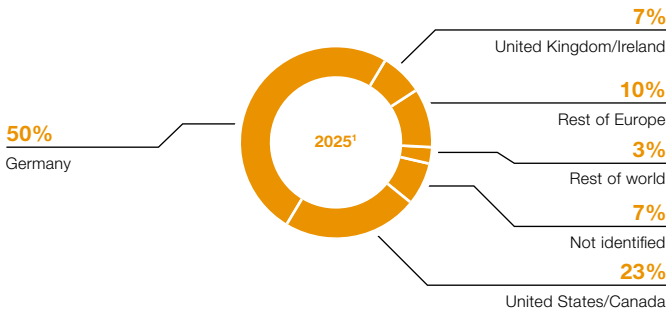
3 Financials

BASF on the Capital Market

Broad base of international shareholders

With around 900,000 shareholders, BASF is one of the largest publicly owned companies with a high free float. An analysis of the shareholder structure carried out at year-end 2025 showed that, at around 23% of share capital, the United States and Canada made up the largest regional group of institutional investors. Institutional investors from Germany accounted for 5%. Institutional investors from the United Kingdom and Ireland hold 7% of BASF shares, while investors from the rest of Europe hold a further 10% of capital. Institutional investors from the rest of the world, including the Asia Pacific region, hold 3% of BASF shares. Approximately 45% of the company's share capital is held by private investors, nearly all of whom reside in Germany. BASF is therefore one of the DAX40 companies with the largest percentage of private shareholders.

Shareholder structure
By region, rounded



1 as of December 31, 2025

Distributions to shareholders

BASF has set itself the target of distributing at least €12 billion to shareholders from 2025 to 2028 through a combination of dividends and share buybacks.

Specifically, the company intends to pay a dividend of at least €2.25 per share or around €2 billion each year. For 2025, BASF paid a dividend of €2.25 per share and paid out around €2 billion to its shareholders. Based on the year-end share price for 2025, BASF shares offer a dividend yield of 5.1%.

The total dividend distribution of at least around €8 billion over the four-year period will be supplemented by share buybacks of at least around €4 billion. As announced as part of the "Winning Ways" strategy, share buybacks were planned to start in 2027 at the latest. In view of the cash inflows already received and still expected, in particular from portfolio measures, the Board of Executive Directors of BASF SE has resolved to buy back shares with a volume of up to €1.5 billion between November 2025 and the end of June 2026. This accelerated share buyback is part of the share buyback announced in September 2024 for a total of at least €4 billion by the end of 2028.

BASF – a sustainable investment

BASF shares are particularly attractive for investors looking for businesses with strong performance with respect to the environment, society and governance (ESG). In analyses by leading ESG rating agencies, BASF is often recognized as benchmark within the chemical industry. They specifically highlight our integrated sustainability reporting, business ethics and the development of sustainable products.

In 2025, BASF again achieved Prime status (B-) in the ISS ESG rating developed by Institutional Shareholder Services, placing it in the top 10% of the companies assessed. In Morningstar Sustainalytics'[1] ESG Risk Ratings, BASF belongs to the best category for "diversified chemicals" with a medium ESG risk rating and was recognized for its strong risk management. MSCI ESG Research awarded BASF a BBB rating in 2025. The analysts highlighted BASF's performance in terms of governance, low CO_2 intensity and robust water management.

BASF has participated in the program established by the international organization CDP for reporting on data relevant to climate protection since 2004. CDP represents more than 640 capital markets signatories with $127 trillion in assets and more than 330 major organizations with $6.4 trillion in purchasing power. In 2025, CDP awarded BASF Leadership status in the categories of climate protection (A), water management (A-) and forest protection (A) based on the company's disclosures for the 2024 business year.

American depositary receipts

American depositary receipts (ADRs) allow U.S. institutional and retail investors to trade and own non-U.S. companies directly through the U.S. equity markets. BASF has a sponsored level 1 program, which is traded on OTC-QX, the platform for international quality companies on OTC markets. BASF's ADRs (Symbol: BASFY) are included in International PremierQX, the highest OTC market tier.

For further information, see basf.com/share

Analysts' recommendations

More than 20 financial analysts regularly publish reports on BASF. The latest analyst recommendations for our shares as well as the average target share price ascribed to BASF by analysts can be found online at **basf.com/analystestimates**.

1 Morningstar Sustainalytics provides institutional investors and companies with ESG and corporate governance research, ratings and analytics.

