Capital Market Story
February 2024
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 in particular those discussed in Opportunities and Risks on pages 173 to 183 of the BASF Report 2023. BASF does not assume any obligation to update the forward-looking statements contained in this presentation above and beyond the legal requirements.
Agenda

1. At a glance
2. Q4/FY 2023 reporting
3. Measures to increase competitiveness
4. Pushing the transition to a sustainable economy
5. Unique position to capture growth in Asia
6. Battery materials driving electromobility and growth
Unique position to deliver long-term value

- 6 Verbund sites globally
- 234 production sites worldwide in total
- 5.7 million metric tons of CO₂ avoided globally in 2023

**Industry-leading innovation platform**
- €2.1 billion R&D expenses in 2023
- ~10,000 employees in R&D
- Sales of >€10 billion in 2023 with products launched during last 5 years

**Strong and expanding local presence in fast growing Asian market**
- 2 Verbund sites already; one additional Verbund site currently under construction
- ~70 production sites
- €17.5 billion¹ sales in 2023

**Creating value to society and contributing to a sustainable development**
- CO₂ emission targets:
  - 25% reduction of absolute Scope 1 and 2 emissions by 2030 (compared with 2018)
  - 15% reduction of specific Scope 3.1 emissions by 2030 (compared with 2022)
- We aim to achieve net zero CO₂ emissions² by 2050

**Progressive dividend policy**
- Practice to increase the dividend per share each year, or at least maintain it at the previous year’s level
- Dividend³ of €3.40 per share for 2023

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¹ Sales in Asia Pacific by location of customer. Only includes sales from BASF entities fully consolidated according to IFRS 10/11
² Scope 1, Scope 2 and Scope 3.1
³ Dividend proposed to the Annual Shareholders’ Meeting
The BASF Group’s segments

Chemicals
The Chemicals segment supplies BASF’s other segments and customers with basic chemicals and intermediates.
- Sales 2023: €10,369 million
- EBITDA before specials items 2023: €1,167 million

Materials
In the Materials segment, we produce advanced materials and their precursors for the plastics and plastics processing industries.
- Sales 2023: €14,149 million
- EBITDA before specials items 2023: €1,650 million

Industrial Solutions
The Industrial Solutions segment develops and markets ingredients and additives for industrial applications.
- Sales 2023: €8,010 million
- EBITDA before specials items 2023: €965 million

Surface Technologies
The Surface Technologies segment provides chemical solutions for surfaces and automotive OEM coatings, as well as battery materials and catalysts.
- Sales 2023: €16,204 million
- EBITDA before specials items 2023: €1,520 million

Nutrition & Care
The Nutrition & Care segment produces ingredients and solutions for consumer applications such as human and animal nutrition, and home and personal care.
- Sales 2023: €6,858 million
- EBITDA before specials items 2023: €565 million

Agricultural Solutions
The Agricultural Solutions segment is an integrated provider of seeds, crop protection and digital solutions for the agricultural sector.
- Sales 2023: €10,092 million
- EBITDA before specials items 2023: €2,270 million

Other not depicted on the slide: Sales 2023: €3,220 million, EBITDA before special items 2023: -€466 million
We operate close to our customers in all regions worldwide

<table>
<thead>
<tr>
<th>Region</th>
<th>Sales (million €)</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>18,833</td>
<td>16,060</td>
</tr>
<tr>
<td>South America, Africa, Middle East</td>
<td>6,527</td>
<td>7,176</td>
</tr>
<tr>
<td>Europe</td>
<td>26,022</td>
<td>67,562</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>17,520</td>
<td>21,193</td>
</tr>
</tbody>
</table>

**BASF sales by industry 2023**

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

**Selected sites**
- Antwerp
- Ludwigshafen
- Nanjing
- South Korea
- Shanghai
- Zhanjiang
- Kuantian

**Verbund sites**
- Gelsenkirchen
- Freeport

**Planned Verbund site**
- Shanghai
Priorities for the use of cash

1. **Organic growth**
   - Capex budget of €6.2 billion for 2024
   - Around €2 billion in R&D expenses per year

2. **Progressive dividend**
   - Practice to increase the dividend per share each year, or at least maintain it at the previous year’s level
   - Strong balance sheet and high equity ratio\(^1\) support dividend policy

3. **Portfolio management**
   - Strengthen portfolio through selective M&A opportunities while maintaining price discipline
   - Focus the portfolio with continued pruning measures

4. **Share buybacks**
   - Share buybacks are part of our toolbox but currently not being used
   - Between January 2022 and February 2023 own shares were repurchased for ~€1.4 billion

\(^1\) As of December 31, 2023: 47.3%
Continued strict management of capital expenditures

Overall capex budget
Billion €, 2024–2027

- Capex 2024 + 2025: ~40%
- Capex 2026 + 2027

Capex budget by type of investment
Billion €, 2024–2027

- Investments in ongoing businesses
- €19.5 billion, thereof €6.2 billion in 2024
- Growth projects
- Zhanjiang Verbund site and battery materials

