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Corporate Governance

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Corporate Governance Report

Corporate governance refers to the entire system for managing and supervising a company. This includes its organization, values, corporate principles and guidelines as well as internal and external control and monitoring mechanisms. Effective and transparent corporate governance ensures that BASF is managed and supervised responsibly with a focus on value creation. It fosters the confidence of our investors, the financial markets, our customers and other business partners, employees, and the public in BASF.

The fundamental elements of BASF SE's corporate governance system are: its two-tier system, with a transparent and effective separation of company management and supervision between BASF's Board of Executive Directors and the Supervisory Board; the equal representation of shareholders and employees on the Supervisory Board; and the shareholders' rights of co-administration and supervision at the Annual Shareholders' Meeting.

Board of Executive Directors

At a glance

- Responsible for company management and represents BASF SE in business with third parties
- Sets goals and strategic direction
- Strictly separate from the Supervisory Board

Direction and management by the Board of Executive Directors

The Board of Executive Directors is responsible for the management of the company, and represents BASF SE in business undertakings with third parties. BASF's Board of Executive Directors is strictly separated from the Supervisory Board, which monitors the Board of Executive Directors' activities and decides on its composition. A member of the Board of Executive Directors cannot simultaneously be a member of the Supervisory Board. As the central duty

of company management, the Board of Executive Directors agrees on the corporate goals and strategic direction of the BASF Group as well as its individual business areas; determines the company's internal organization; and decides on the composition of management on the levels below the Board. It also manages and monitors BASF Group business by planning and setting the corporate budget, allocating resources and management capacities, monitoring and making decisions on significant individual measures, and supervising operational management.

The Board's actions and decisions are geared toward the company's best interests. It is committed to the goal of sustainably increasing the company's value. Among the Board's responsibilities is the preparation of the Consolidated and Separate Financial Statements of BASF SE and reporting on the company's financial and nonfinancial performance. Furthermore, it must ensure that the company's activities comply with the applicable legislation and regulatory requirements, as well as internal corporate directives. This includes the establishment of appropriate systems for control, compliance and risk management as well as establishing a company-wide compliance culture with undisputed standards.

Decisions that are reserved for the Board as a whole by law, through the Board of Executive Directors' Rules of Procedure or through resolutions adopted by the Board, are made at regularly held Board meetings called by the chair of the Board of Executive Directors. Board decisions are based on detailed information and analyses provided by the business areas and specialist units, and, if deemed necessary, by external consultants. Board decisions can generally

be made via a simple majority. In the case of a tied vote, the casting vote is given by the chair of the Board. However, the chair of the Board does not have the right to veto the decisions of the Board of Executive Directors. Members of the Board of Executive Directors are authorized to make decisions individually in their assigned areas of responsibility.

The Board can set up Board committees to consult and decide on individual issues such as proposed material acquisitions or divestitures; these must include at least three members of the Board of Executive Directors. For the preparation of important decisions, such as those on acquisitions, divestitures, investments and personnel, the Board has various commissions at the level below the Board. Independently of the affected business area, these commissions carefully assess the planned measures and evaluate the associated opportunities and risks. Based on this information, they report and make recommendations to the Board.

The Board of Executive Directors informs the Supervisory Board regularly, without delay and comprehensively, of all issues important to the company with regard to planning, business development, risk situation, risk management and compliance. Furthermore, the Board of Executive Directors coordinates the company's strategic orientation with the Supervisory Board.

The Statutes of BASF SE and the Supervisory Board have defined certain transactions that require the Board of Executive Directors to obtain the Supervisory Board's approval prior to their conclusion. Such cases include the acquisition and disposal of enterprises and

parts of enterprises, as well as the issue of bonds or comparable financial instruments. However, this is only necessary if the acquisition or disposal price or the amount of the issue in an individual case exceeds 3% of the equity reported in the last approved Consolidated Financial Statements of the BASF Group.

For more information on risk management, see the Forecast from page 151 onward

The members of the Board of Executive Directors, including their areas of responsibility and memberships on the supervisory bodies of other companies, are listed from page 174 onward

Compensation of the Board of Executive Directors is described in the Compensation Report at basf.com/compensationreport

Competence profile, diversity concept and succession planning for the Board of Executive Directors

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.

BASF's long-term succession planning is guided by the corporate strategy. It is based on systematic management development characterized by the following:

- Early identification of suitable leaders of different professional backgrounds, nationalities and genders
- Systematic development of leaders through the successful assumption of tasks with increasing responsibility, where possible in different business areas, regions and functions
- Desire to shape strategic and operational decisions, and proven success in doing so, as well as leadership skills, especially under challenging business conditions
- Role model function in putting corporate values into practice

The aim 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.

Two-tier management system of BASF SE



Irrespective of these individual criteria, a holistic approach will ultimately determine a person's suitability for appointment to the Board of Executive Directors of BASF SE. Both systematic succession planning and the selection process aim to ensure that the Board of Executive Directors as a whole has the following profile, which serves as a diversity concept:

- Many years of management experience in scientific, technical and commercial fields
- International experience based on background and/or professional experience
- At least one female Board member
- A balanced age distribution to ensure the continuity of the Board's work and enable seamless succession planning

The first appointment of members of the Board of Executive Directors is for a term of no more than three years. The standard age limit for members of the Board of Executive Directors is 63.

The number of members on the Board of Executive Directors is determined by the Supervisory Board. It is guided by insights gained by BASF as a company with an integrated leadership culture and is determined by the needs arising from cooperation within the Board of Executive Directors. The Supervisory Board considers six to be an appropriate number of Board members given the current business composition, future responsibilities associated with development and the fundamental organizational structure of the BASF Group.

The current composition of the Board of Executive Directors meets the competence profile and the requirements of the diversity concept in full.

Supervisory Board

At a glance

- Appoints, monitors and advises Board of Executive Directors
- Four Supervisory Board committees
- Composition criteria: professional and personal qualifications, diversity, and independence

Supervision of company management by the Supervisory Board

The Supervisory Board appoints the members of the Board of Executive Directors and supervises and advises the Board of Executive Directors on management issues. As members of the Supervisory Board may not simultaneously be on the Board of Executive Directors, a high level of autonomy is already structurally ensured with regard to the supervision of the Board of Executive Directors.

In addition to the SE Council Regulation, the relevant legal basis for the size and composition of the Supervisory Board is provided by the Statutes of BASF SE and the Agreement Concerning the Involvement of Employees in BASF SE (Employee Participation Agreement), which also includes the regulations applicable to BASF for implementing the statutory gender quota for the Supervisory Board. The German Codetermination Act does not apply to BASF SE as a European stock corporation (Societas Europaea, SE).

The Supervisory Board of BASF SE comprises 12 members. Six members are elected by the shareholders at the Annual Shareholders' Meeting. Six members are elected by the BASF Europa Betriebsrat (BASF Works Council Europe), the European employee representation body of the BASF Group. In accordance with the

resolution of the Annual Shareholders' Meeting on June 18, 2020, the period of appointment for newly elected members of the Supervisory Board was reduced from five to four years; and the Statutes were amended accordingly. This ensures that the maximum membership duration of 12 years up to which a Supervisory Board member can be classified as independent corresponds to a total of three election terms. In accordance with the German Corporate Governance Code (Code 2020), the Supervisory Board reduced the membership duration used as a basis for its independence rating from 15 to 12 years in December 2019.

The meetings of the Supervisory Board and its four committees are called by their respective chairs and, independently, at the request of one of their members or the Board of Executive Directors. The shareholder and employee representatives of the Supervisory Board prepare for Supervisory Board meetings in separate preliminary discussions in each case. Resolutions of the Supervisory Board are passed by a simple majority vote of the participating members. In the event of a tie, the vote of the chair of the Supervisory Board, who must always be a shareholder representative, shall be the casting vote. This resolution process is also applicable for the appointment and dismissal of members of the Board of Executive Directors by the Supervisory Board. Resolutions can, as needed, also be made in writing or through communication outside of the meetings, as long as no Supervisory Board member objects to this form of passing a resolution.

The Board of Executive Directors regularly informs the Supervisory Board about matters such as the course of business and expected developments, the financial position and results of operations, corporate planning, the implementation of the corporate strategy, business opportunities and risks, as well as risk compliance management. The Supervisory Board has embedded the main reporting requirements in an information policy. The chair of the

Supervisory Board is in regular contact with the Board of Executive Directors, especially with its chair, outside of meetings as well.