Further information on the BASF share

Securities code numbers

Germany	BASF11
United States (CUSIP number)	055262505
ISIN International Securities Identification Number	DE000BASF111

International ticker symbols

Deutsche Börse	BAS
Pink Sheets / OTCQX	BASFY (ADR)
Bloomberg (Xetra trading)	BAS GY
Reuters (Xetra trading)	BASFn.DE

Shareholder return

		2016	2017	2018	2019	2010	2021	2022	2023	2024	2025
Dividends	million €	2,755	2,847	2,939	3,031	3,031	3,072	3,035	3,035	2,008	1,964
Dividend per share	€	3.00	3.10	3.20	3.30	3.30	3.40	3.40	3.40	2.25	2.25
Share price at year-end	€/share	88.31	91.74	60.40	67.35	64.72	61.78	46.39	48.78	42.46	44.43
Dividend yield[1]	%	3.4	3.4	5.3	4.9	5.1	5.5	7.3	7.0	5.3	5.1
Payout ratio	%	68	47	63	36	.	57	.	.	155	124
Price-earnings ratio (P/E ratio)[1]		20.0	13.9	11.8	7.3	.	10.3	.	195.1	29.3	24.4
Free cash flow yield[2]	%	4.4	5.7	7.3	5.9	3.8	6.5	8.0	6.2	2.0	3.4

1 Based on year-end share price
2 Free cash flow per share at year-end divided by share price at year-end

Business Review by Segment

Segment overview

Million €

	Sales		EBITDA before special items		EBITDA		EBIT before special items	
	2025	2024	2025	2024	2025	2024	2025	2024
Chemicals	10,055	10,838	853	1,342	747	1,314	–88	503
Materials	12,742	13,510	1,575	1,805	1,502	1,769	722	987
Industrial Solutions[1]	8,594	9,223	1,200	1,437	1,153	1,412	786	994
Nutrition & Care	6,509	6,729	649	814	630	819	133	273
Surface Technologies[1]	8,967	8,055	800	470	1,394	405	587	203
Agricultural Solutions	9,587	9,798	2,081	1,938	1,925	1,659	1,500	1,270
Other	3,202	3,290	–604	–567	–1,732	–1,167	–752	–706
BASF Group	**59,657**	**61,444**	**6,544**	**7,240**	**5,618**	**6,211**	**2,887**	**3,523**

Segment overview

Million €

	EBIT		Segment cash flow		Assets		Investments including acquisitions[2]	
	2025	2024	2025	2024	2025	2024	2025	2024
Chemicals	–374	429	–1,182	–2,051	14,400	14,266	2,108	3,403
Materials	635	939	1,054	766	9,226	10,135	940	1,139
Industrial Solutions[1]	705	959	1,061	1,102	6,560	7,494	391	349
Nutrition & Care	76	220	–67	–31	7,610	7,887	662	809
Surface Technologies[1]	1,141	–392	627	415	5,836	5,609	116	309
Agricultural Solutions	1,342	984	1,505	1,861	14,243	15,377	351	387
Other[3]	–1,891	–1,328			18,299	19,647	131	240
BASF Group	**1,634**	**1,810**			**76,174**	**80,415**	**4,698**	**6,636**

1 Since January 1, 2025, chemical and refining catalysts business has been reported as part of the Performance Chemicals division in the Industrial Solutions segment. It was previously part of the former Catalysts division in the Surface Technologies segment. The prior-year figures have been restated accordingly.
2 Additions to property, plant and equipment and intangible assets, excluding additions attributable to the discontinued coatings business; prior-year figures have been restated
3 Includes assets of businesses recognized under Other and reconciliation to assets of the BASF Group

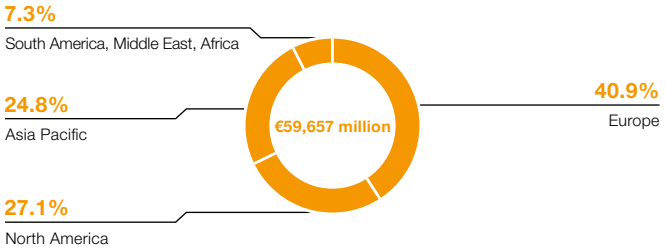
Regional Results

Sales by location of company

Million €

	2016	2017[1]	2018[2]	2019	2020	2021	2022	2023	2024[3]	2025
Europe	27,221	28,045	27,526	25,706	24,223	31,594	35,821	27,631	24,734	24,373
North America	14,682	15,937	15,900	16,420	16,440	21,935	24,343	19,003	17,067	16,148
Asia Pacific	11,512	13,658	13,454	13,384	14,895	20,632	21,309	17,142	14,817	14,766
South America, Africa, Middle East	4,135	3,583	3,340	3,806	3,591	4,437	5,854	5,126	4,826	4,370
BASF Group	**57,550**	**61,223**	**60,220**	**59,316**	**59,149**	**78,598**	**87,327**	**68,902**	**61,444**	**59,657**

