Cautionary note regarding forward-looking statements

This presentation contains forward-looking statements. These statements are based on current estimates and projections of the Board of Executive Directors and currently available information. Forward-looking statements are not guarantees of the future developments and results outlined therein. These are dependent on a number of factors; they involve various risks and uncertainties; and they are based on assumptions that may not prove to be accurate. Such risk factors include those discussed in Opportunities and Risks on pages 158 to 166 of the BASF Report 2020. BASF does not assume any obligation to update the forward-looking statements contained in this presentation above and beyond the legal requirements.
Nutrition & Care – uniquely positioned for sustainable growth

- Catering to nutrition, hygiene, health and beauty industries
- Offering a wide variety of natural ingredients
- Serving resilient end consumer markets
- Focusing on growth markets
Each segment has a clear and compelling path forward

<table>
<thead>
<tr>
<th></th>
<th>Chemicals</th>
<th>Materials</th>
<th>Industrial Solutions</th>
<th>Surface Technologies</th>
<th>Nutrition &amp; Care</th>
<th>Agricultural Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of sales 2020(^1)</td>
<td>14%</td>
<td>18%</td>
<td>13%</td>
<td>28%</td>
<td>10%</td>
<td>13%</td>
</tr>
<tr>
<td>EBITDA bsi 2020(^1)</td>
<td>€1.3 billion</td>
<td>€1.7 billion</td>
<td>€1.2 billion</td>
<td>€1.0 billion</td>
<td>€1.2 billion</td>
<td>€1.7 billion</td>
</tr>
<tr>
<td>Core theme</td>
<td>Verbund</td>
<td>Advanced materials</td>
<td>Additives platform</td>
<td>Surface modification platform</td>
<td>Consumer ingredients</td>
<td>Integrated offering of crop protection, seeds &amp; traits, digital solutions</td>
</tr>
<tr>
<td>Innovation focus</td>
<td>Improved or new processes</td>
<td>Applications, biomaterials</td>
<td>Formulations</td>
<td>Battery materials, surface effects</td>
<td>Biotechnology, formulations</td>
<td>Crop protection, seeds &amp; traits, digital farming</td>
</tr>
<tr>
<td>Capex relevance</td>
<td></td>
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<tr>
<td>M&amp;A relevance</td>
<td></td>
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</tr>
<tr>
<td>Sustainability</td>
<td>ChemCycling™</td>
<td>Bio-based materials</td>
<td>More from less</td>
<td>Low-emission mobility</td>
<td>Bio-based and natural, traceability</td>
<td>Better with less</td>
</tr>
</tbody>
</table>

\(^1\) Other (sales 2020: €2.4 billion, EBITDA bsi 2020: –€609 million) not depicted on this slide
Nutrition & Care: Our sales split at a glance

Sales by region¹ 2020

- South America, Africa, Middle East: 9%
- North America: 19%
- Asia Pacific: 25%
- Europe: 47%

€6,019 million

Sales by division 2020

- Nutrition & Health: 34%
- Care Chemicals: 66%

€6,019 million

¹ By location of customer
Nutrition & Care has achieved robust EBITDA margins even in challenging years

Sales billion €

EBITDA bsi margin %

ROCE %

CAGR EBITDA bsi 5%

Ø 18% p.a.

Sales 2020 10%

EBITDA bsi 2020 16%

R&D expenses 2020 8%

Planned capex 2021 to 2025 13%

BASF Group Nutrition & Care
Selected divestments and restructuring have increased profitability and focus on products with higher growth potential

Pharma custom synthesis, parts of APIs
- Divested to Siegfried Holding AG
- Sales 2014: ~€300 million
- Transaction closed in September 2015

Oleochemical surfactants
- Divested a portion of business in Mexico to Stepan Company
- Sales 2017: ~€50 million
- Transaction closed in March 2018

Kankakee site and associated businesses
- Agreement to divest to One Rock Capital Partners
- Sales 2019: ~€170 million
- Transaction announced in December 2020

Fatty alcohols
- Closed production in Cincinnati
- Site closed in December 2017

Production of surfactants and other products
- Closed production assets at Washington, New Jersey, site in March 2017
- Transferred production from Washington to Geismar, Louisiana

Stilbene-based optical brighteners
- Sold optical brightening agents technology to Archroma India
- Applications for paper and powder detergents
- Transaction closed in December 2019
Care Chemicals’ strengths in each industry segment provide us with unique selling propositions

- High-quality, value-added products for the personal care industry ranging from oleo-surfactants to UV filters
- Largest provider of ingredients for natural cosmetics
- Interpreting consumers and societal trends to constantly develop new products, formulations and claims

- High-performance building blocks for detergents and cleaning solutions
- Innovating with our customers to drive solutions to sustainability trends and constantly changing regulatory framework
- Global asset footprint with strong value chain integration

