BASF – a sustainable investment

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President Environment, Health and Safety
SRI Roadshow Frankfurt
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Cautionary note regarding forward-looking statements

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1 | BASF – The Chemical Company

2 | Sustainability – an integral part of our strategy

3 | Sustainability issue management

4 | Our strategic goals

5 | Innovation for a sustainable future
We create chemistry for a sustainable future

- The #1 chemical company
- €72.1 billion sales, €6.6 billion EBIT bSI in 2012*
- #1-3 in >75% of businesses, present in >200 countries
- 6 integrated Verbund sites, production in 60 countries

- 10 years of strong sales and earnings growth
- 18.6% average annual total shareholder return**
- 16% average annual dividend increase, >3% yield in every single year***

- Chemistry as an enabler
- BASF has superior growth opportunities:
  - sustainable innovations
  - investments
  - emerging markets
- Ambitious financial targets

* restated numbers, reflecting IFRS 10/11 changes

** October 2003 – September 2013
*** for 2003-2012
BASF today – a well-balanced portfolio

Total sales 2012: €72.1 billion*

** Percentage of sales 2012**

- **25%** Chemicals
  - Petrochemicals
  - Monomers
  - Intermediates

- **22%** Performance Products
  - Dispersions & Pigments
  - Care Chemicals
  - Nutrition & Health
  - Paper Chemicals
  - Performance Chemicals

- **24%** Functional Materials & Solutions
  - Catalysts
  - Construction Chemicals
  - Coatings
  - Performance Materials

- **6%** Agricultural Solutions
  - Crop Protection

- **18%** Oil & Gas
  - Exploration & Production and Natural Gas Trading

* Restated numbers, reflecting IFRS 10/11 changes, new segment structure effective Jan. 1, 2013
** Not depicted here: ~5% of Group sales reported as ‘Other’
## Q2 2013: BASF maneuvers well through challenging environment

### Business performance

<table>
<thead>
<tr>
<th></th>
<th>Q2’13</th>
<th>vs. Q2’12</th>
<th>H1’13</th>
<th>vs. H1’12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>€18.4 billion</td>
<td>+3%</td>
<td>€38.1 billion</td>
<td>+4%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>€2.5 billion</td>
<td>(1%)</td>
<td>€5.3 billion</td>
<td>(8%)</td>
</tr>
<tr>
<td>EBIT before special items</td>
<td>€1.8 billion</td>
<td>(5%)</td>
<td>€4.0 billion</td>
<td>+3%</td>
</tr>
<tr>
<td>EBIT</td>
<td>€1.8 billion</td>
<td>+6%</td>
<td>€3.9 billion</td>
<td>(8%)</td>
</tr>
<tr>
<td>Net income</td>
<td>€1.2 billion</td>
<td>(4%)</td>
<td>€2.6 billion</td>
<td>(11%)</td>
</tr>
<tr>
<td>Reported EPS</td>
<td>€1.26</td>
<td>(4%)</td>
<td>€2.83</td>
<td>(11%)</td>
</tr>
<tr>
<td>Adjusted EPS</td>
<td>€1.40</td>
<td>(12%)</td>
<td>€3.07</td>
<td>(2%)</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>€2.0 billion</td>
<td>+6%</td>
<td>€4.0 billion</td>
<td>+18%</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>Q2’13 vs. Q2’12</td>
<td>↑ 5%</td>
<td>0%</td>
<td>0%</td>
<td>↓ (2%)</td>
</tr>
</tbody>
</table>
Strong free cash flow generation

Free cash flow*
in billion €

- 2003: 2.8
- 2004: 2.6
- 2005: 3.3
- 2006: 3.5
- 2007: 3.2
- 2008: 2.5
- 2009: 3.2
- 2010: 3.9
- 2011: 3.7
- 2012: 2.6
- H1 2013: 2.1

* Cash provided by operating activities less capex (in 2005 before CTA)
** 2009 adjusted for re-classification of settlement payments for currency derivatives
Delivering attractive shareholder returns

Dividend per share (in €)