Sales by location of company 2025

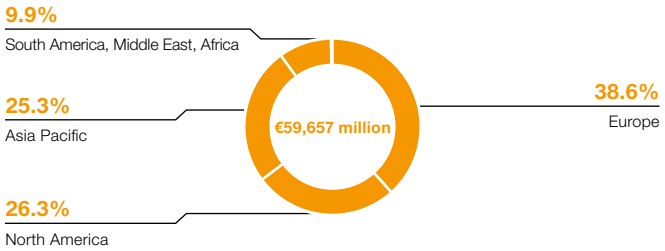


Sales by location of customer

Million €

	2016	2017[1]	2018[2]	2019	2020	2021	2022	2023	2024[3]	2025
Europe	26,039	26,507	25,589	23,827	23,129	30,531	33,922	26,022	23,430	23,019
North America	14,042	15,357	15,388	15,948	15,709	20,867	23,869	18,833	16,666	15,667
Asia Pacific	12,165	14,343	14,210	14,203	15,406	21,234	21,823	17,520	15,126	15,068
South America, Africa, Middle East	5,304	5,016	5,033	5,338	4,905	5,965	7,713	6,527	6,222	5,903
BASF Group	**57,550**	**61,223**	**60,220**	**59,316**	**59,149**	**78,598**	**87,327**	**68,902**	**61,444**	**59,657**

Sales by location of customer 2025



1 Figures for 2017 were restated with the presentation of the oil and gas activities as discontinued operations.
2 Figures for 2018 were restated with the presentation of the construction chemicals activities as discontinued operations.
3 With the planned divestiture of the automotive OEM coatings, automotive refinish coatings and surface treatment business units, sales and earnings from these activities are reported as discontinued operations and are no longer be part of the sales and EBIT(DA) before special items of the BASF Group and of Surface Technologies. The prior-year figures have been restated accordingly.

Share of sales from locally manufactured products in 2025

1 Including BASF-YPC Company Ltd., which operates the Verbund site in Nanjing, China

Factors Influencing Sales and Exchange Rate Volatility

Factors influencing sales of the BASF Group

Change in %

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Volumes	2	4	1	–3	–1	10.6	–7.0	–8.4	1.8	1.5
Prices	–4	8	4	–3	3	24.8	11.9	–10.0	–5.2	–1.7
Currencies	–1	–1	–4	2	–3	–2.4	6.1	–2.5	–1.8	–3.0
Portfolio	–15	1	1	2	1	–0.1	0.1	–0.2	–0.1	0.3
Total	**–18**	**12**	**2**	**–2**	**0**	**32.9**	**11.1**	**–21.1**	**–5.3**	**–2.9**

Factors influencing sales

In the 2025 business year, sales stood at €59,657 million, compared with €61,444 million in the previous year. Negative currency effects, mainly relating to the U.S. dollar, the Chinese renminbi and the Brazilian real, had a significant impact on sales. In a competitive market environment, prices fell in almost all segments; only the Surface Technologies and Nutrition & Care segments achieved price increases compared to the previous year. A significant increase in volumes in the Surface Technologies segment and slight volume growth in the Agricultural Solutions and Materials segments more than compensated for lower volumes in the Nutrition & Care, Industrial Solutions and Chemicals segments.

Exchange rate volatility

Our competitiveness on global markets is influenced by fluctuations in exchange rates. For BASF's sales, opportunities and risks arise in particular when the U.S. dollar exchange rate fluctuates. On the production side, we counter exchange rate risks by producing in the respective currency zones.

Financial currency risks result from the translation of receivables, liabilities and other monetary items in accordance with IAS 21 at the closing rate into the functional currency of the respective Group company. If necessary, we hedge these risks using derivative instruments.