A list of the members of the Supervisory Board of BASF SE indicating which members are shareholder or employee representatives and their appointments to the supervisory bodies of other companies can be found from page 175 onward

Compensation of the Supervisory Board is described in the Compensation Report at basf.com/compensationreport

The Statutes of BASF SE and the Employee Participation Agreement can be found at basf.com/statutes and basf.com/en/corporategovernance

Personnel Committee

Members

Dr. Kurt Bock* (chair)
 Franz Fehrenbach
 Sinischa Horvat*
 Michael Vassiliadis

Duties

- Prepares the appointment of members to the Board of Executive Directors by the Supervisory Board as well as the service contracts to be entered into with members of the Board of Executive Directors
- When making recommendations for appointments to the Board of Executive Directors, considers professional qualifications, international experience and leadership skills as well as long-term succession planning, diversity, and especially the appropriate consideration of women
- Prepares the resolutions made by the Supervisory Board with regard to the system and amount of compensation paid to members of the Board of Executive Directors

* Classified by the Supervisory Board as an "independent" member of the Supervisory Board (see page 166 for the criteria used to determine independence)

Audit Committee

Members

Dame Alison Carnwath DBE* (chair)
 Tatjana Diether*
 Anke Schäferkordt*
 Michael Vassiliadis

Duties

- Prepares the negotiations and resolutions of the Supervisory Board for the approval of the Financial Statements, the Consolidated Financial Statements and the Management's Reports including the Nonfinancial Statements and discusses the quarterly statements and the half-year financial report with the Board of Executive Directors prior to their publication
- Deals with monitoring the financial reporting process, the annual audit, the effectiveness of the internal control system, the risk management system, and the internal auditing system as well as compliance issues
- Is responsible for business relations with the company's external auditor: prepares the Supervisory Board's proposal to the Annual Shareholders' Meeting regarding the selection of an auditor, monitors the auditor's independence, defines the focus areas of the audit together with the auditor, negotiates auditing fees, evaluates the quality of the audit, and establishes the conditions for the provision of the auditor's nonaudit services; the chair of the Audit Committee regularly discusses this with the auditor outside of meetings as well
- Deals with follow-up assessments of key acquisition and investment projects
- Is responsible for monitoring the internal process of identifying related party transactions and ensuring adherence to statutory approval and disclosure requirements; grants approval of related party transactions
- Is authorized to request any information that it deems necessary from the auditor or from the Board of Executive Directors and has a direct right to information from the heads of central departments

such as Corporate Audit or Compliance; can also view all of BASF's business documents and examine these and all other assets belonging to BASF. The Audit Committee can also engage experts such as auditors or lawyers to carry out these inspections

Financial experts

Pursuant to the German Corporate Governance Code, Dame Alison Carnwath DBE, chair of the Audit Committee, has special knowledge of, and experience in, applying accounting and reporting standards and internal control methods and is familiar with the annual audit. A further financial expert on the Supervisory Board is the vice chair of the Supervisory Board, Franz Fehrenbach.

Nomination Committee

Members

Dr. Kurt Bock* (chair)
 Prof. Dr. Thomas Carell*
 Dame Alison Carnwath DBE*
 Liming Chen*
 Franz Fehrenbach
 Anke Schäferkordt*

Duties

- Identifies suitable individuals for the Supervisory Board based on objectives for the composition decided on by the Supervisory Board
- Prepares the recommendations made by the Supervisory Board for the election of Supervisory Board members for the Annual Shareholders' Meeting

Strategy Committee

Members

Dr. Kurt Bock* (chair)
 Dame Alison Carnwath DBE*
 Franz Fehrenbach
 Waldemar Helber*
 Sinischa Horvat*
 Michael Vassiliadis

Duties

- Handles the further development of the company's strategy
- Prepares resolutions of the Supervisory Board on the company's major acquisitions and divestitures

Meetings and meeting attendance

In the 2021 business year, meetings were held as follows:

- The Supervisory Board met five times.
- The Personnel Committee met three times.
- The Audit Committee met five times.
- The Nomination Committee met twice.
- The Strategy Committee did not meet.

All members attended all meetings of the Supervisory Board. The meetings of the Supervisory Board committees were also attended by all relevant committee members.

Due to the coronavirus pandemic, the meetings of the Supervisory Board and its committees in the 2021 business year were held in accordance with appropriate safety measures and in compliance with restrictions on assembly and travel as per the applicable infection prevention laws. They took place as in-person meetings

* Classified by the Supervisory Board as an "independent" member of the Supervisory Board (see page 166 for the criteria used to determine independence)

with the additional option of virtual attendance via electronic communication.

 For more information on the Supervisory Board's activities and resolutions in the 2021 business year, see the Report of the Supervisory Board from page 177 onward

 For an overview of meeting attendance, see basf.com/supervisoryboard/meetings

The Rules of Procedure for the Supervisory Board and its committees can be found at basf.com/supervisoryboard

Competence profile, diversity concept and objectives for the composition of the Supervisory Board

One important concern of good corporate governance is to ensure that seats on the responsible corporate bodies, the Board of Executive Directors and the Supervisory Board, are appropriately filled. On December 21, 2017, the Supervisory Board therefore agreed on objectives for the composition, the competence profile and the diversity concept of the Supervisory Board in accordance with section 5.4.1 of the German Corporate Governance Code in the version dated February 7, 2017, and section 289f(2) no. 6 of the German Commercial Code (HGB). These were expanded on December 19, 2019, in particular with respect to the criteria for assessing independence, based on the new recommendations of the German Corporate Governance Code, which was revised and amended in 2019 (2020 Code). The guiding principle for the composition of the Supervisory Board is to ensure qualified supervision and guidance for the Board of Executive Directors of BASF SE. For the election of shareholder representatives to the Supervisory Board, individuals shall be nominated to the Annual Shareholders' Meeting who can, based on their professional expertise and experience, integrity, commitment, independence and character, successfully perform the work of a supervisory board member at an international chemical company.

Competence profile

The following requirements and objectives are considered essential to the composition of the Supervisory Board as a collective body:

- Leadership experience in managing companies, associations and networks

- Members' collective knowledge of the chemical sector and the related value chains
- Appropriate knowledge within the body as a whole of finance, accounting, financial reporting, law and compliance as well as one independent member with accounting and auditing expertise ("financial expert") within the meaning of section 100(5) of the German Stock Corporation Act (AktG)
- At least one member with in-depth experience in innovation, research & development and technology
- At least one member with in-depth experience in digitalization, information technology, business models and start-ups
- At least one member with in-depth experience in human resources, society, communications and the media
- Specialist knowledge and experience in sectors outside of the chemical industry

 For more information on the Supervisory Board's competence profile, see basf.com/competence-profile/supervisoryboard

Diversity concept

The Supervisory Board strives to achieve a reasonable level of diversity with respect to character, gender, international representation, professional background, specialist knowledge and experience as well as age distribution, and takes the following composition criteria into account:

- At least 30% women and 30% men
- At least 30% of members have international experience based on their background or professional experience
- At least 50% of members have different educational backgrounds and professional experience
- At least 30% under the age of 60

Further composition objectives

- **Character and integrity:** All members of the Supervisory Board must be personally reliable and have the knowledge and experience required to diligently and independently perform the work of a supervisory board member.

- **Availability:** Each member of the Supervisory Board ensures that they invest the time needed to properly perform their role as a member of the Supervisory Board of BASF SE. The statutory limits on appointments to governing bodies and the recommendations of the German Corporate Governance Code must be complied with when accepting further appointments.

- **Age limit and period of membership:** Persons who have reached the age of 72 on the day of election by the Annual Shareholders' Meeting should generally not be nominated for election. Membership on the Supervisory Board should generally not exceed three regular statutory periods in office, which will correspond to 12 years in the future.

- **Independence:** To ensure the independent monitoring and consultation of the Board of Executive Directors, the Supervisory Board should have an appropriate number of independent members on the board as a whole, and an appropriate number of independent shareholder representatives. The Supervisory Board deems this to be the case if more than half of the shareholder representatives and at least eight members of the Supervisory Board as a whole can be considered independent. The Supervisory Board's assessment of independence is based on the criteria in the current version of the German Corporate Governance Code (2020 Code). Among other things, this means that members of the Supervisory Board are no longer considered independent if they have been a member of the board for 12 years or longer. The Supervisory Board has additionally defined the following principles to clarify the meaning of independence: The independence of employee representatives is not compromised by their role as an employee representative or employment by BASF SE or a Group company. Prior membership of the Board of Executive Directors of BASF SE does not preclude independence following the expiry of the statutory cooling-off period of two years. Material transactions between a Supervisory Board member or a related party or undertaking of the Supervisory Board member on the one hand, and BASF SE or a BASF Group company on the other, exclude a member of the Supervisory Board from being qualified as independent. A material transaction is defined as one or more

transactions in a single calendar year with a total volume of 1% or more of the sales of the companies involved in each case. In the same way, if a Supervisory Board member or a related party of a Supervisory Board member has a personal service or consulting agreement with BASF SE or one of its Group companies with an annual compensation of over 50% of the Supervisory Board compensation, they do not qualify as independent. Furthermore, if a Supervisory Board member or a related party of a Supervisory Board member holds more than 20% of the shares in a company in which BASF SE is indirectly or directly the majority shareholder, the necessary independence is also not met.

Status of implementation

According to the Supervisory Board's own assessment, its current composition meets all of the requirements of the competence profile: Nine (five shareholder representatives and four employee representatives) of the 12 current members are considered independent based on the above criteria. As of January 2020, shareholder representative Franz Fehrenbach is no longer classified as independent, because he has been a member of the Supervisory Board since January 2008 and no longer meets the criterion of a membership duration of less than 12 years. Franz Fehrenbach will retire from the Supervisory Board on conclusion of the Annual Shareholders' Meeting on April 29, 2022. Employee representative Denise Schellemans, who has also been a member of the Supervisory Board since January 2008, and employee representative Michael Vassiliadis, who has been a member of the Supervisory Board since August 2004, are likewise no longer considered independent.

For more information on the statutory minimum quotas for the number of women and men on the Supervisory Board, see the section after next on this page

The independent Supervisory Board members are named under Management and Supervisory Boards from page 175 onward

An overview of the fulfillment of the competence profile is available at basf.com/supervisoryboard

Compensation of the Board of Executive Directors and the Supervisory Board

The Compensation Report in accordance with section 162 of the German Stock Corporation Act (AktG) and the assurance statement of the substantive and formal audit issued by the auditor, the effective compensation system for the Board of Executive Directors in accordance with section 87a AktG, as well as the most recent resolution of the Annual Shareholders' Meeting on the compensation of the Supervisory Board in accordance with section 113(3) AktG have been made publicly available on the BASF website at basf.com/compensationreport.