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend per share (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>0.70</td>
</tr>
<tr>
<td>2004</td>
<td>0.85</td>
</tr>
<tr>
<td>2005</td>
<td>1.00</td>
</tr>
<tr>
<td>2006</td>
<td>1.50</td>
</tr>
<tr>
<td>2007</td>
<td>1.95</td>
</tr>
<tr>
<td>2008</td>
<td>1.95</td>
</tr>
<tr>
<td>2009</td>
<td>1.70</td>
</tr>
<tr>
<td>2010</td>
<td>2.20</td>
</tr>
<tr>
<td>2011</td>
<td>2.50</td>
</tr>
<tr>
<td>2012</td>
<td>2.60</td>
</tr>
</tbody>
</table>

CAGR 16% increase

Dividend payments

- Dividend of €2.60 per share for 2012
- 2003-2012: Average annual dividend increase of 16%
- Attractive dividend yield of 3.7% in 2012**
- Dividend yield above 3% in any given year since 2002, total payout almost €17 billion

Dividend yield*

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend yield (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>3.1%</td>
</tr>
<tr>
<td>2004</td>
<td>3.2%</td>
</tr>
<tr>
<td>2005</td>
<td>3.1%</td>
</tr>
<tr>
<td>2006</td>
<td>4.1%</td>
</tr>
<tr>
<td>2007</td>
<td>3.8%</td>
</tr>
<tr>
<td>2008</td>
<td>7.0%</td>
</tr>
<tr>
<td>2009</td>
<td>3.9%</td>
</tr>
<tr>
<td>2010</td>
<td>3.7%</td>
</tr>
<tr>
<td>2011</td>
<td>4.6%</td>
</tr>
<tr>
<td>2012</td>
<td>3.7%</td>
</tr>
</tbody>
</table>

* Dividend yield based on share price at year-end

** Based on BASF share price of €71.15 on Dec. 28, 2012
Delivering consistent, long-term value

Average annual performance with dividends reinvested

Last 10 years
October 2003 – September 2013

- **BASF**: +18.6%
- **Euro Stoxx 50**: +5.0%
- **DAX 30**: +10.2%
- **MSCI World Chemicals**: +11.3%

Last 5 years
October 2008 – September 2013

- **BASF**: +21.0%
- **Euro Stoxx 50**: +2.5%
- **DAX 30**: +8.1%
- **MSCI World Chemicals**: +9.5%
We do not expect that global economic growth will accelerate in the second half of 2013.

Nevertheless, BASF is targeting for 2013 to exceed the 2012 levels in sales and EBIT before special items in a volatile economic environment.

Our focus on growth markets and innovation, in combination with our measures to improve operational excellence and raise efficiency, will contribute to this.

We aim to earn a high premium on cost of capital in 2013.

**Assumptions 2013**

- **GDP:** +2.0% (reduced from 2.4%)
- **Industrial production:** +2.7% (reduced from 3.4%)
- **Chemical production:** +3.1% (reduced from 3.6%)
- **US$ / Euro:** 1.30 (unchanged)
- **Oil price (US$ / bbl):** 105 (reduced from 110)
1 | BASF – The Chemical Company

2 | Sustainability – an integral part of our strategy

3 | Sustainability issue management

4 | Our strategic goals

5 | Innovation for a sustainable future
Sustainability will become even more important

Nine billion people in 2050 but only one earth

SUPPLY
Annual regenerative capacity of the planet

DEMAND
Human beings now demand more from the earth than can be regenerated

Consumption of Earth’s resources

1976
2010
Strategy – Our strategic principles
Sustainability as one of our strategic principles

We add value as one company.

We innovate to make our customers more successful.

We drive sustainable solutions.

We form the best team.
Strategy – Our purpose
Sustainability is an integral part of our strategy

We create chemistry for a sustainable future
**Strategy and management**

*Sustainability – a board-level responsibility since 2002*

### Integrated steering body to leverage sustainability

<table>
<thead>
<tr>
<th>Board of Executive Directors of BASF SE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Corporate Sustainability Board</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair: Margret Suckale</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sustainability Core Team</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair: Vice President Sustainability Strategy</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

### Corporate Sustainability Board

- Cross-functional steering committee
- Decides on the implementation of the sustainability strategy and cross-divisional initiatives
- Defines sustainability goals

### Adherence to high sustainability standards

- Occ. medicine and health protection audits at 42 sites
- 112 environmental and safety audits at 74 sites
- On-site visits to ~210 raw materials suppliers
- ~750 suppliers received a questionnaire to check labor and social standards
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Strategic issue management
Systematic identification of important sustainability issues