Financing

Our financing policy aims to ensure our solvency at all times, limiting the risks associated with financing and optimizing our cost of capital. We preferably meet our external financing needs on the international capital markets. BASF strives for a single A credit rating, which gives us unrestricted access to financial and capital markets. Our financing measures are aligned with our operational business planning as well as the company's strategic direction and also ensure the financial flexibility to take advantage of strategic options.

Financing policy

We have solid financing, both for ongoing business and for investment projects initiated or planned. Corporate bonds form the basis of our medium to long-term debt financing. These are issued in euros and other currencies with different maturities as part of our €20 billion debt issuance program. The goal is to create a balanced maturity profile, diversify our financing and optimize our debt capital financing conditions.

For short-term financing, we use BASF SE's global commercial paper program, which has an issuing volume of up to $12.5 billion. As of December 31, 2025, no commercial paper was outstanding under this program. A firmly committed, syndicated credit line of €6 billion with a term until 2030 covers the repayment of outstanding commercial paper. It can also be used for general company purposes. This credit line was not used at any point in 2025. In 2023, BASF Integrated Site (Guangdong) Co. Ltd., Zhanjiang, China, signed a syndicated bank term loan facility totaling 40 billion Chinese renminbi with a maturity of 15 years for the construction of the Verbund site in Zhanjiang. Of this amount, 34 billion Chinese renminbi (€4.2 billion) was utilized as of December 31, 2025. Our external financing is largely independent of short-term fluctuations in the credit markets.

BASF Group's most important financial contracts contain no side agreements with regard to specific financial ratios (financial covenants) or compliance with a specific rating (rating trigger). To minimize risks and leverage internal optimization potential within the Group, we bundle the financing, financial investments and foreign currency hedging of BASF SE's subsidiaries within the BASF Group where possible. Foreign currency risks are primarily hedged centrally using derivative financial instruments in the market.

Cash flows from operating activities and free cash flow

Cash flows from operating activities amounted to €5,610 million in the 2025 business year, €1,336 million below the prior-year figure. The increased net income in 2025 included significantly higher noncash and reclassification items than in the previous year. In addition to higher equity-accounted income, this related in particular to income from divestitures, while depreciation and amortization was lower than in 2024.

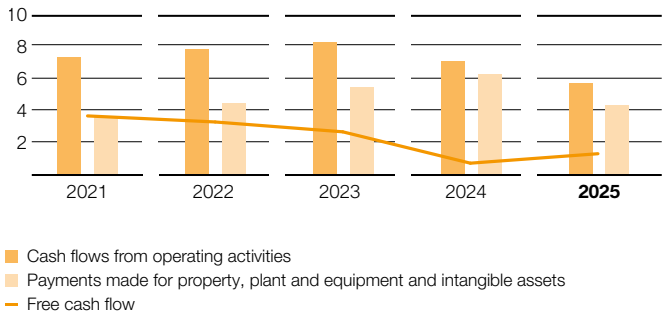
Cash flows from investing activities amounted to –€3,208 million in 2025, after –€5,081 million in the previous year. The significant improvement was mainly due to lower payments made for property, plant and equipment and intangible assets, which were reduced from €6,198 million in the previous year to €4,267 million in 2025. In addition, net cash inflows from acquisitions and divestitures increased by €997 million compared to the previous year.

Cash flows from financing activities amounted to –€2,416 million in the 2025 business year, below the prior-year figure of –€1,547 million. In 2025, additions to and repayment of financial and similar liabilities almost balanced each other out. The share buyback program launched in the fourth quarter of 2025 led to a cash outflow of €355 million.

Free cash flow, which remains after deducting payments made for property, plant and equipment and intangible assets from cash flows from operating activities, represents the financial resources remaining after investments. Due to the lower capital expenditures, free cash flow improved significantly compared to the previous year. In 2025, free cash flow was €1,342 million, compared to €748 million in 2024.

Cash flow

Billion €



Good credit ratings and solid financing

BASF enjoys good credit ratings, especially compared with competitors in the chemical industry. Fitch confirmed its credit rating of A/F1/outlook stable on February 13, 2026. Moody's maintained its credit rating of A3/P-2/outlook stable on January 28, 2026. Standard & Poor's confirmed its credit rating of A-/A-2/outlook stable on December 12, 2025.