Investments in net-zero transformation
BASF’s industry-leading innovation platform ensures long-term organic growth

Key facts 2023

- R&D expenses to sales ratio 3.1%
- Commitment to R&D with annual spending of ~€2 billion
- ~10,000 employees in R&D
- ~1,000 new patents filed in 2023
- Research Verbund: Academic Research Alliances are complemented by cooperations with ~280 universities and research institutes
- >€10 billion sales generated from R&D activities with products launched during last 5 years
- Peak sales potential of BASF’s Agricultural Solutions innovation pipeline of >€7.5 billion between 2023 and 2033
Attractive shareholder return – also in challenging times

Key facts 2023

- We stick to our practice to increase the dividend per share each year or keep it stable
- Dividend proposal to Annual Shareholders’ Meeting of €3.40 per share
- In total, we will pay out €3.0 billion\(^2\), 90% of which is covered by our free cash flow
- Dividend yield of 7.0% based on the share price of €48.78 at year end 2023

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend per share €</th>
<th>Proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>2.80</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>2.90</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>3.00</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>3.10</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>3.20</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>3.30</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>3.30</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>3.40</td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>3.40</td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>3.40</td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) Dividend yield based on share price at year end
\(^2\) Based on the 892,522,164 shares outstanding as of December 31, 2023
Dividend payments supported by strong cash flow generation

Cash flows from operating activities, free cash flow and dividends
Million €

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash flows from operating activities</th>
<th>Free cash flow</th>
<th>Dividends attributable to shareholders of BASF SE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>6,958</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>9,446</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>7,717</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>8,785</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>7,939</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>7,474</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>7,245</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>7,709</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>8,111</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>7,709</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total payout based on the dividend proposal to the Annual Shareholders’ Meeting of €3.40 per share and 892,522,164 shares outstanding as of December 31, 2023.
Key elements of the agreement signed by Harbour Energy and the shareholders of Wintershall Dea in December 2023

- **E&P business** of Wintershall Dea, excluding Russia-related activities, to be acquired by Harbour Energy plc (Harbour); closing targeted for Q4 2024

- In exchange, at closing, **BASF will hold** a share of 39.6% in Harbour and will **receive cash consideration of $1.56 billion**

- With this transaction, **BASF takes a major step** towards achieving its announced strategic goal to **exit the oil and gas business**

- In parallel to the transaction with Harbour, the **legal separation of Wintershall Dea’s Russia-related business**, which is not part of the transaction, **is progressing as planned**; significant federal German investment guarantees are in place

- Furthermore, Wintershall Dea is continuing its preparations for a **separate sale of its stake in WIGA Transport Beteiligungs-GmbH & Co. KG**, which is not part of the transaction

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1 Consisting of its producing and development assets as well as exploration rights in Norway, Argentina, Germany, Mexico, Algeria, Libya (excluding Wintershall AG), Egypt and Denmark (excluding Ravn) as well as Wintershall Dea’s carbon storage licenses.
Outlook 2024 for BASF Group

Outlook 2024

<table>
<thead>
<tr>
<th></th>
<th>€8.0 billion – €8.6 billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA before special items</td>
<td></td>
</tr>
<tr>
<td>Free cash flow</td>
<td>€0.1 billion – €0.6 billion</td>
</tr>
<tr>
<td>CO₂ emissions</td>
<td>16.7 million – 17.7 million metric tons</td>
</tr>
</tbody>
</table>

Underlying assumptions (prior-year figures in parentheses)

- Growth in gross domestic product: 2.3% (2.6%)
- Growth in industrial production: 2.2% (1.4%)
- Growth in chemical production: 2.7% (1.7%)
- Average euro/dollar exchange rate: $1.10 per euro ($1.08 per euro)
- Average annual oil price (Brent crude): $80 per barrel ($82 per barrel)
### Outlook 2024 by segment

<table>
<thead>
<tr>
<th>Million €</th>
<th>EBITDA before special items</th>
<th>Segment cash flow</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2023</td>
<td>2024 forecast</td>
</tr>
<tr>
<td>Chemicals</td>
<td>1,167 Considerable increase</td>
<td></td>
</tr>
<tr>
<td>Materials</td>
<td>1,650 Slight increase</td>
<td>1,369 Considerable decrease</td>
</tr>
<tr>
<td>Industrial Solutions</td>
<td>965 Considerable increase</td>
<td>1,292 Considerable decrease</td>
</tr>
<tr>
<td>Surface Technologies</td>
<td>1,520 At prior-year level</td>
<td>1,488 Considerable decrease</td>
</tr>
<tr>
<td>Nutrition &amp; Care</td>
<td>565 Considerable increase</td>
<td>503 Considerable decrease</td>
</tr>
<tr>
<td>Agricultural Solutions</td>
<td>2,270 Slight decrease</td>
<td>1,746 Considerable decrease</td>
</tr>
</tbody>
</table>