- Study conducted in 2010
- For more information see www.basf.com/materiality

- Sustainability issue management
  - Assessment of sustainability issues and development of strategic options
  - Extensive stakeholder survey with about 300 participants*
  - 44 material issues identified, for example:
    - Energy and climate
    - Water
    - Product stewardship
    - Human capital development
  - Planned update of matrix in 2013
1. Energy and climate
Helping our customers shrink their carbon footprint

Avoidance of emissions: 320 mn t CO₂e/a

Emissions along the entire value chain [mn t CO₂e/a]:

- Raw materials: 50
- BASF production: 25
- Use of BASF end products: 57
- Disposal: 16
- Transport: 4
- Further sources: 2

We help our customers to shrink their carbon footprint.

Corporation Carbon Footprint 2012

- BASF’s climate protection solutions sold in 2012 enable customers to reduce their CO₂ footprint by 320 mn t CO₂e/a
- Reduction in CO₂ emissions from own production by ~1 mn t CO₂e/a (25 mn t CO₂e/a in 2012, 26 mn t CO₂e/a in 2011)
- Climate protection products account for 9% of BASF Group sales (€7.2 billion in 2012, €6.7 billion in 2011)
- Ambitious goal for reducing specific GHG emissions in chemicals production: -40% (2002 to 2020)

CO₂e emissions at customers [mn t CO₂e/a]:

- Without the use of BASF products: 1,772
- With the use of BASF products: 1,452

CO₂e emissions BASF production (GHG Protocol Scope 1&2)

CO₂e emissions along the value chain (GHG Protocol Scope 3)
2. Water
Responsible use of water resources is key priority

Global analysis of production sites conducted
- ~ 22% of sites are located in regions with high water stress
- These sites account for around 6.9% of BASF’s total water demand (but less than 1% of fresh water use)

Ongoing projects and partnerships
- Strategic partnership with the European Water Partnership
- Participation in the roundtable Water Supply and Agricultural Chemistry Cooperation since 2009

European Water Stewardship certificate
- BASF is the first chemical company to achieve gold-level certification according to the European Water Stewardship standard for its production site in Tarragona, Spain

Ambitious water goals for 2020
for the use of drinking water in production & sustainable water management at sites in water stress areas
3. Product stewardship
REACH – commitment beyond compliance

Expertise in evaluating substances and processes

- Cost-efficient implementation of REACH* regulations creates competitive advantage
- First registration stage successfully completed in 2010, ~680 substances registered in this stage
- Second registration stage completed May 2013, ~550 substances registered in this stage
- Estimated costs for the implementation of REACH: ~€50 million per year on average
- At present, we are not expecting REACH to result in any major changes to our portfolio
- We support the development of a common global standard for product safety in cooperation with the ICCA **

* REACH = Registration, Evaluation, Authorization and Restriction of Chemicals
** ICCA = International Council of Chemical Associations
4. Human capital development
Best Team Strategy

**Excellent leaders**
- Greater diversity in Senior Executive positions
- Training programs for new and experienced managers

**Excellent place to work**
- Worldwide network of ambassadors for diversity and inclusion
- Flexible work arrangements for better work-life balance

**Excellent people**
- Europe-wide talent pool
- Over 2,800 apprentices in over 60 occupations in 2012
- About 89,000 employees participated in training programs worldwide in 2012
- Employee development established globally as top priority within the company
4. Human capital development
Example: Center for Work-Life-Management

Close proximity
- Center will be located close to the Ludwigshafen site

Modern and sustainable building complex
- The complex will be almost emission-free with a total floor space of 5,500 square meters
- Opening scheduled end of 2013

Comprehensive expertise – Beneath the same roof
- **Combining career and family**: The nursery for children from 6 months to 3 years will be upgraded from currently 70 to 250 places until year-end 2014
- **Fitness and health promotion**: A fitness and activity center with professional guidance and counseling services will be established
- **Employee assistance program**: A wide range of services such as debt and psychological disorders counseling will be offered
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Strategy – Our purpose
Sustainability is an integral part of our strategy

We create chemistry for a sustainable future
## Key financial targets 2015 / 2020

