

Countermotions and Electoral Proposals by Shareholders

**Countermotions and Electoral Proposals by Shareholders
for the Annual Shareholders' Meeting of BASF SE on June 18, 2020**

The English version of the following text is only a convenience translation of the German original. Consequently, in case of any deviations, only the German version shall be decisive.

Status: June 3, 2020

Below you find all shareholder proposals (countermotions and electoral proposals by shareholders in accordance with Section 126 and Section 127 of the German Stock Corporation Act) concerning items on the Agenda of the Annual Shareholders' Meeting 2020 which are required to be disclosed. In each case, the shareholder proposals and their supporting statements represent the views of the shareholders submitting them. Proposals including statements of facts have also been published on the Internet unchanged and unchecked by us to the extent that they are required to be disclosed.

At the Annual Shareholders' Meeting you may assent to these shareholder proposals by voting "no" to the relevant item of the Agenda, i.e. against the management's proposal. Shareholder proposals that aim not only to reject a proposal put forward by the management but also to bring about an alternative resolution have been marked with a capital letter. Insofar as a separate vote takes place in respect of such shareholder proposals, you can support or object to them by casting your vote for or against the proposal, or you can abstain from voting. If you have authorized either the proxies appointed by BASF SE or someone else to vote on your behalf, please ensure that you provide them with appropriate instructions or adjust your previous instructions accordingly.

Counter-motion of the shareholder Elmar Weigel for the Annual Shareholders' Meeting of BASF SE on June 18, 2020

A

Counter-motion to agenda item 2: Adoption of a resolution on the appropriation of profit

Notwithstanding that the shareholders approve the performance of the administration and management they waive € 0.05 of the dividend they are entitled to so that this share be paid, without recognizing any legal obligation, into a fund that shall serve to improve the working and living conditions of the people currently employed as well as of the surviving members of the families and the injured of Marikana. The rest of the dividend of € 3.30 proposed by the management, i.e. € 3.25, shall be distributed to the shareholders.

Rationale:

By the proposed reduction of dividend, the shareholders waive, assuming a share price of € 55 (not considering Corona), 0.09 % of the dividend yield. With such minor renouncement they act in a globally responsible way, which fits excellently to the management's exemplary operations to master the Corona crisis. Both enhance BASF's good reputation and positively influence the share price. However, to support the company's management with such positive behavior of the shareholders, the agenda item 2 as proposed by the company's management must first be rejected, so that such globally effective signal can be set.

Additional Rationale:

Ladies and Gentlemen,

I have now submitted for the third time in a row basically the same counter-motion to agenda item 2.

To be concrete: I request that we renounce 5 cent in favor of the people affected in Marikana. Not only to do something good but rather to use the radiance of the good deed with its positive effect on the image and share price of our BASF.

Assuming a normal share price not considering Corona of € 60 we would thereby waive 0.08 % of the dividend yield. However, such renouncement provides the great opportunity to enormously strengthen the good reputation of our BASF – and consequently, of course, the share price.

Shareholders who sit out stock market losses that can reach up to 40 % should use the opportunity that arises from this minor investment of 0.08 %.

This makes us act in unison with our BASF management that currently operates in an exemplary way to master the Corona crisis by not only thinking of maximizing profits but also of solving problems. This corresponds, among others, to the opinion of the heads of the 180 most important U.S. corporations who are newly aiming, in their business roundtable lobby group, not only to maximize the shareholder value, but also to think in the long term and more comprehensively.

Back to us: We can see how small our 5-cent investment is since, at the supermarket checkout, we spend 10 cents for an environmental-friendly bag without difficulty. Shouldn't we thus be willing to spend 5 cents only for more humanity?

→ Therefore, I ask you, even though this sounds paradoxical, to support our management by rejecting agenda item 2 proposed by the management so that the counter-motion of waiving 5 cent can be voted on separately.

→ → Take care that this shareholders' meeting will make history as a **sign of positively regarded capitalism** – especially now that Corona shows that we are **one** world.

The world will be grateful to you, morally and financially. Thank you.

Countermotion of the shareholder Stefan Fraatz for the Annual Shareholders' Meeting of BASF SE on June 18, 2020

B

Countermotion to agenda item 2: Adoption of a resolution on the appropriation of profit

By derogation from the proposal of the Board of Executive Directors and the Supervisory Board it is hereby proposed to pay a dividend of € 2.20 per qualifying share from the profit retained by BASF SE in the business year 2019 in the amount of € 3,899,089,714.88. If the shareholders approve this proposal, a total dividend of € 2,020,653,126.80 will be payable on the 918,478,694 qualifying shares as of the date of adoption of the Financial Statements for the business year 2019 (February 26, 2020).