1 For EBITDA before special items and cash flow, “slight” represents a change of 0.1%–10.0%, while “considerable” applies to changes of 10.1% and higher. “At prior-year level” indicates no change (+/-0.0%).
What BASF stands for

- Competitive advantages through flexible Verbund concept for integrated production
- Strategic focus on local production for local markets and on high-growth market segments, e.g., battery materials
- Industry leader in shaping the transformation to net zero CO₂ emissions with an ambitious carbon management program
- Powerful innovation across a broad range of technologies to provide solutions for various customer industries and to increase our productivity
- Diverse team of committed, capable and creative employees
- Long-term shareholder value creation and attractive dividend
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## BASF Group full year 2023 and Q4 2023: Key financial figures

<table>
<thead>
<tr>
<th>Financial figures</th>
<th>FY 2023</th>
<th>Change</th>
<th>Q4 2023</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Million €</td>
<td>%</td>
<td>Million €</td>
<td>%</td>
</tr>
<tr>
<td>Sales</td>
<td>68,902</td>
<td>-21.1</td>
<td>15,871</td>
<td>-17.9</td>
</tr>
<tr>
<td>EBITDA before special items</td>
<td>7,671</td>
<td>-28.7</td>
<td>1,317</td>
<td>-6.0</td>
</tr>
<tr>
<td>EBITDA</td>
<td>7,180</td>
<td>-33.2</td>
<td>1,099</td>
<td>-20.8</td>
</tr>
<tr>
<td>EBIT before special items</td>
<td>3,806</td>
<td>-44.7</td>
<td>292</td>
<td>-21.6</td>
</tr>
<tr>
<td>EBIT</td>
<td>2,240</td>
<td>-65.8</td>
<td>-995</td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>225</td>
<td>.</td>
<td>-1,587</td>
<td>67.3</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>8,111</td>
<td>5.2</td>
<td>4,262</td>
<td>-4.6</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>2,715</td>
<td>-18.5</td>
<td>2,228</td>
<td>-14.2</td>
</tr>
</tbody>
</table>
In Q4 2023, BASF Group’s sales volumes were almost stable; excluding precious metals, volumes increased slightly

- In Q4 2023, sales declined by 17.9% to €15.9 billion, mainly due to lower prices and negative currency effects; all segments recorded price decreases as a result of subdued demand and in line with lower raw materials prices.

- Excluding precious metals, sales volumes of BASF Group increased by 2.6%; including precious metals, sales volumes were almost stable compared with Q4 2022.

- In Q4 2023, EBIT before special items declined by €81 million to €292 million.

- EBIT before special items in the Industrial Solutions, Nutrition & Care, Surface Technologies and Materials segments improved, while the remaining two segments and Other recorded a decline versus the prior-year quarter.

### Sales Development

<table>
<thead>
<tr>
<th>Sales development</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2023 vs. Q4 2022</td>
<td>↓ -0.4</td>
<td>↓ -13.9</td>
<td>↓ -0.1</td>
<td>↓ -3.5</td>
</tr>
<tr>
<td>FY 2023 vs. FY 2022</td>
<td>↓ -8.4</td>
<td>↓ -10.0</td>
<td>↓ -0.2</td>
<td>↓ -2.5</td>
</tr>
</tbody>
</table>
In Q4 2023, EBIT before special items declined due to lower contributions from Agricultural Solutions, Chemicals and Other

<table>
<thead>
<tr>
<th>EBIT before special items Million €</th>
<th>BASF Group</th>
<th>Chemicals</th>
<th>Materials</th>
<th>Industrial Solutions</th>
<th>Surface Technologies</th>
<th>Nutrition &amp; Care</th>
<th>Agricultural Solutions</th>
<th>Other</th>
<th>BASF Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2023 vs. Q4 2022</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4 2022</td>
<td>373</td>
<td>-51</td>
<td>17</td>
<td>42</td>
<td>18</td>
<td>27</td>
<td>-85</td>
<td>-50</td>
<td>292</td>
</tr>
<tr>
<td>Q4 2023</td>
<td>-129</td>
<td>161</td>
<td>162</td>
<td>188</td>
<td>7</td>
<td>37</td>
<td>-135</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2023 vs. FY 2022</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2022</td>
<td>6,878</td>
<td>-1,596</td>
<td>-1,013</td>
<td>-466</td>
<td>36</td>
<td>-511</td>
<td>343</td>
<td>135</td>
<td>3,806</td>
</tr>
<tr>
<td>FY 2023</td>
<td>361</td>
<td>826</td>
<td>625</td>
<td>938</td>
<td>107</td>
<td>1,563</td>
<td>-614</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Strong cash flow generation in Q4 2023

Q4 2023 vs. Q4 2022

- Cash flows from operating activities decreased by €207 million to €4.3 billion
- Increased focus on reducing inventory levels paid off; changes in net working capital led to a cash inflow of €3.2 billion
- Payments made for property, plant and equipment and intangible assets rose by €160 million to €2.0 billion
- Free cash flow decreased by €368 million to €2.2 billion