Commitments to promote the participation of women in leadership positions at BASF SE

The supervisory board of a publicly listed European stock corporation (SE) that is composed of the same number of shareholder and employee representatives must, according to section 17(2) of the SE Implementation Act, consist of at least 30% women and 30% men. Since the 2018 Annual Shareholders' Meeting, the Supervisory Board of BASF SE comprises four women, of whom two are shareholder representatives and two are employee representatives, and eight men. The Supervisory Board's composition meets the statutory requirements.

As a target figure for the Board of Executive Directors according to section 111(5) AktG, the Supervisory Board determined that for the target-attainment period under the German Act on Equal Participation of Men and Women in Management Positions (FüPoG I&II) from January 1, 2017, to December 31, 2021, the Board of Executive Directors of BASF SE should continue to have at least one female member. This represented 12.5% on the date the target was set (based on eight members of the Board of Executive Directors). Following the entry into force of the German Second Act on Equal Participation of Men and Women in Management Positions (FüPoG II), if the management board of a listed company consists of more than three persons, at least one woman and one man must be members

of the management board (section 76(3a) AktG). There have been two female Board members since the appointment of Dr. Melanie Maas-Brunner to the Board of Executive Directors, effective as of February 1, 2021. Since Wayne T. Smith's departure from the Board of Executive Directors on May 31, 2021, the proportion of women has been 33.3%.

The Board of Executive Directors also decided on new target figures for the proportion of women in the two management levels below the Board of Executive Directors of BASF SE: For the second target-attainment period that ended on December 31, 2021, these targets were 12.1% for the proportion of women in the management level directly below the Board, and 7.3% for the level below that. This corresponded to the status at the time these target figures were determined. At the end of the concluded target-attainment period, women made up 20.0% of the management level directly below the Board and 23.2% of the level below that. Both targets were therefore significantly exceeded. For the next target-attainment period from January 1, 2022, to December 31, 2026, the Board of Executive Directors resolved as targets the quotas achieved as of December 31, 2021: 20.0% for the proportion of women in the management level directly below the Board and 23.2% for the level below that.

BASF views the further development and promotion of women as a global duty independent of individual Group companies. It has committed to ambitious targets that were further raised in 2020. The new target is to increase the proportion of women in leadership worldwide to 30% by 2030. BASF will continue to work systematically on expanding the percentage of women in its leadership team. To achieve this, global measures will be implemented and enhanced continuously.

For more information on women in leadership positions in the BASF Group worldwide, see page 99

For more information on the inclusion of diversity, including promotion of women, see the chapter on Employees in the Management's Report on page 99

The November 2015 Employee Participation Agreement relevant to the composition of the Supervisory Board is available at basf.com/en/corporategovernance

Shareholders' rights

At a glance

- Shareholders exercise rights of co-administration and supervision at Annual Shareholders' Meeting
- One share, one vote

Shareholders exercise their rights of co-administration and supervision at the Annual Shareholders' Meeting, which usually takes place within the first five months of the business year. The Annual Shareholders' Meeting elects half of the members of the Supervisory Board and, in particular, resolves on the formal discharge of the Board of Executive Directors and the Supervisory Board, the distribution of profits, capital measures, the authorization of share buybacks, changes to the Statutes and the selection of the auditor.

Each BASF SE share represents one vote. All of BASF SE's shares are registered shares. Shareholders are obliged to have themselves entered with their shares into the company share register and to provide the information necessary for registration in the share register according to the German Stock Corporation Act. There are no registration restrictions and there is no limit to the number of shares that can be registered to one shareholder. Only the persons listed in the share register are entitled to vote as shareholders. Listed shareholders may exercise their voting rights at the Annual Shareholders' Meeting either personally, through a representative of their choice or through a company-appointed proxy authorized by the shareholders to vote according to their instructions. Individual instructions are only forwarded to the company on the morning of the day of the Annual Shareholders' Meeting. Voting rights can be exercised according to shareholders' instructions by company-appointed proxies until the beginning of the voting process during the Annual Shareholders' Meeting. There are neither voting caps to limit the number of votes a shareholder may cast nor special voting rights. BASF has fully implemented the principle of "one share, one vote." All shareholders entered in the share register are entitled to participate in the Annual Shareholders' Meetings, to have their say con-

cerning any item on the agenda and to request information about company issues insofar as this is necessary to make an informed judgment about the item on the agenda under discussion. Registered shareholders are also entitled to file motions pertaining to proposals for resolutions made by the Board of Executive Directors and Supervisory Board at the Annual Shareholders' Meeting and to contest resolutions of the Meeting and have them evaluated for their lawfulness in court. Shareholders who hold at least €500,000 of the company's share capital, a quota corresponding to 390,625 shares, are furthermore entitled to request that additional items be added to the agenda of the Annual Shareholders' Meeting.

Due to assembly restrictions resulting from the coronavirus pandemic, the 2021 Annual Shareholders' Meeting again took place virtually without the physical presence of shareholders in accordance with special regulations prescribed by the German Act on Measures in Corporate Law, the Law of Cooperatives, Associations and Foundations and Residential Property Law to Combat the Effects of the COVID-19 Pandemic (GesRueaCOVBekG), which was passed by the lower house of the German parliament (Bundestag) in March 2020 and extended until the end of 2021 with few amendments. To ensure legally compliant execution of this special Annual Shareholders' Meeting format, whereby shareholders participated solely via electronic communication, some of the aforementioned shareholder rights and options for action were limited or handled in an exceptional manner at this virtual meeting. After again being extended by the Bundestag, these special provisions are valid for Annual Shareholders' Meetings until August 31, 2022, as well.

Implementation of the German Corporate Governance Code (GCGC)

BASF advocates responsible corporate governance that focuses on sustainably increasing the value of the company. BASF SE follows all of the recommendations of the German Corporate Governance Code in the version dated December 16, 2019 (Code 2020), the version in force on submission of the Declaration of Conformity. In

the same manner, BASF follows all of the nonobligatory suggestions of the German Corporate Governance Code.

The joint Declaration of Conformity 2021 by the Board of Executive Directors and Supervisory Board of BASF SE is rendered on page 184

For more information on the Declaration of Conformity 2021, the implementation of the Code's suggestions and the German Corporate Governance Code, see basf.com/en/corporategovernance

Disclosures according to section 315a of the German Commercial Code (HGB) and explanatory report of the Board of Executive Directors according to section 176(1) sentence 1 of the German Stock Corporation Act (AktG)

As of December 31, 2021, the subscribed capital of BASF SE was €1,175,652,728.32, divided into 918,478,694 registered shares with no par value. Each share entitles the holder to one vote at the Annual Shareholders' Meeting. Restrictions on the right to vote or transfer shares do not exist. The same rights and duties apply to all shares. According to the Statutes, shareholders are not entitled to receive share certificates. There are neither different classes of shares nor shares with preferential voting rights (golden shares).

The appointment and dismissal of members of the Board of Executive Directors is legally governed by the regulations in Article 39 of the SE Council Regulation, section 16 of the SE Implementation Act and sections 84 and 85 AktG as well as Article 7 of the Statutes of BASF SE. Accordingly, the Supervisory Board determines the number of members of the Board of Executive Directors (at least two), appoints the members of the Board of Executive Directors, and can nominate a chair, as well as one or more vice chairs. The members of the Board of Executive Directors are appointed for a maximum of five years. The maximum initial term of appointment is three years. Reappointments are permissible. The Supervisory Board can dismiss a member of the Board of Executive Directors if there is serious cause to do so. Serious cause includes, in particular, a gross breach of the duties pertaining to the Board of Executive Directors and a vote of no confidence by the Annual Shareholders' Meeting. The Supervisory Board decides on appointments and dismissals according to its own best judgment.

According to Article 59(1) of the SE Council Regulation, amendments to the Statutes of BASF SE require a resolution of the Annual Shareholders' Meeting adopted with at least a two-thirds majority of the votes cast, provided that the legal provisions applicable to German stock corporations under the German Stock Corporation Act do not stipulate or allow for larger majority requirements. In the case of amendments to the Statutes, section 179(2) of the German Stock Corporation Act requires a majority of at least three-quarters of the subscribed capital represented. Pursuant to Article 12(6) of the Statutes of BASF SE, the Supervisory Board is authorized to resolve on amendments to the Statutes that merely concern their wording. This applies in particular to the adjustment of the share capital and the number of shares after the redemption of repurchased BASF shares and after an issue of shares from authorized capital.

By way of a resolution of the Annual Shareholders' Meeting on May 3, 2019, the Board of Executive Directors is authorized, with the consent of the Supervisory Board, to increase, until May 2, 2024, on a one-off basis or in portions on a number of occasions, the company's share capital by a total of up to €470 million by issuing new shares against contributions in cash or in kind (authorized capital). A right to subscribe to the new shares shall be granted to shareholders. This can also be achieved by a credit institution acquiring the new shares with the obligation to offer these to shareholders (indirect subscription right). The Board of Executive Directors is authorized to exclude the statutory subscription right of shareholders to a maximum amount of a total of 10% of share capital in certain exceptional cases that are defined in Article 5(8) of the BASF SE Statutes. This applies in particular if, for capital increases in return for cash contributions, the issue price of the new shares is not substantially lower than the stock market price of BASF shares and the total number of shares issued under this authorization does not exceed 10% of the shares currently in issue or, in eligible individual cases, to acquire companies or shares in companies in exchange for surrendering BASF shares.

By way of a resolution of the Annual Shareholders' Meeting on May 12, 2017, the share capital was increased conditionally by up to €117,565,184 by issuing up to 91,847,800 new shares. The

contingent capital increase serves to grant shares to the holders of convertible bonds or warrants attached to bonds with warrants of BASF SE or a subsidiary, which the Board of Executive Directors is authorized to issue up to May 11, 2022, by way of a resolution of the Annual Shareholders' Meeting on May 12, 2017. A right to subscribe to the bonds shall be granted to shareholders. The Board of Executive Directors is authorized to exclude the shareholders' subscription right in certain exceptional cases – as defined in Article 5(9) of the BASF SE Statutes.