Ratings as of May 1, 2026

	Noncurrent financial indebtedness	Current financial indebtedness	Outlook
Moody's	A3	P-2	stable
Standard & Poor's	A-	A-2	stable
Fitch	A	F1	stable

Ten-Year Summary

Million €

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Statement of income										
Sales	57,550	61,223[1]	60,220[2]	59,316	59,149	78,598	87,327	68,902	61,444[3]	59,657
Income from operations (EBIT)	6,275	7,587[1]	5,974[2]	4,201	–191	7,677	6,548	2,240	1,810[3]	1,634
Income before income taxes	5,395	6,882[1]	5,233[2]	3,302	–1,562	7,448	1,190	1,420	1,861[3]	2,447
Income after taxes from continuing operations	–	5,592[1]	4,116[2]	2,546	–1,471	6,018	–391	379	1,288[3]	1,540
Income after taxes from discontinued operations	–	760[1]	863[2]	5,945	396	–36	–	–	165[3]	185
Income after taxes	4,255	6,352	4,979	8,491	–1,075	5,982	–391	379	1,453	1,726
Net income	4,056	6,078	4,707	8,421	–1,060	5,523	–627	225	1,298	1,619
EBITDA before special items	10,327	10,738[1]	9,271[2]	8,324	7,435	11,348	10,762	7,671	7,240[3]	6,554
EBIT before special items	6,309	7,645[1]	6,281[2]	4,643	3,560	7,768	6,878	3,806	3,523[3]	2,887
Capital expenditures, depreciation and amortization										
Additions to property, plant and equipment and intangible assets	7,258	4,364	10,735	4,097	4,869	4,881	4,967	6,006	6,826	4,787
of which property, plant and equipment	4,377	4,028	5,040	3,842	4,075	4,410	4,842	5,864	6,694	4,665
Depreciation and amortization of property, plant and equipment and intangible assets	4,251	4,202	3,750	4,146	6,685	3,678	4,200	4,941	4,648	4,163
of which property, plant and equipment	3,691	3,586	3,155	3,408	5,189	3,064	3,549	4,062	3,978	3,687
Number of employees at year-end	**113,830**	**115,490**	**122,404**	**117,628**	**110,302**	**111,047**	**111,481**	**111,991**	**111,822**	**108,251**
Personnel expenses	**10,165**	**10,610**	**10,659**	**10,924**	**10,576**	**11,097**	**11,400**	**10,950**	**11,241**	**12,299**
Research and development expenses	**1,863**	**1,843[1]**	**1,994[2]**	**2,158**	**2,086**	**2,216**	**2,298**	**2,130**	**1,969[3]**	**1,995**

1 The figures for 2017 were restated with the presentation of the oil and gas activities as discontinued operations.
2 The figures for 2018 were restated with the presentation of the construction chemicals activities as discontinued operations.
3 The figures for 2024 were adjusted to reflect the presentation of the coatings business as discontinued operations.

Million €

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Balance sheet (IFRS)										
Total assets	76,496	78,768	86,556	86,950	80,292	87,383	84,472	77,395	80,415	76,174
Noncurrent assets	50,550	47,623	43,335	55,960	50,424	52,332	47,050	45,923	49,183	44,489
of which intangible assets	15,162	13,594	16,554	14,525	13,145	13,499	13,273	12,216	11,983	9,692
of which property, plant and equipment	26,413	25,258	20,780	21,792	19,647	21,553	22,967	24,080	27,197	25,405
Current assets	25,946	31,145	43,221	30,990	29,868	35,051	37,422	31,472	31,232	31,684
of which inventories	10,005	10,303	12,166	11,223	10,010	13,868	16,028	13,876	13,681	12,168
of which accounts receivable, trade	10,952	10,801	10,665	9,093	9,466	11,942	12,055	10,414	10,393	8,325
of which cash and cash equivalents	1,375	6,495	2,300	2,427	4,330	2,624	2,516	2,624	2,914	2,670
Equity	32,568	34,756	36,109	42,350	34,398	42,081	40,923	36,646	36,884	34,338
Total liabilities	43,928	44,012	50,447	44,600	45,894	45,301	43,550	40,750	43,532	41,836
of which financial indebtedness	16,312	18,032	20,841	18,377	19,214	17,184	19,016	19,268	21,762	21,088