1 Free cash flow: cash flows from operating activities minus payments made for property, plant and equipment and intangible assets
**Strong balance sheet**

**Balance sheet December 31, 2023, vs. December 31, 2022**

**Billion €**

<table>
<thead>
<tr>
<th>Category</th>
<th>Dec. 31, 2023</th>
<th>Dec. 31, 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Noncurrent assets</td>
<td>77.4</td>
<td>84.5</td>
</tr>
<tr>
<td>Inventories</td>
<td>45.9</td>
<td>47.1</td>
</tr>
<tr>
<td>Accounts receivable, trade</td>
<td>13.9</td>
<td>16.0</td>
</tr>
<tr>
<td>Other assets</td>
<td>10.4</td>
<td>12.1</td>
</tr>
<tr>
<td>Liquid funds</td>
<td>4.5</td>
<td>6.6</td>
</tr>
<tr>
<td>Equity</td>
<td>77.4</td>
<td>84.5</td>
</tr>
<tr>
<td>Financial debt</td>
<td>36.6</td>
<td>40.9</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>21.5</td>
<td>24.6</td>
</tr>
</tbody>
</table>

- **Total assets** decreased by €7.1 billion to €77.4 billion, mainly due to strong focus on net working capital management.
- **Net debt** of €16.6 billion only slightly above the level of €16.3 billion at year end 2022.
- **Equity ratio:** 47.3% (Dec. 31, 2022: 48.4%)
- BASF has **good credit ratings**¹, especially compared with competitors.

Chemicals

Sales Q4 2023 vs. Q4 2022
Million €

- Intermediates: €2,427, -12%
- Petrochemicals: 1,765, -6%
- Total: €2,427, -12%

Sales development

<table>
<thead>
<tr>
<th></th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2023 vs. Q4 2022</td>
<td>↑ 2.1%</td>
<td>↓ -11.2%</td>
<td>-</td>
<td>↓ -2.5%</td>
</tr>
<tr>
<td>FY 2023 vs. FY 2022</td>
<td>↓ -11.9%</td>
<td>↓ -17.1%</td>
<td>-</td>
<td>↓ -1.4%</td>
</tr>
</tbody>
</table>

EBIT before special items
Million €

- Q4 2022: -79, -64%
- Q4 2023: -129
- FY 2022: 1,956, -82%
- FY 2023: 361

Fiscal years

- FY 2022: €1,956
- FY 2023: €361

Graphs showing sales and EBIT development for BASF's Chemicals segment.
Materials

Sales Q4 2023 vs. Q4 2022
Million €

<table>
<thead>
<tr>
<th>Product</th>
<th>Sales Q4 2023</th>
<th>Q4 2022</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Materials</td>
<td>1,685</td>
<td>1,840</td>
<td>-9%</td>
</tr>
<tr>
<td>Monomers</td>
<td>1,663</td>
<td>1,984</td>
<td>-16%</td>
</tr>
</tbody>
</table>

Sales development:
- Volumes: Q4 2023 vs. Q4 2022: +7.0%
- Prices: FY 2023 vs. FY 2022: -14.3%

EBIT before special items
Million €

<table>
<thead>
<tr>
<th>Period</th>
<th>EBIT before special items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2022</td>
<td>144</td>
</tr>
<tr>
<td>Q4 2023</td>
<td>161</td>
</tr>
<tr>
<td>FY 2022</td>
<td>1,840</td>
</tr>
<tr>
<td>FY 2023</td>
<td>826</td>
</tr>
</tbody>
</table>

Currencies:
- FY 2023 vs. FY 2022: -3.0%
Industrial Solutions

Sales Q4 2023 vs. Q4 2022
Million €

Dispersions & Resins
1,146
-10%

Performance
Chemicals
723
-19%

€1,869
-14%

EBIT before special items
Million €

Sales development
Volumes
Prices
Portfolio
Currencies

Q4 2023 vs. Q4 2022
↓ -1.0%
↓ -9.3%
↓ -0.2%
↓ -3.4%

FY 2023 vs. FY 2022
↓ -10.4%
↓ -5.3%
↓ -1.8%
↓ -2.3%
### Surface Technologies

**Sales Q4 2023 vs. Q4 2022**

<table>
<thead>
<tr>
<th>Segment</th>
<th>Sales Q4 2023 (€ Million)</th>
<th>Q4 2022 (€ Million)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catalysts</td>
<td>2,399</td>
<td>1,453</td>
<td>-39%</td>
</tr>
<tr>
<td>Coatings</td>
<td>1,115</td>
<td>1,115</td>
<td>-2%</td>
</tr>
</tbody>
</table>

**EBIT before special items**

<table>
<thead>
<tr>
<th>Year</th>
<th>EBIT (€ Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2022</td>
<td>170</td>
</tr>
<tr>
<td>Q4 2023</td>
<td>188</td>
</tr>
</tbody>
</table>