At the Annual Shareholders' Meeting on May 12, 2017, the Board of Executive Directors was authorized to purchase up to 10% of the shares in issue at the time of the resolution (10% of the company's share capital) until May 11, 2022. At the discretion of the Board of Executive Directors, the purchase can take place on the stock exchange or by way of a public purchase offer directed to all shareholders. The Board of Executive Directors is authorized to sell the repurchased company shares (a) through a stock exchange, (b) through a public offer directed to all shareholders and – with the approval of the Supervisory Board – to third parties, (c) for a cash payment that is not significantly lower than the stock exchange price at the time of sale and (d) for contributions in kind, particularly in connection with the acquisition of companies, parts of companies or shares in companies or in connection with mergers. In the cases specified under (c) and (d), the shareholders' subscription right is excluded. The Board of Executive Directors is furthermore authorized to retire the shares bought back and to reduce the share capital by the proportion of the share capital accounted for by the retired shares.

Bonds issued by BASF SE and its subsidiaries grant the bearer the right to request early repayment of the bonds at nominal value if, after the date of issue of the bond, one person – or several persons acting together – hold or acquire a volume of BASF SE shares that corresponds to more than 50% of the voting rights (change of control), and one of the rating agencies named in the bond's terms and conditions withdraws its rating of BASF SE or the bond, or reduces it to a noninvestment grade rating within 120 days of the change of control event.

An exceptional change of control compensation awarded to outgoing members of the Board of Executive Directors has not existed since January 1, 2020, as of the introduction of the amended compensation system for the Board of Executive Directors, which was approved by the Annual Shareholders' Meeting on June 18, 2020. The general rule for severance payments granted for premature terminations of appointments to the Board of Executive Directors applies, which states that the maximum severance payment may not exceed the amount of two years' compensation; however, this may not exceed the compensation for the remaining period of the contract.

By contrast, employees of BASF SE and its subsidiaries who are classed as senior executives will still receive a severance payment if their contract of employment is terminated by BASF within 18 months of a change of control event, provided the employee has not given cause for the termination. The employee whose service contract has been terminated in such a case will receive a maximum severance payment of 1.5 times the annual salary (fixed component) depending on the number of months that have passed since the change of control event. A change of control is assumed when a shareholder informs BASF of a shareholding of at least 25% or the increase of such a holding. The remaining specifications stipulated in section 315a HGB refer to situations that are not applicable to BASF SE.

 For more information on bonds issued by BASF SE, see basf.com/bonds

Directors' and officers' liability insurance

BASF SE has taken out liability insurance that covers the activities of members of the Board of Executive Directors and the Supervisory Board (directors' and officers' liability insurance). This policy provides for the level of deductibles for the Board of Executive Directors as prescribed by section 93(2) sentence 3 AktG (10% of damages up to 1.5 times the fixed annual compensation).

Share ownership by members of the Board of Executive Directors and the Supervisory Board

No member of the Board of Executive Directors or the Supervisory Board owns shares in BASF SE and related options or other derivatives that account for 1% or more of the share capital. Furthermore, the total volume of BASF SE shares and related financial instruments held by members of the Board of Executive Directors and the Supervisory Board accounts for less than 1% of the shares issued by the company.

Share dealings of the Board of Executive Directors and Supervisory Board

(Obligatory reportable and publishable directors' dealings under Article 19(1) of the E.U. Market Abuse Regulation 596/2014 (MAR))

As legally stipulated by Article 19(1) MAR, all members of the Board of Executive Directors and the Supervisory Board as well as certain members of their families are required to disclose the purchase or sale of financial instruments of BASF SE (for example, shares, bonds, options, forward contracts, swaps) to the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) and to the company if transactions within the calendar year exceed the threshold of €20,000. In 2021, a total of 26 purchases by members of the Board of Executive Directors and the Supervisory Board and members of their families subject to disclosure were reported as directors' dealings, involving between 18 and 2,500 BASF shares or BASF ADRs (American Depositary Receipts). The price per share was between €61.08 and €72.00. The volume of the individual trades was between €1,217.41 and €171,694.75. The disclosed share transactions are published on BASF SE's website.

 For more information on securities transactions reported in 2021, see [basf.com/en/directorsdealings](https://www.basf.com/en/directorsdealings)

Information on the auditor

The Annual Shareholders' Meeting of April 29, 2021, once again elected KPMG AG Wirtschaftsprüfungsgesellschaft as the auditor of the BASF Group Consolidated Financial Statements and Separate Financial Statements of BASF SE for the 2021 business year, as well as the corresponding management's reports. KPMG member firms also audit the majority of BASF Group companies included in the Consolidated Financial Statements. KPMG has been the continuous auditor of BASF SE since the 2006 Financial Statements. A public call to tender was issued in 2015 to all auditors for the audit of the 2016 Consolidated and Separate Financial Statements, in line with the E.U. Regulation 537/2014 of April 16, 2014. Based on the results of the tendering process, the Audit Committee recommended to the Supervisory Board that it once again propose KPMG for election. Owing to the German Financial Market Integrity Strengthening Act (FISG), KPMG can only be proposed for election by the Annual Shareholders' Meeting as BASF's auditor without further tendering processes up to and including the 2023 business year. Dr. Stephanie Dietz has been the auditor responsible for the Consolidated Financial Statements since auditing the 2020 Financial Statements. Since the 2020 Financial Statements, the auditor responsible for the Separate Financial Statements has been Dr. Stephan Kaiser. The total fee paid to KPMG and auditing firms of the KPMG group by BASF SE and other BASF Group companies for non-audit services, in addition to the auditing fee, was €0.9 million in 2021. This represents around 4.7% of the fees for auditing the financial statements.

 For more information, see Note 32 to the Consolidated Financial Statements on page 285

Compliance

GRI 102, 103, 205, 206, 406, 407, 408, 409, 412, 413, 418, 419

Our Group-wide Compliance Program aims to ensure adherence to legal regulations, the company’s internal guidelines and ethical business practices. Our Code of Conduct firmly embeds these mandatory standards into our employees’ day-to-day business. Members of the Board of Executive Directors are also expressly obligated to follow these principles.

Compliance Program and Code of Conduct

At a glance

>53,000

participants in compliance training

77

internal audits on adherence to our compliance standards

- Code of Conduct as the core of our Compliance Program
- Systematic further development of our compliance management system

We care	We Earn Trust	We Play Fair	We Respect	We Protect
<ul style="list-style-type: none"> – Our Code of Conduct – How We Make Decisions – We Always Speak Up – We Lead Integrity 	<ul style="list-style-type: none"> – Anti-Corruption – Trade Control – Anti-Money Laundering 	<ul style="list-style-type: none"> – Antitrust Laws – Gifts and Entertainment – Conflicts of Interest 	<ul style="list-style-type: none"> – Human Rights, Labor and Social Standards – Environmental Protection, Health and Safety 	<ul style="list-style-type: none"> – Sensitive Company Information – Personal Data – Digital Responsibility – Company Property – Accurate Books and Records

BASF’s Compliance Program is based on our corporate values and voluntary commitments, as well as international standards. It describes our commitment to responsible conduct and expectations around how all BASF employees interact with business partners, officials, coworkers and the community. At the core of our Compliance Program is the global, standardized **Code of Conduct**. All employees and managers are obligated to adhere to its guidelines, which cover topics ranging from corruption and antitrust laws to human rights, labor and social standards, conflicts of interest and trade control, and protection of data privacy.

The **revised 2020 version** also offers our employees user-friendly features such as case studies, FAQs and additional references. The corresponding internal online platform and app are available to employees worldwide, providing them continuously with up-to-date content such as videos and links to other specialist units and guidelines as well as direct contact to subject specialists.

A new platform for publishing binding Group-wide governance documents (policies, corporate requirements) provides a more effective search function to make it easier for employees to find relevant regulations. In addition, the managing directors of BASF Group companies can now find important information and assistance on ensuring compliance in their Group companies on an internal website set up especially for them.

Abiding by compliance standards is the foundation of responsible leadership. This has also been embedded in our values. We are convinced that compliance with these standards will play a key role in securing our company’s long-term success. Our efforts are principally aimed at preventing violations from the outset.

We perform a **systematic risk assessment** to identify the risk of compliance violations, including corruption risks. These are conducted at divisional, regional and country levels, with an additional

focus on Group companies in 2021. The regular compliance audits performed by the Corporate Audit department are another source of information for the systematic identification of risks. These risks are documented in the relevant risk or audit report. The same applies to specific risk minimization measures as well as the time frame for their implementation.

One key element in the prevention of compliance violations is **compulsory training and workshops** held as classroom or online courses. All employees are required within a prescribed time frame to take part in basic compliance training, refresher courses and special tutorials dealing with, for example, antitrust legislation, taxes or trade control regulations. Newly appointed senior executives also receive special training on leading with integrity. Course materials and formats are constantly updated, taking into account the specific risks of individual target groups and business areas. In total,

more than 53,000 participants worldwide received over 79,000 hours of compliance training in 2021.

 For more information on the BASF Code of Conduct, see basf.com/code_of_conduct

Compliance culture at BASF

We firmly believe that for corporate responsibility to be a success, there must be an active culture of living these guidelines within the company. Our **compliance standards** were consolidated in the global Code of Conduct in 2013 and republished in June 2020 in our currently applicable global Code of Conduct. They are firmly established and recognized. We expect all employees to act in line with these compliance principles. Managers play a key role here – they serve as an example of and communicate our values and culture both internally and externally. To specifically address compliance and integrity as a leadership task, a workshop series was held in 2021 with more than 130 senior executives.