		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Key data											
EBITDA margin before special items	%	17.9	17.5[1]	15.4[2]	14.0	12.6	14.4	12.3	11.1	11.8[3]	11.0
Cash flows from operating activities	million €	7,717	8,785	7,939	7,474	5,413	7,245	7,709	8,111	6,946	5,610
Free cash flow	million €	3,572	4,789	4,045	3,650	2,284	3,713	3,333	2,715	748	1,342
CO_2 emissions	million metric tons	22.0	22.6	21.9	20.1	20.8	20.2	18.4	17.0[4]	17.0	16.1
Return on capital employed (ROCE)	%	–	15.4	12.0[2]	7.7	1.7	13.7	10.0	4.5	5.1[3]	5.8
Earnings per share	€	4.42	6.62	5.12	9.17	–1.15	6.01	–0.70	0.25	1.45	1.82
Adjusted earnings per share	€	4.83	6.44	5.87	4.00	3.21	6.76	6.96	2.78	3.51	2.24
Return on assets	%	8.2	9.5[1]	7.1	4.5	–1.2	9.5	2.1	2.8	3.5[3]	4.3
Return on equity after tax	%	13.3	18.9	14.1	21.6	–2.8	15.6	–0.9	1.0	4.0[3]	4.8
Appropriation of profits											
Net income of BASF SE[5]	million €	2,808	3,130	2,982	3,899	3,946	3,928	3,849	7,434	2,704	2,665
Dividends	million €	2,755	2,847	2,939	3,031	3,031	3,072	3,035	3,035	2,008	1,964
Dividend per share	€	3.00	3.10	3.20	3.30	3.30	3.40	3.40	3.40	2.25	2.25
Number of shares as of December 31	**million**	**918.5**	**918.5**	**918.5**	**918.5**	**918.5**	**918.5**	**893.9**	**892.5**	**892.5**	**892.5**

1 The figures for 2017 were restated with the presentation of the oil and gas activities as discontinued operations.
2 The figures for 2018 were restated with the presentation of the construction chemicals activities as discontinued operations.
3 The figures for 2024 were adjusted to reflect the presentation of the coatings business as discontinued operations.
4 The figure for 2023 has been adjusted due to updated data.
5 Calculated in accordance with German GAAP

Selected Key Figures Excluding Metals

The IFRS figures correspond to the amounts presented in the Consolidated Financial Statements. The adjusted figures exclude sales from precious and base metal services as well as precious and base metal sales in the Battery Materials and Environmental Catalyst and Metal Solutions divisions.

BASF Group

		2025		2024	
		IFRS figure	Adjusted figure	IFRS figure	Adjusted figure
Sales	million €	59,657	53,306	61,444	56,184
Volumes	%	1.5	0.7	1.9	3.7
Prices	%	–1.7	–3.3	–5.7	–3.3
Currencies	%	–3.0	–2.9	–1.6	–1.8
Portfolio	%	0.3	0.4	–0.1	–0.1
EBITDA before special items	million €	6,554	6,554	7,240	7,240
EBITDA margin before special items	%	11.0	12.3	11.8	12.9

Surface Technologies[1]

		2025		2024	
		IFRS figure	Adjusted figure	IFRS figure	Adjusted figure
Sales	million €	8,967	2,631	8,055	2,809
Volumes	%	8.8	5.2	–10.3	–8.3
Prices	%	9.0	–1.8	–16.9	–2.9
Currencies	%	–4.8	–4.7	–0.9	–1.9
Portfolio	%	–1.7	–5.0	0.0	0.0
EBITDA before special items	million €	800	800	470	470
EBITDA margin before special items	%	8.9	30.4	5.8	16.7

1 Since January 1, 2025, the chemical and refining catalysts business has been reported as part of the Performance Chemicals division in the Industrial Solutions segment. It was previously part of the former Catalysts division in the Surface Technologies segment. The prior-year figures have been restated accordingly.

Reasons to invest in BASF

We are **leading in the chemical industry**, which is **essential for growth industries** worldwide

We are committed to **long-term value creation and attractive distributions to shareholders**

We deliver **continuous product and process innovation** for a broad range of customer industries and to increase our own productivity

We are **shaping the transformation to net zero** and **enable the green transformation of our customers**

We focus on **local production for local markets** and benefit from **leading market positions** in the majority of our businesses

We have the **right team and a winning culture** to deliver superior value creation

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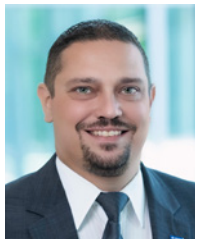

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Half-Year Financial Report 2026

July 29, 2026

Quarterly Statement Q3 2026

October 28, 2026

Publication of BASF Report 2026

February 26, 2027

Quarterly Statement Q1 2027 / Annual Shareholders' Meeting 2027

April 29, 2027

Half-Year Financial Report 2027

July 30, 2027

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