**Sales development**

<table>
<thead>
<tr>
<th>Period</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2023 vs. Q4 2022</td>
<td>↓ -9.1%</td>
<td>↓ -16.2%</td>
<td>↓ -0.4%</td>
<td>↓ -4.7%</td>
</tr>
<tr>
<td>FY 2023 vs. FY 2022</td>
<td>↓ -9.6%</td>
<td>↓ -11.1%</td>
<td>↓ -0.1%</td>
<td>↓ -3.1%</td>
</tr>
</tbody>
</table>
Nutrition & Care

Sales Q4 2023 vs. Q4 2022
Million €

Nutrition & Health
544
-12%

Care Chemicals
1,087
-15%

€1,631
-14%

EBIT before special items
Million €

Sales development
Volumes
Prices
Portfolio
Currencies

Q4 2023 vs. Q4 2022
1.5%
-13.2%
-
-2.4%

FY 2023 vs. FY 2022
-7.1%
-5.8%
-
-2.1%
Agricultural Solutions

Sales 2023 vs. 2022
Million €

Sales development

<table>
<thead>
<tr>
<th>Product Line</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2023 vs. Q4 2022</td>
<td>↑ 6.0%</td>
<td>↓ -4.0%</td>
<td>-</td>
<td>↓ -4.4%</td>
</tr>
<tr>
<td>FY 2023 vs. FY 2022</td>
<td>↓ -6.5%</td>
<td>↑ 8.2%</td>
<td>-</td>
<td>↓ -3.5%</td>
</tr>
</tbody>
</table>

EBIT before special items
Million €

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q4 2022</th>
<th>Q4 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2022</td>
<td>1,220</td>
<td>1,563</td>
</tr>
<tr>
<td>FY 2023</td>
<td>1,563</td>
<td>28%</td>
</tr>
</tbody>
</table>

Seed Treatment: 662 Million €, -18%
Fungicides: 3,047 Million €, 2%
Insecticides: 1,041 Million €, -2%

Seed & Traits: 1,962 Million €, 5%
Herbicides: 3,380 Million €, -5%

€10,092 Million €, -2%
## Review of “Other”

<table>
<thead>
<tr>
<th>Financial figures</th>
<th>Q4 2023</th>
<th>Q4 2022</th>
<th>FY 2023</th>
<th>FY 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Million €</td>
<td>Million €</td>
<td>Million €</td>
<td>Million €</td>
</tr>
<tr>
<td>Sales</td>
<td>855</td>
<td>1,133</td>
<td>3,220</td>
<td>4,368</td>
</tr>
<tr>
<td>EBIT before special items</td>
<td>-135</td>
<td>-85</td>
<td>-614</td>
<td>-749</td>
</tr>
<tr>
<td>Of which Costs of corporate research</td>
<td>-63</td>
<td>-105</td>
<td>-242</td>
<td>-325</td>
</tr>
<tr>
<td>Costs of corporate headquarters</td>
<td>-49</td>
<td>-60</td>
<td>-222</td>
<td>-258</td>
</tr>
<tr>
<td>Foreign currency results, hedging and other measurement effects</td>
<td>-16</td>
<td>-93</td>
<td>-29</td>
<td>33</td>
</tr>
<tr>
<td>Other businesses</td>
<td>69</td>
<td>-21</td>
<td>83</td>
<td>-43</td>
</tr>
<tr>
<td>Special items</td>
<td>-52</td>
<td>39</td>
<td>-164</td>
<td>226</td>
</tr>
<tr>
<td>EBIT</td>
<td>-186</td>
<td>-46</td>
<td>-778</td>
<td>-523</td>
</tr>
</tbody>
</table>
Agenda

1. At a glance
2. Q4/FY 2023 reporting
3. Measures to increase competitiveness
4. Pushing the transition to a sustainable economy
5. Unique position to capture growth in Asia
6. Battery materials driving electromobility and growth
We are delivering on the strategic transformation of our organization and businesses

- We have *embedded all business-critical services* in the operating divisions
- We have *embedded customer-focused R&D* in the operating divisions
- We have *streamlined business services, digitalization and R&D* at the company level
- We are now ready to go a step further and *manage our businesses in a more differentiated manner* that also reflects changes in the global chemical market

- Empowerment
- Differentiation
- Simplification
Verbund businesses will benefit from focused value chain steering

Verbund businesses

- Management along value chains
- Value generation through efficient use of resources, bundling of demand and synchronized, deeply integrated production
- Major advantages in terms of products that enable customers to achieve their net zero and circularity targets

EBITDA bsi margin 17% over the cycle
Steering of businesses less integrated into Verbund value chains tailored to industry-specific needs

BASF Group

Battery Materials
- Set to become a growth driver in BASF’s portfolio
- Business requires a high level of agility to respond to rapidly evolving market developments, for example by forming collaborations and partnerships

Coatings
- Requires a high degree of flexibility and customization
- Managing complexity is crucial due to the large number of customers and formulations