The remaining profit retained of € 1.878.436.588,08 shall be allocated to the retained earnings reserve.

Rationale:

Considering the current global economic developments and especially the concentration in the chemical business, the company should make additional funds available to emerge strengthened from the currently difficult situation. The management should receive increased margins for investments, for potential acquisition of branches of competitors or for the acquisition of competitors.

Additional Rationale:

A dividend payout ratio of significantly more than 75 % of the profit retained excessively limits the company in its investments in future markets and also in the consolidation of the existing business. The proposed reduction to less than 60 % opens the possibility to seize opportunities in the current market setting and to increase, in the following years, the sharply fallen share price as well as the profit retained.

Counter motions of the Dachverband der Kritischen Aktionärinnen und Aktionäre for the Annual Shareholders' Meeting of BASF SE on June 18, 2020

C

Re agenda item 2: Adoption of a resolution on the appropriation of profit

The Dachverband der Kritischen Aktionärinnen und Aktionäre proposes that no dividend be distributed. Instead, the entire profit retained for 2019 is to be used as a provision for

- (a) for a fund to combat the corona pandemic and mitigate its economic consequences
- (b) for the creation of added value for society;
- (c) for maintaining jobs instead of reducing them;
- (d) for the establishment of a fund to compensate the widows, survivors and injured in the Marikana massacre

Rationale

In the middle of the corona crisis, which is accompanied by great uncertainty for the economy and society, BASF SE wants to increase the dividend from 3.20 to 3.30 euros per share. This sends a fatal signal to the company: Everyone has to tighten their belts, but our shareholders will receive even more.

Instead, BASF's owners could help combat the Corona pandemic and mitigate its economic consequences by waiving dividends. Especially now, past profits can be put to good use in crisis management.

This would be less in keeping with charity than with the social obligation of property according to Article 14 paragraph 2 of the Basic Law: "Property obligates. Its use shall at the same time serve the public good."

Although the dividend proposed by the Board of Executive Directors and Supervisory Board relates to the business success of 2019, the current corona crisis requires rapid, even unusual, provision of financial resources. These should not only be paid through donations, loans or at the expense of the general public.

The majority of the current profit retained are to be allocated to a fund to co-finance free tests for the SARS-CoV-2 virus worldwide, the development of a vaccine and the treatment of coronavirus diseases (COVID-19), particularly in the Global South. BASF has special human and technical resources for this purpose, which could now be used without profit pressure or self-promotion. The funds are to be used with independent expertise and significant participation of civil society in the Global South.

In addition, the funds are to be used to support those economic sectors that are in need of support as a result of the corona pandemic and are closely linked to BASF. This includes the preservation of jobs, especially in small-scale agriculture, as well as a climate-friendly and socio-ecological transformation of BASF's supply chains. This includes ensuring that decent wages and continued payment of wages during the Corona crisis are also guaranteed at all suppliers.

BASF SE is to set up a fund to compensate the widows, survivors and injured in the Marikana massacre.

With its so-called value-to-society program, BASF wants to "contribute to a world that offers a future worth living in with a better quality of life for everyone," according to its own statement. However, the payment of dividends to shareholders only benefits a small, mostly already wealthy group of society. A so-called "Excellence Program" turns out to be a job reduction program; BASF plans to cut 6,000 jobs by 2021. This "restructuring" of the group is intended to save 300 million euros annually. It remains unclear what "value for society" is to be created

by this program. People are apparently above all a cost factor for the Ludwigshafen corporation.

Re agenda item 3: Adoption of a resolution giving formal approval to the actions of the members of the Supervisory Board

The Dachverband der Kritischen Aktionärinnen und Aktionäre proposes that the actions of the members of the Supervisory Board for the 2019 financial year not be approved.

Rationale:

The Supervisory Board did not adequately perform its task as the controlling body of the Management Board. BASF's measures to date have not been sufficient to make an effective contribution to achieving the goals of the United Nations' Agenda for Sustainable Development 2030, the United Nations Global Compact and the German government's National Action Plan for Business and Human Rights, to which BASF has committed itself.