Monitoring adherence to our compliance principles

BASF's Chief Compliance Officer (CCO) reports directly to the Chairman of the Board of Executive Directors and manages the further development of our global compliance organization and our Compliance Management System. The CCO is supported in this task by the Compliance unit and more than 100 compliance officers worldwide in the regions and countries as well as in the divisions, service units and in the Corporate Center. Material compliance topics are regularly discussed in the compliance committees established at global and regional level. The CCO reports to the Supervisory Board's Audit Committee in at least one of its meetings each year on the status of the Compliance Program as well as any major developments. In the event of significant incidents, the Audit Committee is immediately informed by the Board of Executive Directors.

We particularly encourage our employees to actively and promptly seek guidance if in doubt. They can consult their supervisors, specialist departments, such as the Legal department, and company

compliance officers. The internal platform and the corresponding app also help employees to access advice by enabling direct contact. In addition, we have set up more than 50 external hotlines worldwide that our employees can use – including anonymously – to report potential violations of laws or company guidelines. We enhanced and standardized these hotlines in 2021. An independent external company was engaged to manage all hotlines. In the future, the cases reported will be recorded and processed in one global system. In addition to local phone numbers, a new website now also makes it possible to get in contact online using a computer or smartphone. All hotlines and the website are also open to the public. Each concern is documented according to specific criteria, properly investigated in line with standard internal procedures and answered as quickly as possible. The outcome of the investigation as well as any measures taken are documented accordingly and included in internal reports.

In 2021, 277 reports were received by our external hotlines (2020: 387). The information received related to all categories of our Code of Conduct, including environmental and human rights issues, corruption and handling of company property. We carefully investigated all cases of suspected misconduct that came to our attention and, when necessary, took countermeasures on a case-by-case basis. These included, for example, improved control mechanisms, additional informational and training measures, clarification and expansion of the relevant internal regulations, as well as disciplinary measures as appropriate. Most of the justified cases related to personal misconduct in connection with the protection of company property, inappropriate handling of conflicts of interests or gifts and invitations. In such isolated cases, we took disciplinary measures in accordance with uniform internal standards and also pursued claims for damages where there were sufficient prospects of success. In 2021, violations of our Code of Conduct led to termination of employment in a total of 32 cases (2020: 31). This relates to diverse employee groups, including executives.

BASF's **Corporate Audit department** monitors adherence to compliance principles, covering all areas in which compliance violations could occur. They check that employees uphold regulations

and make sure that the established processes, procedures and monitoring tools are appropriate and sufficient to minimize potential risks or preclude violations in the first place. In 2021, 77 audits of this kind were performed Group-wide (2020: 61). Our compliance management system itself is also regularly audited by the internal Corporate Audit department, most recently in November 2018. Overall, the audits confirmed the effectiveness of the compliance management system. In cooperation with an external consulting firm, we developed a comprehensive action plan in 2021 to ensure the systematic, continuous optimization of the compliance management system.

We monitor our business partners in sales for potential compliance risks based on the global **Guideline on Business Partner Due Diligence** using a checklist, a questionnaire and an internet-based analysis. The results are then documented. If business partners are not prepared to answer the questionnaire, we do not enter into a business relationship with them. A dedicated global Supplier Code of Conduct applies to our suppliers, which covers compliance with environmental, social and corporate governance standards, among other requirements. As part of our trade control processes, we also check whether persons, companies or organizations appear on sanction lists due to suspicious or illegal activities, and whether there are business processes with business partners from or in countries under embargo.

We support the United Nations' Guiding Principles on Business and Human Rights and are constantly working to enhance our internal guidelines and processes in keeping with these principles. For example, there is an internal **guideline to respect international labor and social standards** that is applicable throughout the Group. Outside of our company, too, we support respect for human rights and the fight against corruption. We are a founding member of the United Nations Global Compact. As a member of Transparency International Deutschland and the Partnering Against Corruption Initiative (PACI) of the World Economic Forum, we assist in the implementation of these organizations' objectives.

As prescribed by BASF's Code of Conduct and corporate values, we adhere to uniformly high standards and integrity regarding tax-related issues. To aid in the achievement of the U.N. SDGs and to meet our own standards for the creation of economic and social value, we contribute to public finances in accordance with legal requirements and our corporate values. BASF's Value to Society method considers taxes paid by BASF to be a social advantage. In 2020, we developed and published the BASF tax principles, which are binding for all Group entities.

 For more information on the Supplier Code of Conduct and supplier assessments, see page **109** onward

 For more information on the Code of Conduct, see basf.com/code_of_conduct

For more information on human rights and labor and social standards, see basf.com/human_rights

For more information on tax principles, see basf.com/en/corporategovernance

Management and Supervisory Boards

Board of Executive Directors

There were six members on the Board of Executive Directors of BASF SE as of December 31, 2021. As part of its long-term succession planning and in line with its diversity concept, the Supervisory Board appointed Dr. Melanie Maas-Brunner as a member of the Board of Executive Directors on December 17, 2020. The Board of Executive Directors therefore temporarily comprised seven members from February 1, 2021, until the departure of Wayne T. Smith as of May 31, 2021. Some of the responsibilities within the Board of Executive Directors were reallocated effective June 1, 2021, as a result of this change.

The composition of the Board of Executive Directors and the responsibilities of individual members are as follows:

	Responsibilities (as of February 21, 2022)	First appointed	Term expires	Supervisory board mandates within the meaning of section 100(2) of the German Stock Corporation Act	Comparable German and non-German supervisory bodies
Dr. Martin Bruder Müller Chairman of the Board of Executive Directors Degree: Chemistry, 60 years old 34 years at BASF	Corporate Legal, Compliance & Insurance; Corporate Development; Corporate Communications & Government Relations; Corporate Human Resources; Corporate Investor Relations	2006	2023	Mercedes-Benz Group AG ^a (until March 31, 2022; Daimler AG) (member of the Supervisory Board since March 31, 2021) Mercedes-Benz AG (Mercedes-Benz Group AG group company) (member of the Supervisory Board since April 22, 2021)	–
Dr. Hans-Ulrich Engel Vice Chairman of the Board of Executive Directors Degree: Law, 62 years old 34 years at BASF	Corporate Finance; Corporate Audit; Corporate Taxes & Duties; Global Business Services; Global Digital Services; Global Procurement	2008	2023	Wintershall Dea AG (Chairman of the Supervisory Board since November 2, 2021; Deputy Chairman of the Supervisory Board until November 1, 2021) ^b Wintershall AG (Chairman of the Supervisory Board) ^b	Nord Stream AG (member of the Shareholders' Committee)
Saori Dubourg Degree: Business, 50 years old 25 years at BASF	Agricultural Solutions; Care Chemicals; Nutrition & Health; Europe	2017	2025	Wintershall Dea AG (member of the Supervisory Board) ^b	–
Michael Heinz Degree: MBA, 57 years old 38 years at BASF	Monomers; Performance Materials; Petrochemicals; Intermediates; North America; South America	2011	2024	Wintershall Dea AG (member of the Supervisory Board) ^b	BASF Antwerpen N.V. (Chairman of the Administrative Council until May 31, 2021)
Dr. Markus Kamieth Degree: Chemistry, 51 years old 23 years at BASF	Catalysts; Coatings; Dispersions & Resins; Performance Chemicals; Greater China; South & East Asia, ASEAN & Australia/New Zealand; Mega Projects Asia	2017	2025	–	Solenis UK International Ltd. (member of the Board of Directors until December 31, 2021)
Dr. Melanie Maas-Brunner (since February 1, 2021) Degree: Chemistry, 53 years old 25 years at BASF	Corporate Environmental Protection, Health & Safety; European Site & Verbund Management; Global Engineering Services; Advanced Materials & Systems Research; Bioscience Research; Process Research & Chemical Engineering; BASF New Business	2021	2024	–	BASF Antwerpen N.V. (Chairwoman of the Administrative Council since June 1, 2021)
Wayne T. Smith (until May 31, 2021) Degrees: Chemical Engineering, MBA, 61 years old 17 years at BASF		2012	2021	–	Inter Pipeline Ltd. (member of the Board of Directors)

^a Publicly listed

^b Internal membership within the meaning of section 100(2) sentence 2 of the German Stock Corporation Act

Supervisory Board

In accordance with the Statutes, the Supervisory Board of BASF SE comprises 12 members. The term of office of the Supervisory Board commenced following the Annual Shareholders' Meeting on May 3, 2019, in which the shareholder representatives on the Supervisory Board were elected. In accordance with the applicable article of the Statutes as of the date of election, it terminates upon conclusion of the Annual Shareholders' Meeting that resolves on the discharge of members of the Supervisory Board for the fourth complete business year after the term of office commenced; this is the Annual Shareholders' Meeting on April 25, 2024.