Agricultural Solutions
- Moved from producing crop protection products to providing farmers with agricultural solutions that connect crop protection, seeds and traits as well as digital solutions
- Generates new business models by leveraging digital solutions and increasingly integrating data and mechanical hardware

EBITDA bsi margin
≥30% excluding metals (by 2030)

EBITDA bsi margin
≥15% (in the midterm)

EBITDA bsi margin
≥23% (in the midterm)
Leveraging the benefits of Verbund, differentiation and an integrated company setup

Benefits of Verbund
- Interconnected value chains
- Synergies through scale
- Efficient transformation toward net zero

Benefits of differentiation
- Business models tailored to industry-specific needs
- Sharpened focus on value creation along Verbund value chains
- Leaner, simpler and more tailored processes

Benefits of integrated company
- Bundled service units and Group Research
- Better customer engagement
- Better financing conditions
Differentiated financial steering approach of the BASF Group as of 2024

BASF Group

Medium-term steering

ROCE

EBITDA bsi
Free cash flow

Medium to short-term steering
“Most important financial KPIs”

Differentiated steering

BASF segments

<table>
<thead>
<tr>
<th>BASF segments</th>
<th>Sales growth</th>
<th>EBITDA bsi absolute</th>
<th>EBITDA bsi margin</th>
<th>Segment cash flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemicals, Materials</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industrial Solutions, Nutrition &amp; Care</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surface Technologies, Agricultural Solutions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Further program with additional annual cost savings of €1 billion in Ludwigshafen by the end of 2026

- Further program will include cost savings in both production as well as non-production areas in Ludwigshafen.
- Employee representatives will be involved regarding the different measures that will be further detailed in the coming months.

**Expected annual cost savings**
- From further program in Ludwigshafen: ~€1.0 billion
- From measures already announced: ~€0.5 billion

**Expected one-time costs**
- For further program in Ludwigshafen: ~€0.4 billion
- For measures already announced: ~€0.6 billion

**Total cost savings**
- Run-rate by year end: ~€2.1 billion
- Total one-time costs: ~€1.8 billion

---

1 Run-rate by year end
2 The figures include the cost savings program in non-production units with focus on Europe, measures in the Global Business Services and Global Digital Services units outside of Europe and the cost savings related to the adaptation of production structures at Ludwigshafen Verbund site.
Agenda

1. At a glance
2. Q4/FY 2023 reporting
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BASF targets for Scope 1 and Scope 2 emissions

2030
25% Scope 1 and Scope 2 CO₂ emission reduction (compared with 2018)

2050 net zero Scope 1 and Scope 2 CO₂ emissions
No downstream decarbonization without upstream decarbonization

BASF greenhouse gas emissions 2018
Million metric tons per year

Global GHG emissions
Scope 1+2

22

Energy production

11

Electric power
5

Steam
6

Chemical production

11

Upstream
9

Downstream
2

Renewable energies

Continuous operational excellence measures

Carbon abatement

1 Includes emissions from process energy
We have a well-filled portfolio of projects to reach our 2030 target.

Projected BASF greenhouse gas emissions
Million metric tons CO₂ equivalents

Lower CO₂ emissions already materialized until 2020

Projected emissions without mitigation 2018
11 million tons of CO₂ avoided annually by 2030

Baseline 2018 21.9
Target 2030 16.4

Operational excellence measures (Opex)
Switching our power to renewable energy will be the main driver of emission reduction until 2025

BASF aims to source at least 60% of its power needs from renewable sources by 2030.

BASF power consumption expected to increase strongly due to electrification on our journey to net zero.

BASF pursues a make-and-buy strategy to secure access to renewable power.

Early investments in renewable power assets expected to offer advantageous economics in the future.
We are making progress on technologies for carbon abatement

eFurnace

eFurnace\(^1\) demonstration plant built in Ludwigshafen with SABIC and Linde in final stage of completion; testing of heating concepts to start in Q1 2024

Water electrolysis

Positive funding decision for 54 MW water electrolysis\(^2\) plant in Ludwigshafen (Hy4Chem-EI) granted in November 2023; startup planned in 2025

CCS projects

BASF and Yara evaluating world-scale blue ammonia project using CCS in the United States\(^3\)

CCS project to reduce BASF’s CO\(_2\) emissions in Antwerp by 1 million tons per year slated for startup in 2027

---

\(^1\) Supported by the Federal Ministry for Economic Affairs and Climate Action (BMWK) and funded by the European Union

\(^2\) Supported by the Federal Ministry for Economic Affairs and Climate Action (BMWK) and the State of Rhineland-Palatinate

\(^3\) Total capacity 1.2 to 1.4 million tons p.a.
We have built an industry-leading system enabling us to provide product carbon footprints calculated with a certified digital solution.