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth targets</th>
<th>Profitability targets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grow at least 2 percentage points above chemical production</td>
<td>Earn a premium on cost of capital of at least €2.0 billion on average p.a.</td>
</tr>
<tr>
<td>2015</td>
<td>Sales ~€80 billion</td>
<td>EBITDA ~€14 billion</td>
</tr>
<tr>
<td>2020</td>
<td>Sales ~€110 billion</td>
<td>EPS ~€7.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>EBITDA ~€22 billion</td>
</tr>
</tbody>
</table>
## Ecology & Social Responsibility
### Targets Overview

<table>
<thead>
<tr>
<th>Category</th>
<th>Status 2012</th>
<th>Target 2020</th>
<th>Status 2012</th>
<th>Target 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Energy &amp; climate protection</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greenhouse gases*</td>
<td>-31.7%</td>
<td>-40%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Energy efficiency *</td>
<td>+19.3%</td>
<td>+35%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GHG emissions from gas transport</td>
<td>-22.1%</td>
<td>-10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Emissions to air &amp; water</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Air pollutants*</td>
<td>-63.1%</td>
<td>-70%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organic substances*</td>
<td>-76.4%</td>
<td>-80%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nitrogen*</td>
<td>-87.3%</td>
<td>-80%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heavy metals*</td>
<td>-56.8%</td>
<td>-60%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Water</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drinking water for production</td>
<td>-23.2%</td>
<td>-50%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustainable water management in water stress areas</td>
<td>+3.1%</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Safety, health and security</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupational accidents</td>
<td></td>
<td></td>
<td>-48%</td>
<td>-80%</td>
</tr>
<tr>
<td>Transport accidents</td>
<td></td>
<td></td>
<td>-57%</td>
<td>-70%</td>
</tr>
<tr>
<td>“Safety check” of products</td>
<td></td>
<td></td>
<td>+45%</td>
<td>&gt;99%</td>
</tr>
<tr>
<td>Health Performance Index**</td>
<td>0.89</td>
<td>&gt;0.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Employeess</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase the number of:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female executives***</td>
<td></td>
<td></td>
<td>11.9%</td>
<td>15%</td>
</tr>
<tr>
<td>Non-German senior executives</td>
<td></td>
<td></td>
<td>33.8%</td>
<td></td>
</tr>
<tr>
<td>Senior executives with international experience</td>
<td></td>
<td></td>
<td>80.4%</td>
<td>&gt;80%</td>
</tr>
<tr>
<td>Establishment of personnel development</td>
<td></td>
<td></td>
<td>30,000</td>
<td>--</td>
</tr>
</tbody>
</table>

*excluding oil and gas production  ** Highest possible score 1.0  ***Goal for Germany
Energy and climate protection

**Greenhouse gas emissions**
per metric ton of sales product
by 2020 (baseline 2002)

- **Status 2012:** -31.7%
  - **Target:** -40%

**Energy efficiency**
in production processes
by 2020 (baseline 2002)

- **Status 2012:** +19.3%
  - **Target:** +35%
Energy and climate protection

Reduce CO₂ emissions from natural gas transport business by 2020, compared with 2010 (specific)

-10% Status 2012: -22.1%

Halt flaring of associated gas released during oil production by Wintershall by 2012

100% Achieved!
Water

Withdrawal of drinking water for production by 2020 (baseline 2010)

-50%  Status 2012: -23.2%

Sustainable water management at sites in water stress areas* by 2020

100%  Status 2012: +3.1%
Reduction of emissions to water*

<table>
<thead>
<tr>
<th>Subcategory</th>
<th>Target by 2020 (baseline 2002)</th>
<th>Status 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic substances</td>
<td>-80%</td>
<td>-76.4%</td>
</tr>
<tr>
<td>Nitrogen</td>
<td>-80%</td>
<td>-87.3%</td>
</tr>
<tr>
<td>Heavy metals</td>
<td>-60%</td>
<td>-56.8%</td>
</tr>
</tbody>
</table>

* Excluding oil and gas production
Reduction of emissions to air*

Air pollutants
by 2020
(baseline 2002)

-70% Status
2012: -63.1%

* Excluding oil and gas production
Goals for health protection

**Continuous improvement of health performance**
Parameter: Health Performance Index (HPI), based on 5 criteria.
Goal: >0.9 (highest possible score 1.0)