The Supervisory Board comprises the following members (as of February 21, 2022):

	Member of the Supervisory Board since	Memberships of statutory supervisory boards in Germany	Memberships of comparable domestic and foreign supervisory bodies of commercial enterprises
Dr. Kurt Bock, Heidelberg, Germany*¹ Chairman of the Supervisory Board of BASF SE Former Chairman of the Board of Executive Directors of BASF SE (until May 2018)	June 18, 2020	Fuchs Petrolub SE ³ (chair) Bayerische Motoren Werke Aktiengesellschaft ³ (member)	–
Franz Fehrenbach, Stuttgart, Germany¹ Vice Chairman of the Supervisory Board of BASF SE Former Chairman of the Supervisory Board of Robert Bosch GmbH (until December 31, 2021)	January 14, 2008	Robert Bosch GmbH ⁴ (chair until December 31, 2021) Stihl AG (Stihl Holding AG & Co. KG group company) ³ (vice chair)	Stihl Holding AG & Co. KG ⁴ (member of the Advisory Board) Linde plc ³ (member of the Board of Directors)
Sinitscha Horvat, Limburgerhof, Germany*² Vice Chairman of the Supervisory Board of BASF SE Chairman of the Works Council of BASF SE, Ludwigshafen Site; Chairman of BASF's Joint Works Council and of the BASF Works Council Europe	May 12, 2017	–	–
Prof. Dr. Thomas Carell, Munich, Germany*¹ Professor of Organic Chemistry at Ludwig Maximilians University Munich	May 3, 2019	–	–
Dame Alison Carnwath DBE, Exeter, England*¹ Senior Advisor Evercore Partners	May 2, 2014	–	Zurich Insurance Group AG ³ (independent, non-executive member of the Board of Directors) Zürich Versicherungs-Gesellschaft AG (Zurich Insurance Group AG group company) ⁴ (independent, non-executive member of the Board of Directors) PACCAR Inc. ³ (independent member of the Board of Directors) Coller Capital Ltd. ⁴ (non-executive member of the Board of Directors) Broadwell Capital Limited ⁴ (non-executive member of the Board of Directors) Asda Group Limited ⁴ (non-executive member of the Board of Directors since December 1, 2021) EG Group Holdings Limited ⁴ (non-executive member of the Board of Directors and chair of the audit committee since March 1, 2021)

* Classified by the Supervisory Board as an "independent" member of the Supervisory Board (see page 166 for the criteria used to determine independence)

¹ Shareholder representative

² Employee representative

³ Publicly listed

⁴ Not publicly listed

Continued from previous page

	Member of the Supervisory Board since	Memberships of statutory supervisory boards in Germany	Memberships of comparable domestic and foreign supervisory bodies of commercial enterprises
Liming Chen, Beijing, China*¹ Chairman IBM Greater China Group	October 8, 2020	–	IBM China Investment Company Ltd. ⁴ (chair, intragroup membership) IBM (China) Company Ltd. ⁴ (chair, intragroup membership) IBM Global Services (DaLian) Company Limited ⁴ (chair, intragroup membership) IBM Solution and Services (ShenZhen) Company Ltd. ⁴ (chair, intragroup membership) IBM Financing and Leasing Company Ltd. ⁴ (chair, intragroup membership) IBM Factoring (China) Company Ltd. ⁴ (chair, intragroup membership) Inspur Power Commercial Systems Company Ltd. ⁴ (chair, intragroup membership)
Tatjana Diether, Limburgerhof, Germany*² Deputy Chairwoman of the Works Council of BASF SE, Ludwigshafen Site, and member of the BASF Works Council Europe	May 4, 2018	–	–
Waldemar Helber, Otterbach, Germany*² Member of the Works Council of BASF SE, Ludwigshafen Site	April 29, 2016	–	–
Anke Schäferkordt, Cologne, Germany*¹ Member of the Supervisory Board	December 17, 2010	Serviceplan Group Management SE ⁴ (partner with unlimited liability of Serviceplan Group SE & Co. KG) (member) Bayerische Motoren Werke Aktiengesellschaft ³ (member)	Wayfair Inc. ³ (non-executive director)
Denise Schellemans, Brecht, Belgium² Full-time trade union delegate	January 14, 2008	–	–
Roland Strasser, Riedstadt, Germany*² Regional Manager of the Rhineland-Palatinate/Saarland branch of IG BCE	May 4, 2018	AbbVie Komplementär GmbH ⁴ (member) V & B Fliesen GmbH ⁴ (member) Villeroy & Boch AG ³ (member)	–
Michael Vassiliadis, Hannover, Germany² Chairman of the Mining, Chemical and Energy Industries Union	August 1, 2004	Steag GmbH ⁴ (member) RAG Aktiengesellschaft ³ (vice chair) Henkel AG & Co. KGaA ³ (member) Vivawest GmbH ⁴ (member)	–

* Classified by the Supervisory Board as an "independent" member of the Supervisory Board (see page 166 for the criteria used to determine independence)

¹ Shareholder representative

² Employee representative

³ Publicly listed

⁴ Not publicly listed

Report of the Supervisory Board



Dear Shareholders,

BASF's business developed extremely well in 2021. Growth and earnings were considerably higher than expected at the beginning of the year. The Board of Executive Directors decisively seized the opportunities that arose, strengthened BASF's overall competitiveness and laid important groundwork for the future. They did so in an exceptionally challenging environment, including a sharp rise in raw materials and energy prices, strained conditions in many international supply chains, and problems with production and volumes in the automotive industry, which is particularly important for BASF. In addition, political tensions have increased and global economic activity has become even more demanding overall. Most of these factors will continue to challenge us in 2022.

The Board of Executive Directors has enhanced and refined the portfolio and driven forward important investments for profitable growth. Above all, it defined ambitious targets to further reduce CO₂ emissions at an early stage and presented a package of measures aimed at increasing sustainability in the BASF Group. The underlying

conditions vital to this, such as the European Green Deal and upcoming regulation of the chemical industry in the E.U., are currently difficult to assess and were the subject of in-depth discussion.

The Supervisory Board expressly supports this approach and is following it closely, both in an advisory capacity and through regular and critical monitoring. It would like to thank the Board of Executive Directors and all employees worldwide for their dedication, extraordinary work and outstanding results in the 2021 business year.

We will drive forward change in the Supervisory Board, too. Anke Schäferkordt, Franz Fehrenbach, Denise Schellemans, Waldemar Helber and Roland Strasser will resign from the Supervisory Board on conclusion of the Annual Shareholders' Meeting on April 29, 2022. As a result, its composition will once again change quite significantly compared with the start of the current term of office in 2019.

Unfortunately, the new shareholder representatives will again not be able to be elected at a physical Annual Shareholders' Meeting in 2022. The Supervisory Board deeply regrets this, as it believes that it is the ideal place to discuss BASF's development with you. However, after intensive consultation, the Supervisory Board concurred with the Board of Executive Directors' assessment that, from today's perspective, it will not be possible to hold a physical Annual Shareholders' Meeting in a responsible manner at the end of April this year given the current situation.

Monitoring and consultation in an ongoing dialog with the Board of Executive Directors

In 2021, the Supervisory Board of BASF SE exercised its duties as required by law and the Statutes with the utmost care. It regularly monitored the management of the Board of Executive Directors and provided advice on the company's strategic development and important individual measures, about which the Supervisory Board was regularly and thoroughly informed by the Board of Executive Directors. This occurred both during and outside of the meetings of the Supervisory Board and its committees in the form of written and oral reports on, for example, all of the major financial key performance indicators (KPIs) of the BASF Group and its segments, the economic situation in the main sales and procurement markets, and on deviations in business developments from original plans. Furthermore, the Supervisory Board tackled fundamental questions of corporate planning, including financial, investment, sales volumes and personnel planning, as well as measures for designing the future of research and

development. Regular topics of discussion were occupational and process safety and matters relating to sustainability, the environmental and social impact of the company's activities and the challenges of climate change for the future development of BASF's business. The Supervisory Board discussed in detail the reports from the Board of Executive Directors, and also deliberated on prospects for the company and its individual business areas with the Board of Executive Directors. It was convinced of the lawfulness, expediency and propriety of the Board of Executive Director's company leadership.

The Chairman of the Supervisory Board and the Chairman of the Board of Executive Directors were also in regular contact outside of Supervisory Board meetings. The Chairman of the Supervisory Board was always promptly and comprehensively informed of current developments and significant individual issues. The Supervisory Board was involved at an early stage in decisions of major importance. The Supervisory Board passed resolutions on all of those individual measures taken by the Board of Executive Directors which by law or the Statutes required the approval of the Supervisory Board.

Supervisory Board meetings

The Supervisory Board held five meetings in the 2021 business year, each of which was attended by all members. The meetings were held in person with most Supervisory Board members physically present. Only at the meeting prior to the virtual Annual Shareholders' Meeting did the majority of members also participate virtually. The members of the Supervisory Board elected by shareholders and those elected by the employees prepared for the meetings in separate preliminary discussions in each case, which were also attended by members of the Board of Executive Directors.

All members of the Board of Executive Directors attended the Supervisory Board meetings unless it was deemed appropriate that the Supervisory Board discuss individual topics – such as personnel matters relating to the Board of Executive Directors – without them being present. In addition, each Supervisory Board meeting includes an agenda item that provides an opportunity for discussion without the Board of Executive Directors (executive session).

 An individual overview of attendance at meetings of the Supervisory Board and its committees will be made available on the company website at basf.com/supervisoryboard/meetings

A significant component of all Supervisory Board meetings was the Board of Executive Directors' reports on the current business situation with detailed information on sales and earnings development, as well as on opportunities and risks for business development, the status of important investment projects (current and planned), operational excellence, important aspects of economic, environmental and social sustainability, developments on the capital markets, significant managerial measures taken by the Board of Executive Directors, and innovation projects.

In all meetings held in 2021, the Supervisory Board also discussed the progress of major investments and ongoing portfolio projects. Discussions focused on:

- The development of the joint venture Wintershall Dea created by the merger of the oil and gas businesses of BASF and LetterOne
- The investment in a joint venture with Shanshan to produce battery materials in China
- The progress and opportunities and risks of the investment project to establish a new Verbund site in southern China
- The progress and completion of the sale of the pigments business

Important topics addressed by the Supervisory Board, which were discussed with the Board of Executive Directors at all meetings, were the effects, challenges and opportunities of climate change and, in particular, the European Green Deal and the resulting changes in the regulatory environment. The Supervisory Board is convinced that the successful management of the necessary, fundamental transformation process, which affects all stages of the value chain, is key to BASF's future and long-term success, not least with regard to society's and investors' likely expectations. These topics were also the main focus of the Supervisory Board's strategy meeting in October 2021.