**Scope 3**
Emissions caused by suppliers and generation of raw materials

**Scope 1 + 2**
Emissions caused by own operations

- TÜV-certified²
- Meets ISO standards³
- Calculates product carbon footprints cradle-to-gate

---

1. Energy generation and chemical processes
2. ISO 14067:2018
We have a solid foundation for primary Scope 3.1 emission data

BASF’s CO₂e emissions from raw material purchase 2023

- **Supplier CO₂ Management Program started in 2021** to collect primary emission data for purchased raw materials
- Collaboration through knowledge sharing on PCF calculation methodology ongoing to ensure engagement and quality of data
- More than 1,600 suppliers have been approached, accounting for ~70% of our raw-materials related Scope 3.1 emissions\(^1\)
- We now have more than 800 validated product carbon footprints for our raw materials
- **We will make product carbon footprints (PCFs) a buying criterion** to reduce our Scope 3.1 emissions and thus the PCFs of our sales products

\(^1\) Greenhouse Gas Protocol Scope 3.1: Purchased goods and services: 47 million metric tons CO₂e, thereof 4 million metric tons not in scope of our Scope 3.1 target from battery materials, services and technical goods; excluding greenhouse gas emissions from BASF trading business
Our new targets: Reduce specific Scope 3.1 emissions by 15% by 2030 and achieve net-zero Scope 3.1 emissions by 2050.

1 Corresponds to a reduction from 1.58 to 1.34 kilograms of CO$_2$e per kilogram of raw material bought. Future adjustment of the baseline in line with the TFS guideline possible depending on the availability of further primary data.
TripleS method increases measurability and transparency on sustainability – developed by BASF, adopted by the industry

- Methodology refined after achieving 2025 Accelerator target ahead of schedule in 2021
- Approximately 45,000 products are analyzed and classified worldwide
- Each product in its application is assigned to one of five TripleS segments
- Portfolio steered toward climate protection, resource efficiency and circular economy with Pioneer and Contributor products
- The World Business Council for Sustainable Development adopted BASF’s TripleS logic for its Portfolio Sustainability Assessment (PSA)
We aim to increase the sales share of Sustainable-Future Solutions from 41% to more than 50% by 2030.

Provisional 2023 TripleS sales¹
Billion €

- Not assessed: ~€2.7bn
- Challenged: ~€1.2bn
- Monitored: ~€4.4bn
- Standard: ~€24.2bn
- Pioneer: ~€13.4bn
- Contributor: ~€9.6bn
- Sustainable-Future Solutions: ~€55.5 billion (~80% of 2023 sales)¹

1 Sales shares based on the analysis of the relevant portfolio carried out by the end of 2023; not included: platinum group metals within ECMS, strategically non-relevant businesses such as IT services, licenses, etc. The provisional segmentation has not been audited by KPMG. The allocation to the TripleS segments is provisional, as the reassessment of our portfolio has not yet been completed.

2 "Other" comprises Health & Safety, Pollution Reduction, Biodiversity, Water Protection and Zero Hunger.
BASF in sustainability ratings and rankings

MSCI ESG Research
In 2023, BASF was rated A. The analysts highlighted that BASF is present in clean tech markets and has a robust carbon mitigation and water reduction strategy.

CDP Disclosure Leadership
In February 2024, CDP once again awarded BASF Leadership status (A-) in the categories of climate protection, water management and forest protection.

Morningstar Sustainalytics
BASF belongs to the best category for “diversified chemicals” with a medium ESG risk and was recognized for its strong risk management, e.g., in the areas of CO₂ emissions, wastewater and waste as well as occupational health and safety.

FTSE4Good Global Index
BASF was again included in the FTSE4Good Global Index in 2023.

ISS ESG
In 2023, BASF held its Prime Status (B-), being among the top decile rank of the companies assessed.
Agenda

1. At a glance
2. Q4/FY 2023 reporting
3. Measures to increase competitiveness
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China is the major growth driver for global chemical production: ~70% of growth will come from Greater China by 2030

Real chemical production\(^1\)

<table>
<thead>
<tr>
<th>Region</th>
<th>2023</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>South America</td>
<td>0.1</td>
<td>0.2</td>
</tr>
<tr>
<td>Middle East, Africa</td>
<td>0.6</td>
<td>0.7</td>
</tr>
<tr>
<td>Rest of Asia Pacific</td>
<td>0.5</td>
<td>0.6</td>
</tr>
<tr>
<td>North America</td>
<td>0.6</td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>2.4</td>
<td>3.1</td>
</tr>
<tr>
<td>Greater China</td>
<td>5.4</td>
<td></td>
</tr>
</tbody>
</table>

CAGR 2.9%

Share of absolute chemical production growth by region

<table>
<thead>
<tr>
<th>Region</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>South America</td>
<td>2%</td>
</tr>
<tr>
<td>Middle East, Africa</td>
<td>4%</td>
</tr>
<tr>
<td>Rest of Asia Pacific</td>
<td>11%</td>
</tr>
<tr>
<td>North America</td>
<td>5%</td>
</tr>
<tr>
<td>Europe</td>
<td>5%</td>
</tr>
</tbody>
</table>

Greater China 73%

Source: BASF \(^1\) Real chemical production excluding pharmaceuticals, US$ base year 2015