<table>
<thead>
<tr>
<th>Category</th>
<th>Goal Description</th>
<th>Status 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>First aid</strong></td>
<td>achieve BASF’s internal target numbers of first aiders per site</td>
<td>0.89</td>
</tr>
<tr>
<td><strong>Preventive medicine</strong></td>
<td>&gt;90% participation quota of scheduled (mandatory) examinations</td>
<td></td>
</tr>
<tr>
<td><strong>Medical emergency planning</strong></td>
<td>at least one drill per site each year</td>
<td></td>
</tr>
<tr>
<td><strong>Health promotion</strong></td>
<td>participation in global and local health activities</td>
<td></td>
</tr>
<tr>
<td><strong>Recognized occupational diseases</strong></td>
<td>&lt;0.08/1 million working hours lost &lt;80% compared to base year 2004</td>
<td></td>
</tr>
</tbody>
</table>
Occupational safety and transportation safety

Lost-time injuries
per million working hours by 2020
(baseline 2002)

-80%
Status 2012: -48%

Transportation accidents
Per 10,000 shipments by 2020
(baseline 2003)

-70%
Status 2012: -57%
Product stewardship

Risk assessment for all products sold worldwide by BASF in quantities of more than one metric ton per year by 2020

Status
2012: 45%

>99%
1 | BASF – The Chemical Company

2 | Sustainability – an integral part of our strategy

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4 | Strategic goals for sustainable development

5 | Innovation for a sustainable future
Products and solutions for a sustainable future

Biodegradable Plastics: Ecovio® and Ecoflex®

Schizophyllan for enhanced oil recovery

Insulation Material: Neopor®

Hardening accelerator for concrete: X-Seed®

Light-weight plastics for mobility

Green Sense® Concrete Technology
BASF’s Green Sense® Concrete Technology reduces CO₂

- BASF’s Green Sense® Concrete program optimizes the concrete formulation to reduce the ecological footprint, conserve resources while increasing the structural strength.

- The Green Sense® Concrete technology allows concrete mixes replacing cement clinker with recycled cementitious materials like slag or fly ash.

- North America: Savings of 24% greenhouse gases and 23% of energy in comparison to conventional concrete mixtures since 2011.

- One World Trade Center: According to BASF’s Eco-Efficiency Analysis, ~15.8 million kg of CO₂ were prevented in the construction of the building’s first 40 floors.
One Liter house with Neopor®

CO₂ emissions of households

- 24 million out of 36 million residential units were built before 1979 in Germany
- If modernized to a 7 L house the consumption of heating oil can be significantly reduced for a 100m² house:
  - 2000L (old) to 700L (modernized)
  - 6 ton CO₂ emissions (old)
  - 2 ton CO₂ emissions (modernized)
- Currently residential households consume ~14% of total CO₂ emissions in Germany or 120 million tons p.a.

Best practice example with Neopor®

- The BASF townhouse consumes only 1 L of heating oil per m² p.a.
- This can be achieved by applying:
  - 30 cm thick Neopor® boards to the walls
  - 50 cm thick Neopor® boards on the roof
  - Triple glazed windows

Wall Insulation with Neopor®

1 liter townhouse in Ludwigshafen Germany
Eco-Efficiency with Neopor®

Eco-Efficiency Analysis

- Looks at the entire life cycle
- Analysis gives equal weight on two aspects:
  - Environmental burden
  - Costs
- Compared with alternative products Neopor®:
  - Uses less energy in the production
  - Offers high insulation properties
  - Is very cost efficient
- Neopor® demonstrates very high eco-efficiency
X-Seed® – Concrete Hardening Accelerator

**Accelerated Concrete Hardening**

- X-Seed® is a unique hardening accelerator which speeds up concrete hardening significantly with the help of nanotechnology.

- Concrete no longer has to be heated to 50°-60° C in order to accelerate hardening.

- X-Seed® significantly reduces greenhouse gas emissions.