At its meeting on February 24, 2021, the Supervisory Board reviewed and approved the Consolidated Financial Statements, Management's Report and the proposal for the appropriation of profit for the 2020 business year as presented by the Board of Executive Directors. It also discussed the agenda for the Annual Shareholders' Meeting on April 29, 2021, and adopted its proposals for resolutions. Since, due to the continuing effects of the coronavirus pandemic, the Supervisory Board considered it impossible to hold a physical meeting, it agreed to again hold the Annual Shareholders' Meeting as a virtual event without the physical presence of shareholders. Other topics discussed at the meeting were business conditions and development as well as opportunities and risks for BASF's business in China, the world's largest

chemical market, the project to construct a new Verbund site in southern China, and current business developments, opportunities and challenges in the Petrochemicals division.

The Supervisory Board met on April 28, 2021, one day before the virtual Annual Shareholders' Meeting, primarily to prepare for the Annual Shareholders' Meeting. Another topic was the shareholding in the Wintershall Dea joint venture.

The main agenda items at the meeting on July 22, 2021, were BASF's leadership development and personnel concept, the development and management of pension obligations, the development of the Global Business Services unit, and market opportunities and risks in connection with the European Green Deal.

At the strategy meeting on October 21/22, 2021, the Board of Executive Directors and the Supervisory Board discussed at length the status of implementation of the corporate strategy with a particular focus on growth, strengthening profitability and portfolio development, as well as key aspects of BASF's strategic development. These included:

- The development of research and development activities
- E-mobility and the transformation of the automotive industry as factors influencing the development of the BASF Group
- Market prospects and growth opportunities in China as the largest regional market for chemical products; growth projects such as the Verbund site in southern China and the further expansion of the battery materials business
- Climate change and the European Green Deal and their effects on BASF, as well as the resulting development paths, opportunities and risks
- The status, development and prospects of selected BASF business areas

At its meeting on December 16, 2021, the Supervisory Board discussed and approved the Board of Executive Directors' operational and financial planning, including the investment budget for 2022, and, as in previous years, authorized the Board of Executive Directors to procure the necessary financing in 2022 within a set limit. In addition, the Supervisory Board discussed the Board of Executive Directors' recommendation that, given the uncertainty surrounding the further development of the coronavirus pandemic and potential restrictions, the Annual Shareholders' Meeting on April 29, 2022, is also held as a virtual event. The Supervisory Board agreed to this following extensive deliberation and consideration of the resulting, unavoidable restrictions of shareholder rights compared with a physical meeting.

Compensation and composition of the Board of Executive Directors

In several meetings over the 2021 business year, the Supervisory Board discussed and passed resolutions on the compensation of the Board of Executive Directors. Matters relating to the composition of the Board of Executive Directors did not arise in 2021.

At its meeting on February 24, 2021, the Supervisory Board deliberated and agreed on the 2021 targets for the Board of Executive Directors based on the preparations of the Personnel Committee. It also discussed and resolved on the final performance factors for the Board of Executive Directors' short-term and long-term incentives for 2020. At its meeting on December 16, 2021, the Supervisory Board evaluated, based on the discussions and the corresponding recommendation of the Personnel Committee, the Board of Executive Directors' performance in 2021 and set the performance factor for the short-term incentive 2021 and the strategic performance factors for the deferral compensation components for 2018–2021 and 2019–2022. The Chairman of the Supervisory Board abstained from the resolution on the factor for the performance bonus for 2018–2021 as this affected him personally.

 For more information on the compensation of the Board of Executive Directors and the Supervisory Board, see the Compensation Report, which has been made publicly available on the company's website at [basf.com/compensationreport](https://www.basf.com/compensationreport)

Committees

The Supervisory Board of BASF SE has four committees: 1. the committee for personnel matters of the Board of Executive Directors and the granting of loans in accordance with section 89(4) of the German Stock Corporation Act (Personnel Committee); 2. the Audit Committee; 3. the Nomination Committee; and 4. the Strategy Committee. Following each Committee meeting, the chairs of the Committees reported in detail about the meetings and the activities of the Committees at the subsequent meeting of the Supervisory Board.

 For information on the composition of the committees and the tasks assigned to them by the Supervisory Board, see the Corporate Governance Report from page 164 onward

The **Personnel Committee** met three times during the reporting period. All committee members attended all meetings. At its meeting on February 24, 2021, the Personnel Committee discussed the targets for the Board of Executive Directors for the 2021 business year and the 2020 Compensation Report. At its meeting on July 21, 2021, the Personnel Committee addressed the status of leadership development at the top levels of management below the Board of Executive Directors and long-term succession planning for the Board of Executive Directors. At its meeting on December 16, 2021, the Personnel Committee discussed the appropriateness of the compensation of the Board of Executive Directors, the assessment of the Board's performance in 2021 and a proposal for the performance-related variable compensation of the Board of Executive Directors.

The **Audit Committee** met five times during the reporting period. All committee members attended all meetings. The Audit Committee is responsible for all the tasks listed in section 107(3) sentence 2 of the German Stock Corporation Act (AktG) and the recommendations of the German Corporate Governance Code. The Audit Committee is also responsible for monitoring the internal process for identifying related party transactions and adopting resolutions to approve related party transactions.

At the meeting on February 22, 2022, the auditor reported in detail on its audits of BASF SE's Separate and Consolidated Financial Statements for the 2021 business year, including the corresponding management's reports, and discussed the results of its audit with the Audit Committee. The committee's audit also included the Non-financial Statements of BASF SE and the BASF Group, as well as the Compensation Report of BASF SE in accordance with section 162 AktG, which had been audited by the external auditor. In preparation for the audit of the Nonfinancial Statements, the Audit Committee had, following a corresponding resolution by the Supervisory Board, additionally engaged KPMG to perform a limited assurance and issue an assurance report on it. KPMG also reported in detail on the focus, the procedure and the key findings of this audit.

At the meeting on July 21, 2021, the Audit Committee engaged KPMG AG Wirtschaftsprüfungsgesellschaft – the auditor elected by the Annual Shareholders' Meeting on April 29, 2021 – with the audit for the 2021 reporting year and auditing fees were agreed upon. The focus areas and scope of the annual audit were discussed and defined together with the auditor. The Audit Committee excluded in principle the engagement of the auditor to perform any services outside of the audit of the annual financial statements, including beyond prevailing legal limitations. For certain nonaudit services, the Audit Committee authorized the Board of Executive Directors to engage

KPMG for such services to a very limited extent, or granted approval in individual cases. At the meeting on December 15, 2021, the auditors responsible reported on the status of the annual audit, as well as the focus areas of the audit and the most important individual items. The Audit Committee also addressed the effects of the German Financial Market Integrity Strengthening Act on appointing KPMG as an auditor in the future. Due to the change in the rules on auditor rotation, it is now possible to last appoint KPMG for the 2023 business year.

Other important agenda items included providing guidance to the Board of Executive Directors on accounting issues, the control system established by the Board of Executive Directors, and follow-up assessments of acquisition and investment projects. At its meeting on April 27, 2021, the Audit Committee addressed risk management in the BASF Group and the organization of internal environmental, health and safety audits. Its meetings on July 21, 2021, and December 15, 2021, focused on internal auditing and compliance, respectively. In these meetings, the head of the Corporate Audit department and the head of the Corporate Compliance unit reported to the Audit Committee and answered its questions. In all meetings, the Audit Committee also received information on the development of risks from litigation.

The **Nomination Committee** is responsible for preparing candidate proposals for the Supervisory Board members to be elected by the Annual Shareholders' Meeting. The Nomination Committee is guided by the objectives for the composition of the Supervisory Board adopted by the Supervisory Board as well as the competence profile and diversity concept for the Supervisory Board resolved at the meeting on December 21, 2017. The Nomination Committee met twice in 2021. Both meetings were attended by all committee members. Items discussed at the meetings were the current competence profile and diversity concept for the Supervisory Board, the selection of candidates to succeed Franz Fehrenbach and Anke Schäferkordt, who had announced at an early stage that they would resign from the Supervisory Board on conclusion of the Annual Shareholders' Meeting 2022. In 2022, they will have been members of BASF's Supervisory Board for 14 and 12 years, respectively, meaning that both will no longer be independent within the meaning of the criteria of the German Corporate Governance Code and the criteria for the independence of Supervisory Board members set by the Supervisory Board. The committee identified successor candidates in a structured process and with external support, and evaluated them according to set criteria. Based on the recommendation of the Nomination Committee, the Supervisory Board resolved on December 16, 2021, to propose Alessandra Genco, Chief Financial Officer of Leonardo SpA, and Prof. Dr. Stefan Asenkerschbaumer, Deputy Chairman of the Board of Management and Chief Financial Officer of Robert Bosch GmbH until

December 31, 2021, for election to the Supervisory Board at the Annual Shareholders' Meeting on April 29, 2022.

The Strategy Committee, which was established to discuss strategic options for the further development of the BASF Group, did not meet in 2021.

Corporate governance and Declaration of Conformity

The Supervisory Board places great value on ensuring good corporate governance: In 2021, it was therefore once again intensely occupied with the corporate governance standards practiced in the company and the implementation of the recommendations and suggestions of the German Corporate Governance Code in the current version dated December 16, 2019.

In accordance with the recommendations of the German Corporate Governance Code and the Guiding principles for the dialog between investors and German supervisory boards, the Chairman of the Supervisory Board again sought dialog with investors where appropriate in 2021.