Figures may not add up due to rounding effects.
BASF’s Verbund site in Nanjing is a prime example of our success in China

- Scope has **continuously expanded** over the years toward longer and more diversified value chains
- **Third-largest BASF site**, US$5.8 billion gross investment (100%)
- Capacity: ~3 million metric tons per year; **33 production plants** including steam cracker
- Strong focus on operational excellence and consistent plant maintenance resulted in **best-in-class asset effectiveness**
- With **21% EBITDA margin**\(^1\) BASF-YPC is one of the most profitable BASF sites
Guangdong is home to key customers from fast-growing industries

**CAGR 2015–2023 % p.a.**

**Strongly growing industrial base**
- 775 Billion $ in 2023 (~5.9%)

**Largest automotive production, China**
- 4,789 # of motor vehicles built in Guangdong (1,000) in 2023 (~10.2%)

**Large chemical production**
- 181 Billion $ in 2023 (~5.2%)

**Steady increase of private consumption**
- 590 Billion $ in 2023 (~4.2%)

**Market characteristics**
- Nearly 127 million residents in Guangdong province (2022)
- GDP Guangdong (2023): >$1.92 trillion (approaching Brazil)
- Key customer industries: transportation, consumer goods, home and personal care, electronics
- Chemical products are generally undersupplied from local production

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2. Real chemical gross output, 2015-based, inferred by gross output/value added ratio for China, Guangdong Bureau of Statistics
3. Guangdong Bureau of Statistics
5. Guangdong Bureau of Statistics, S&P Global
Main construction phases of the new Verbund site in Zhanjiang, China – stepwise approach

Initial phase on stream: 2022–2023

First downstream plants: Performance Materials for automotive and consumer industries

Phase 1 start-up: as of 2025

Heart of the Verbund: Petrochemicals plus further downstream plants

Steam cracker

- C2 value chain
- C3 value chain
- C4 value chain

Additional downstream plants

Phase 2 start-up: as of 2028

Verbund expansion and diversification

Attractive financing conditions in China

- We are financing the Zhanjiang Verbund site with a combination of equity (20%) and debt (80%)
- Equity funded by dividends from existing BASF Group companies in China
- Debt financing will be based on the Chinese capital market and local bank financing

Engineering plastics and thermoplastic polyurethanes

Backward integrated into world-scale upstream plants to achieve Verbund synergies in downstream value chains
Key financials of BASF’s new Verbund site in Zhanjiang

- The **greenfield character** of the new Verbund site results in a higher share of infrastructure investments compared with a brownfield project.

- Infrastructure investments will be **diluted with future investments/expansions**.

- The new Verbund site will be BASF’s **key platform for long-term profitable and sustainable growth** in China even beyond phase 1 and phase 2.

<table>
<thead>
<tr>
<th>Sales by 2030</th>
<th>EBITDA by 2030</th>
<th>Total Capital Expenditure until 2030 (peak: 2023–2025)</th>
</tr>
</thead>
<tbody>
<tr>
<td>€4.0–5.0 billion</td>
<td>€1.0–1.2 billion</td>
<td>Up to €10 billion</td>
</tr>
</tbody>
</table>

Sales by 2030: €4.0–5.0 billion

EBITDA by 2030: €1.0–1.2 billion

Total capital expenditure until 2030: Up to €10 billion (peak: 2023–2025)
Agenda

1. At a glance
2. Q4/FY 2023 reporting
3. Measures to increase competitiveness
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The automotive industry is in the middle of a major transformation toward electromobility

By 2030, we expect that ~50% of all new cars will be BEVs and PHEVs
The chemical content per car is higher in a BEV compared to ICE, with CAM as the single largest growth opportunity.

The cathode active material (CAM) as key component of any battery cell more than doubles the chemical content which can be found in today’s average ICE vehicle.

1 Only representative for relative change in projected sales
2 Emission catalyst vs. cathode active material (both incl. metals)
The CAM market will grow by ~22% per year and reach a total size of 9,200 kt by 2030

Global CAM market forecast\(^1\)

CAM market is driven by battery performance, safety and cost, which are all key parameters for BEVs

\(^1\) All applications (e-mobility, energy storage systems, consumer electronics) and all cathode chemistries; market size can vary significantly due to volatility in metal prices; status as of January 2024
BASF has production assets and R&D hubs in close proximity to the most important BEV markets in every region.
The Battery Materials business will become a significant earnings contributor to the BASF Group

- Continue to ramp up existing sales of the **CAM portfolio** and secure further commercial outlets
- Build on **customer proximity** with our **domestic production footprint** to meet customer needs
- Realize new business opportunities and further cost reductions with **continued product development**
- Utilize our broad knowledge of the industry to **support the ongoing transformation** of the sector

<table>
<thead>
<tr>
<th>&gt;€7 billion sales</th>
<th>~10% market share targeted</th>
<th>≥30% EBITDA bsi margin (excl. metals)</th>
<th>~€3.5–4.5 billion capital expenditure 2022–2030</th>
</tr>
</thead>
</table>