- Technology expertise for customer and industry-specific solutions
- Leverage product and technology synergies for industrial applications
- Understanding physiochemical effects allows for product differentiation

1 Percentage of Care Chemicals division sales 2020  
2 Industrial and institutional cleaning
Nutrition & Health businesses hold or strive for leading positions among suppliers in their market segments

- **Cost leadership** in citral and derivatives
- **Strong volume growth** after startup of aroma ingredients complex in Kuantan, Malaysia
- >60 products in the scent ranges mint, citrus, rose, lavender, muguet

- **Pioneer** and innovator in feed enzymes
- Enabler for reduction of antibiotics
- **Cost leadership in vitamin A**, strong position in vitamin E

- Among leading players in specialty health ingredients
- **Solution provider** in desserts and artisanal bakery
- Pioneer in vitamin A food fortification

- **Innovative excipients player** for various applications
- **Strong player in ibuprofen and omega-3**
- **Enables** production of biologic drugs

- **BASF strives for a leading position** in the global enzymes market
- New Global Business Unit acts as central hub
- **Innovation program ensures** a continuous stream of new products

1 Percentage of Nutrition & Health division sales 2020
2 Additional sales with enzymes are generated in animal nutrition and the Care Chemicals division
Translating trends into opportunities for Nutrition & Care

- 77% of today’s consumers prefer brands that are environmentally responsible and use natural ingredients\(^1\)
  
  We consistently expand our offering of sustainable, bio-based solutions to meet end consumer preferences

- One in six consumers will be older than 65 by 2050,\(^2\) resulting in increased demand for products that support healthy living
  
  We integrate new technologies and business models to enable healthier offerings for end consumers

- The middle class is projected to grow by 2 billion until 2030,\(^3\) resulting in increased disposable income
  
  We invest in our manufacturing assets to profit from higher demand in growth markets

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\(^1\) IBM Institute for Business Value, “Meet the 2020 consumers driving change”

\(^2\) United Nations Department of Economic and Social Affairs, “World Population Ageing 2019”

\(^3\) Brookings Education
Providing solutions for our customers’ sustainability needs

- **145** cosmetic ingredients for **natural** and **organic** products
- **100%** RSPO-certified palm oil sourcing by 2020
- **Up to 20%** lower CO₂ product emissions by using renewable feedstock\(^1\)
- **Supporting customers with traceability solutions** along animal value chain
- **>50%** of R&D expenses spent on bio-based, biodegradable solutions
- **Carbon footprint transparency** for full portfolio by end of 2021

\(^1\) Reduced CO₂ product emission refers to cradle to gate
We have a broad bio-offering\(^1\) and will significantly expand this offering in the future

Brands representing our bio-offering

**Typical laundry formulation**
- Water: 65%
- Surfactants: 20% Glucopon®
- Polymers: 2–3% Sokalan® HP 56 EcoBalanced
- Chelating agents: 1–2% Trilon® M
- Enzymes: 1–2% Lavergy® Pro
- Optical brighteners: 0–1% in progress

**Typical face cream formulation**
- Water: 60–80%
- Emollients: 10–20% Cetiol® Ultimate
- Emulsifiers: 2–5% Eumulgin® SG
- Polymers: 0.1–2% Rheocare® XGN
- Actives: 1–2% Nephhydrat® BC
- UV filters: 0–1% in progress
- Others

**Personal care**

**Home care**

\(^1\) Bio-offering includes both bio-based and biodegradable products
Virtual assistant ZoomLab™ strengthens our leading position as a digital solution provider for the pharma industry

- ZoomLab™ helps our customers to save time and resources in their development pipeline without having to share proprietary information
- Targets all formulators at generic and innovator drug companies worldwide, with focus on emerging markets
- Disruption of traditional research business model in collaboration with leading industry partners
- Accelerated expansion of customer base, building new business opportunities with digital services

3–6 months development time saved

>90 countries
>500 completed projects
>800 active users
Creating value in aroma ingredients through smart acquisitions delivering targeted innovations for our customers

- Strong R&D pipeline linked to customer projects
- Established customer relationships with key flavor and fragrance players
- Fermentation scale-up expertise

Fermentation-based aroma ingredients market to grow by +10% p.a.¹

>€500 million accessible market²

Acquisition of Isobionics

Product pipeline

2019
Valencene
Nootkatone

2020
Santalol (Isobionics®)
Alpha-Bisabolene

2021
Germacrene D
Alpha-Bisabolol

2022
More to come

Strengthening our position in natural aroma ingredients

¹ Expected market CAGR 2018–2030² Source: BASF primary and secondary market research
Leveraging our expertise in white biotechnology to deliver innovative, sustainable solutions