Special onboarding events are held for new members of the Supervisory Board to familiarize them with the basics of corporate governance at BASF, the organization and internal structures of the BASF Group, and the composition of its businesses. Above and beyond this, the company also supports the members of the Supervisory Board with training for their activities on the Supervisory Board, whether through external offerings such as topic-specific seminars or internal information offerings such as site and plant visits.

At its meeting of December 16, 2021, the Supervisory Board approved the joint Declaration of Conformity by the Supervisory Board and the Board of Executive Directors in accordance with section 161 of the German Stock Corporation Act (AktG). BASF complies with all recommendations of the German Corporate Governance Code in the version dated December 16, 2019. The Corporate Governance Report provides extensive information on the BASF Group's corporate governance.

 The full Declaration of Conformity is rendered on page 184 and is available to shareholders on the company website at basf.com/en/corporategovernance

Independence and efficiency review

An important aspect of good corporate governance is the independence of Supervisory Board members and their freedom from conflicts of interest. The Supervisory Board based the assessment of the independence of its members on the recommendations of the German Corporate Governance Code and the additional criteria for assessing the independence of Supervisory Board members contained in the Rules of Procedure of the Supervisory Board, which were revised in the Supervisory Board meeting on December 19, 2019. The criteria used to assess independence are presented in the Corporate Governance Report on page 166. According to the Supervisory Board's assessment, on the basis of these criteria, five of the six shareholder representatives and four of the six employee representatives – 9 of the 12 members of the Supervisory Board in total – are considered to be independent as of the end of 2021. All three non-independent Supervisory Board members were classified as such due to the length of their membership on the Supervisory Board, which exceeds 12 years in each case. Franz Fehrenbach and Denise Schellemans, two of the members to be classified as non-independent, will leave the Supervisory Board on conclusion of the Annual Shareholders' Meeting on April 29, 2022; this increases the number of independent members to 11 of 12 members. Above and beyond this, however, the Supervisory Board does not see any indications that the Supervisory Board role is not performed completely independently. In cases where Supervisory Board members hold supervisory or management positions at companies with which BASF has business relations, we see no impairment of their independence. The scope of these businesses is marginal and furthermore takes place under conditions similar to those of a third party.

The Supervisory Board reviews the efficiency of its activities every year in the form of a self-assessment. To this end, the Chairman of the Supervisory Board conducted a written survey of all Supervisory Board members in the fourth quarter of 2021 on the basis of a detailed questionnaire covering the entire range of relevant Supervisory Board topics. These included, in particular, the preparation and conduct of Supervisory Board meetings, the content and topics of the meetings, cooperation within the Supervisory Board, and cooperation with the Board of Executive Directors and the auditor. The results of these dialogs, including suggestions to further improve the Supervisory Board's work, were presented by the Chairman of the Supervisory Board at the Supervisory Board meeting on December 16, 2021, and thoroughly discussed by the members of the Supervisory Board. Overall, its members again rated the Supervisory Board's activity as efficient.

Independent of the efficiency review of the Supervisory Board, the Audit Committee also conducted a self-assessment of its activities in 2021 based on individual discussions between the chair of the Audit Committee and all members of the Audit Committee. Material subjects were the organization and content of meetings, meeting documents and reports, participants and quality of discussion at meetings, and the implementation of the recommendations of the 2020 efficiency review. The Audit Committee discussed the results of the questionnaire and detailed suggestions at its meeting on December 15, 2021. On this basis, the members judged the Audit Committee's work to be efficient and appropriate.

Separate and Consolidated Financial Statements; Compensation Report

KPMG AG Wirtschaftsprüfungsgesellschaft, the auditor elected by the Annual Shareholders' Meeting for the 2021 reporting year, has audited the Financial Statements of BASF SE and the BASF Group Consolidated Financial Statements, which were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, and the additional requirements that must be applied in accordance with section 315e(1) of the German Commercial Code (HGB), including the Management's Report and the accounting records from which they were prepared, and have approved them free of qualification. Furthermore, the auditor certified that the Board of Executive Directors had taken the measures incumbent on it under section 91(2) of the German Stock Corporation Act (AktG) in an appropriate manner. In particular, it had instituted an appropriate early risk detection system that fulfilled the requirements of the company and is applicable for the early identification of developments that could pose a risk to the continued existence of the BASF Group. The results of the audit as well as the procedure and material findings of the audit of the financial statements are presented in the Auditor's Report.

 The Auditor's Report is rendered from page 188 onward

For more information on the auditor, see the Corporate Governance Report on page 170

Beyond the statutory audit of the Financial Statements, KPMG also conducted, on behalf of the Supervisory Board, a limited assurance of the Nonfinancial Statements (NFSs) for BASF SE and the BASF Group, which are integral parts of the respective management's reports. On the basis of its audit, KPMG did not raise any objections to reporting and the satisfaction of the relevant statutory requirements. Above and beyond the statutory requirements, the auditor also conducted a limited assurance

of the Compensation Report that is to be prepared by the Board of Executive Directors and Supervisory Board in accordance with section 162 AktG.

 The assurance report issued by KPMG on the substantive audit of the NFS can be found at basf.com/nfs-audit-2021

The assurance report issued by KPMG on the audit of the Compensation Report can be found at basf.com/compensationreport

The auditor's reports were sent in a timely manner to every member of the Supervisory Board. The auditor attended the accounts review meeting of the Audit Committee on February 22, 2022, as well as the accounts meeting of the Supervisory Board on February 23, 2022, and reported on the procedure and material findings of its audit, including the key audit matters described in the Auditor's Report. The auditor also provided the Supervisory Board with detailed explanations of the reports on the day before the accounts meeting.

The Audit Committee reviewed the Financial Statements, the Management's Report and the Compensation Report at its meeting on February 22, 2022, including the reports prepared by the auditor and the key audit matters specified in the Auditor's Report, and discussed them in detail with the auditor. The chair of the Audit Committee gave a detailed account of the preliminary review at the Supervisory Board meeting on February 23, 2022. On this basis, the Supervisory Board examined the Financial Statements and Management's Report of BASF SE for 2021, the proposal by the Board of Executive Directors for the appropriation of profit, and the Consolidated Financial Statements and Management's Report for 2021. The results of the preliminary review by the Audit Committee and the results of the Supervisory Board's own examination fully concur with those of the audit. The Supervisory Board sees no grounds for objection to the management or the reports submitted.

At its accounts meeting on February 23, 2022, the Supervisory Board approved the Financial Statements of BASF SE and the Consolidated Financial Statements of the BASF Group prepared by the Board of Executive Directors, making the 2021 Financial Statements final. The Supervisory Board concurred with the proposal of the Board of Executive Directors regarding the appropriation of profit and the payment of a dividend of €3.40 per share.

Also at the meeting on February 23, 2022, the Supervisory Board discussed with the Board of Executive Directors the joint Compensation Report of the Board of Executive Directors and the Supervisory Board in accordance with section 162 AktG and approved it.

 The Compensation Report is publicly available on the company's website at basf.com/compensationreport

Composition of the Supervisory Board

Liming Chen, the Supervisory Board member appointed by the Ludwigshafen am Rhein local court (*Amtsgericht*) effective October 8, 2020, was elected to the Supervisory Board as a shareholder representative by the Annual Shareholders' Meeting on April 29, 2021, and was thus confirmed as a member of the Supervisory Board with a term of office until the end of the current Supervisory Board period in 2024.

In addition, the Supervisory Board members Anke Schäferkordt and Franz Fehrenbach announced in 2021 that they will resign from the Supervisory Board on conclusion of the Annual Shareholders' Meeting on April 29, 2022. In light of this, the Supervisory Board selected Alessandra Genco and Prof. Dr. Stefan Asenkerschbaumer as candidates to succeed them on the Supervisory Board based on a selection process managed by the Nomination Committee. Details of the two candidates proposed for election will be published in the invitation to the Annual Shareholders' Meeting and made available on the company's website at [basf.com/annualmeeting](https://www.basf.com/annualmeeting).

According to the Supervisory Board's assessment, the current and proposed future composition of the Supervisory Board meet in full the objectives with respect to its competence profile and diversity concept.

Ludwigshafen, February 23, 2022

The Supervisory Board



Dr. Kurt Bock
Chairman of the Supervisory Board

Declaration of Conformity Pursuant to Section 161 AktG

Declaration of Conformity 2021 of the Board of Executive Directors and the Supervisory Board of BASF SE

**The Board of Executive Directors and the Supervisory Board
of BASF SE hereby declare pursuant to section 161 AktG
(German Stock Corporation Act)**

The recommendations of the Government Commission on the German Corporate Governance Code as amended on December 16, 2019, published by the Federal Ministry of Justice on March 20, 2020, in the official section of the Federal Gazette are complied with and have been complied with since the submission of the last Declaration of Conformity of December 2020.

Ludwigshafen, December 2021

The Supervisory Board
of BASF SE

The Board of Executive Directors
of BASF SE

Declaration of Corporate Governance

Declaration of Corporate Governance in accordance with section 315d HGB in connection with section 289f HGB

The Declaration of Corporate Governance, pursuant to section 315d HGB in connection with section 289f HGB, comprises the subchapters Corporate Governance Report including the description of the diversity concept for the composition of the Board of Executive Directors and the Supervisory Board (except for the disclosures pursuant to section 315a HGB), Compliance and Declaration of Conformity as per section 161 of the German Stock Corporation Act (AktG) in the Corporate Governance chapter. It is a component of the Management's Report.

Pursuant to section 317(2) sentence 6 HGB, the auditor checked that the disclosures according to section 315d HGB were made.