Backlog and lack of transparency in the implementation of UN guidelines on human rights due diligence

BASF still does not fully comply with the requirements of the UN's guiding principles for business and human rights (UNGPs) on corporate conduct. BASF does not provide sufficient evidence on how and whether human rights risks are identified, assessed and minimized. This is the result of a study by the Business & Human Rights Resource Centre and the ZHAW School of Management and Law. The results of the study are summarized here: <https://www.business-humanrights.org/de/kurzbewertung-deutscher-unternehmen>

BASF's sustainability strategy, which has now been revised once again and could not yet be examined by the study, is intended to improve on previous deficits. We expect the Supervisory Board not only to praise these steps, but to review them continuously and critically. For while the current Annual Report now mentions for the first time that the 2019 audits did not find any case of child labor, the results with regard to other human rights violations would have been just as helpful.

China: Forced labour among suppliers in Xinjiang?

In the publications that became known as "China Cables" is documented: At least 1.5 million members, mainly of the Uighur Muslim minority, are held in re-education camps in Xinjiang. More and more frequently, factories are being built next to these camps, in which detainees are forced to perform forced labour for cheap wages. This gives the state security forces absolute control over Muslim nationalities.

BASF has two joint ventures with Chinese companies in the city of Korla Xinjiang, where ethnic minorities also work. Although BASF assures that no forced labor is used there, it did not want to provide this insurance for partner companies or suppliers. Accordingly, BASF has announced reviews at the end of 2019. On the one hand, this shows that BASF's knowledge and control of its own supply chains remains inadequate, and on the other hand the question arises why BASF cannot safely exclude forced labor at suppliers from the outset. It is not enough to become active only when human rights violations become public.

BASF and the platinum supply chain

BASF continues to purchase platinum, which is extracted under inhumane conditions. The

main supplier is the South African mining company Sibanye-Stillwater, which took over the former platinum supplier Lonmin in fiscal year 2019 and posted record revenues. As part of its supply chain responsibility, BASF ensures that occupational safety and health precautions are observed by its supplier. However, BASF's current Annual Report does not contain any information on the results of the last audit. At the platinum mine in Marikana, South Africa, communities continue to live without running water and adequate sanitary facilities.

According to Sibanye-Stillwater's annual report, there were six deaths in 2019 at the South African plants. According to the South African trade union AMCU (Association of Mineworkers and Construction Union), seven employees at Sibanye-Stillwater had been killed in work-related accidents by October 2019, four of them at the Marikana mine. According to the union, the health and safety representative is still suspended "for raising important safety concerns about regulatory interference". While the number of people suffering from silicosis (pneumoconiosis) fell from 165 in 2018 to 131 in 2019, the number of people suffering from tuberculosis rose to 553 (2018: 539) and the number of hearing loss cases to 355 (2018: 243).

Re agenda item 4: Adoption of a resolution giving formal approval to the actions of the members of the Board of Executive Directors

The Dachverband der Kritischen Aktionärinnen und Aktionäre proposes that the actions of the members of the Board of Executive Directors for the 2019 financial year not be approved.

Rationale:

The Board of Executive Directors of BASF AG pursues a business model that is harmful to health and the environment and does not contribute to the implementation of the Sustainable Development Goals (SDGs) of the UN and the goals of the Paris Climate Change Convention.

BASF endangers agricultural workers*, farmers* and indigenous groups in the global South

In countries of the global South with weaker pesticide regulation, BASF sells active ingredients that are not approved in the EU. For example, BASF markets at least 12 active ingredients that are not approved in the EU in Brazil and at least four in South Africa. The active ingredients cyanamide and flufenoxuron were explicitly rejected at EU level due to their hazardousness following a detailed review. In addition, six of the active ingredients marketed by BASF in both countries that are not approved in the EU are on the Pesticide Action Network's list of highly hazardous pesticides because of their harmfulness to human health and/or the environment. Recent research based on market analyses by Phillips McDougall has also shown that BASF generates 25 percent of its sales with the sale of highly hazardous pesticides - a large proportion of these in so-called developing and emerging countries. (<https://www.publiceye.ch/de/themen/pestizide/agrochemiekonzerne-machen-milliarden-mit-krebsregenden-pestiziden-oder-bienen-killern>)

The main victims of this business model are (small) farmers, indigenous groups and other local residents in the growing regions as well as agricultural workers. Several cases of acute poisoning on citrus fruit plantations in South Africa where BASF products are used have been documented. (www.inkota.de/studie-bayer-basf)

However, BASF's double standards are not only detrimental to human health, but also to the environment. For example, one gram of the active ingredient fipronil would be mathematically sufficient to kill about 84 million bees. In 2018, BASF exported 90 metric tons of fipronil from France to Brazil. (see the two sources above)

A safe application, which BASF repeatedly presents as a way out, is a myth in poverty contexts. Plantation workers are often not provided with the necessary protective clothing, small farmers cannot afford it and some of them live on or in the immediate vicinity of their fields.