- **R&D**
  - 18 R&D projects in advanced stage
  - Focus areas: home and beauty care, animal feed
  - Additional industries targeted through strategic cooperations

- **Capabilities**
  - Unique combination of expertise in biotechnology, formulation and chemistry
  - Customer intimacy enables faster market entry
  - Technical and financial capacity to meet customer demand for fast scale-up

- **Impact**
  - Expanding position in attractive growth markets
  - Strengthening our positioning as provider of sustainable solutions with our customers
  - Recent examples: expansion of Lavergy® and Nutrilife® portfolios, Fuelpro™

- 6–10 product launches every year
Nutrition & Care benefits from the Verbund

- **36%** Internal sourcing\(^1\)
  - Enables leading cost position for key product lines
  - Ensures stable and sustainable raw material supply

- **8%** Internal sales\(^1\)
  - Performance Chemicals
  - Dispersions & Pigments
  - Others

\(^1\) BASF calculation for full year 2020
We make the carbon footprint of each of our products transparent, enabling our customers to achieve their goals.

"BASF’s initiative to calculate carbon footprints for all sales products is setting a benchmark for the industry."

Bertrand Conqueret
Chief Procurement Officer
## Nutrition & Care – our ambition for sustainable growth

- Maintain position as leading provider of customer-tailored **sustainable solutions** in our industries
- Build on **innovation power** and ability for **fast scale-up** to meet emerging customer needs
- Leverage and expand strong position in **natural-based and biodegradable** solutions
- Realize new business opportunities in **growth markets** and through technology-driven acquisitions
- Pursue profitable **expansions**

### Key Performance Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Target</th>
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<tr>
<td>Organic volume growth p.a.</td>
<td>3–5%</td>
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<tr>
<td>EBITDA bsi margin</td>
<td>17–20%</td>
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<tr>
<td>ROCE</td>
<td>&gt;10%</td>
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## Nutrition & Care – Attractive portfolio catering to various consumer needs

<table>
<thead>
<tr>
<th>Divisions</th>
<th>BASF’s offering for our customers</th>
<th>Financial figures billion €</th>
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<tbody>
<tr>
<td>Care Chemicals</td>
<td>▪ Personal care specialties&lt;br&gt;▪ Home care and industrial cleaning solutions</td>
<td>Sales</td>
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<tr>
<td></td>
<td></td>
<td>of which Care Chemicals</td>
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<td>Nutrition &amp; Health</td>
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<td>EBITDA bsi</td>
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<td>EBITDA bsi margin (%)</td>
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<td>ROCE (%)</td>
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<td></td>
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<td>Investments (incl. M&amp;A)</td>
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<td></td>
<td></td>
<td>R&amp;D</td>
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<tr>
<td>Nutrition &amp; Health</td>
<td>▪ Aroma ingredients&lt;br&gt;▪ Human nutrition products&lt;br&gt;▪ Animal nutrition products&lt;br&gt;▪ Pharma solutions&lt;br&gt;▪ Enzymes for feed, food, detergents and biofuels</td>
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**Nutrition & Care – A leading provider of care and nutrition ingredients for consumer products**

<table>
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<th>Divisions</th>
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<tr>
<th>Strategy</th>
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<td></td>
<td>Maintain market leadership in care ingredients and achieve a leading position in nutrition</td>
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<td></td>
<td>Enhance and broaden the product and technology portfolio through selective acquisitions</td>
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<td></td>
<td>Drive organic growth by focusing on emerging markets, new business models and sustainability trends in consumer markets</td>
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<tr>
<th>Verbund integration</th>
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<td></td>
<td>Care Chemicals is to a large extent based on BASF's C2 value chain</td>
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<td></td>
<td>Citral value chain, based on BASF’s integration into C4 products, is core for Nutrition &amp; Health</td>
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<td></td>
<td>R&amp;D capabilities in catalysis, formulation know-how and white biotechnology drive development of innovations</td>
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<tr>
<th>Innovation</th>
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<td></td>
<td>Develop tailor-made solutions for new functionalities through product and process innovation</td>
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<td></td>
<td>Address unmet needs beyond existing chemical solutions with R&amp;D in white biotechnology and fermentation technologies</td>
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<tr>
<th>Capex</th>
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<tr>
<td></td>
<td>Expand capacities and enhance operational excellence to drive organic growth</td>
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<td></td>
<td>Targeted investments in assets support further portfolio development and diversification</td>
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<th>Sustainability</th>
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<td></td>
<td>Build on trends driven by changing consumer behavior, e.g., biodegradable and bio-based products, traceability</td>
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<tr>
<th>Peers</th>
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<tbody>
<tr>
<td></td>
<td>Croda, DSM, IFF, Evonik</td>
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