- If X-Seed® was applied to the complete European concrete market between 1.2 to 2.7 million metric tons of carbon dioxide could be saved annually.
Targeted €7 billion of EBITDA from innovations in 2020

Sales and EBITDA from innovations in billion €

Sales from innovations launched within last 5 years

EBITDA from innovations launched within last 5 years

~10

~2.5

2015

~30

~7

2020

Sales from innovations launched within last 10 years

EBITDA from innovations launched within last 10 years

Targeted spending of ~3% of sales (excluding Oil & Gas) p.a. on R&D
Corporate Governance
The Board of Executive Directors
(as of December 31, 2012)

Dr. Kurt Bock
54, with BASF for 22 years

Dr. Martin Brudermüller
51, with BASF for 25 years

Dr. Hans-Ulrich Engel
53, with BASF for 24 years

Michael Heinz
48, with BASF for 27 years

Dr. Andreas Kreimeyer
57, with BASF for 27 years

Dr. Harald Schwager
52, with BASF for 25 years

Wayne T. Smith
52, with BASF for 9 years

Margret Suckale
56, with BASF for 4 years
Management and supervision in BASF SE

Supervisory Board – 12 members
12 members, thereof 6 shareholder representatives elected at the Annual Shareholders’ Meeting and 6 employee representatives elected by European works council (Europa Betriebsrat)

Chairman – elected by the Supervisory Board

- Principle of parity between shareholder representatives and employee representatives
- Two-tier administrative system
- BASF SE’s Supervisory Board has three Committees: Personnel, Audit and Nomination Committee
- Diversity: We are committed to maintaining or raising the proportion of women (currently two) on the Supervisory Board and consider a variety of professional and international experience

Executive Board
8 members
Chairman – appointed by the Supervisory Board
Management Compensation
German Act on the Appropriateness of Mgmt Board Remuneration

- The compensation of the Board of Executive Directors is designed to promote sustainable corporate development
- The compensation of Board members comprises of:
  1. A fixed annual salary
  2. An annual variable bonus (based on Group return on assets as well as target achievements)
  3. A stock price-based long-term incentive program
  4. Non-monetary compensation and other additional compensation in varying amounts
  5. Company pension benefits
- The amount of the variable bonus is capped
- In addition, each member of the Executive Board is required to participate in the long-term incentive program with at least 10% of their gross bonus and retain these shares for at least four years
Shareholders’ rights
One share, one vote

Shareholder structure (~400,000 shareholders) as of June 2013

- At the Annual General Meeting, shareholders perform their rights of co-administration and supervision
- All shareholders entered in the share register are entitled to vote
- Neither voting caps to limit the number of votes nor special voting rights
- No member of the Board of Executive Directors or the Supervisory Board owns 1% or more of BASF’s share capital
BASF Compliance Program

- Zero tolerance for legal violations and corruption for integrity and BASF’s Code of Conduct

- In 2012, we updated our codes of conduct and united these under one global Code of Conduct

- BASF’s Chief Compliance Officer manages the implementation of the BASF Compliance Program, supported by more than 100 compliance officers worldwide

- Compulsory training for employees: 49,000 participants in 2012

- Set-up of 46 hotlines worldwide for employees: 308 calls and e-mails were received in 2012

- Audit department performed 92 audits in 2012
Worldwide public recognition for sustainability and transparency

- **Dow Jones Sustainability Index (DJSI)**
  BASF is listed for the 13th year in a row as one of the 10% leading companies in the chemical industry

- **Advanced Sustainability Performance Indices**
  BASF is listed since 2001 as one of the 120 most sustainable companies of the DJ EURO STOXX

- **Carbon Disclosure Leadership Index (CDP)**
  → BASF is a leader in transparent climate reporting since 2010 and is also listed in the Carbon Disclosure Performance Leadership Index
  → Since 2009 BASF also participates in CDP Water

- **STOXX Global ESG Leaders Indices**
  Launch in 2011, BASF is listed in the STOXX ESG Social Leaders Index as one of the top 25% of socially responsible companies
Worldwide public recognition for sustainability and transparency

- **FTSE4Good Index Series**
  BASF included since 2001

- **Sustainalytics**
  Rating 2012: BASF belongs to the Top 5 of the most sustainable companies in the chemical industry
  BASF sector leader in 2011 (1st position)

- **Oekom research**
  Participation since 2002
  BASF in 2011 ranked top position in the chemical industry

- **IÖW/Future Ranking**
  BASF received the award for the „Best German Sustainability Report 2008“
  → BASF on 3rd position of 150 German companies regarding sustainability reporting in 2011