BASF misses previous climate targets

BASF had set itself the goal of reducing its own greenhouse gas emissions by 40 percent by 2020 compared with 2002. Nothing will come of this: The reduction achieved in 2019 is only temporary and mainly due to scheduled shutdowns of large plants for maintenance work. BASF itself expects emissions in 2020 to rise to the 2018 level, which would mean that BASF would only achieve a reduction of 34.2 percent compared with 2002 instead of the targeted 40 percent.

Climate targets must be based on the 1.5 degree target of the Paris Climate Change Convention

It seems to be convenient for the Board of Executive Directors to distract from the previous failure with new climate targets until 2030. Because there is an acute need for action:

If all companies had a carbon footprint like BASF's by 2050, the climate would warm by a whole 4.3 degrees Celsius.

While other energy-intensive companies are pursuing ambitious climate targets, the implementation of BASF's current climate targets would still result in global warming of 4.2 degrees Celsius, according to a report by the consulting firm Right from the end of 2019. (<https://www.right-basedonscience.de>)

However, the fatal dependence of its own business model on climate-damaging energies is demonstrated by the fact that BASF does not even dare to pursue the goal of climate neutrality in the distant future. It is therefore not clear how BASF's new climate targets are to be compatible with the 1.5 degree target of the Paris Climate Protection Agreement - neither in terms of direct emissions (Scope 1) nor emissions from purchased energy (Scope 2) nor from the decisive indirect emissions of the supply chain (Scope 3). Although the introduction of a CO2 tax makes sense in terms of climate policy, Board member Saori Dubourg warns against the introduction of such a tax, both at national and European level: "This is damaging to us and is clearly the wrong way forward," she says.

Re agenda item 6: Election to the Supervisory Board of Dr. Kurt Bock

The Dachverband der Kritischen Aktionärinnen und Aktionäre proposes that Dr. Kurt Bock not be elected to the Supervisory Board.

Rationale:

The Dachverband der Kritischen Aktionärinnen und Aktionäre has considerable concerns that the former Chairman of the Board of Executive Directors, Dr. Kurt Bock, is suitable to head the Supervisory Board of BASF SE.

It was only when Kurt Bock stepped down as Chairman of the Board of Executive Directors that we realized that the issues of sustainability, climate protection and supply chain responsibility were becoming more important at BASF. It is unclear how Bock can now support the new corporate and sustainability strategy as Chairman of the Supervisory Board.

Bock's handling of problems and crises during his time as CEO does not exactly speak in

favour of electing him as the Chairman of the Supervisory Board, who is responsible for monitoring the Board of Executive Directors. Obviously Bock wanted to push away the responsibility that a corporation has for the main supplier of an important raw material: At the 2016 Annual Shareholders' Meeting, the Chairman of the Board of Executive Directors was still acting ignorantly when he was confronted with the massacre at the Marikana platinum mine of the British South African mining group Lonmin. Bock's discriminatory remarks he made to representatives of non-governmental organizations from South Africa are unforgettable. In 2018, he cynically "asked" the spokesman for the surviving relatives of the massacre, South African Bishop Johannes Seoka, not to come to BASF's Annual Shareholders' Meeting next year. In 2017, Kurt Bock had made it clear to the bishop and the representatives of a South African mining union that he no longer wished them to attend because "there was nothing new". Kurt Bock does not seem to have a great deal of empathy. At the very least, the BASF manager missed the opportunity to pay the necessary respect to former mine worker Mozoxolo Madigwana, who survived the Marikana massacre with serious injuries, after his speech at the Annual Shareholders' Meeting.

Bock's crisis communication was not very convincing after the severe explosion on the BASF site in Ludwigshafen in 2016, in which four people were killed and 29 injured. It was only days after the accident that the Chairman of the Board of Executive Directors made public statements.

Administration's position on the counter motions

We believe that the counter motions are without merit and recommend a vote against them.