BASF Capital Market Story
Dr. Markus Kamieth
Member of the Board of Executive Directors
Citi Virtual Chemicals Conference
May 20, 2021
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.
Agenda

1. At a glance
2. Strategy implementation in full swing
3. Unique position to capture growth in Asia
4. Battery materials driving electromobility and future growth
5. Pushing the transition to a sustainable economy
6. Reporting
### What is driving BASF’s future growth?

Global trends provide opportunities for growth in the chemical industry

<table>
<thead>
<tr>
<th>Global Trend</th>
<th>Future State/Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Population growth:</strong></td>
<td>+25%</td>
</tr>
<tr>
<td>Driven by the emerging markets</td>
<td>2020 to 2050</td>
</tr>
<tr>
<td><strong>Digitalization:</strong></td>
<td>456</td>
</tr>
<tr>
<td>Rapid growth in volume of data</td>
<td>zettabytes in 2030</td>
</tr>
<tr>
<td><strong>China the largest market:</strong></td>
<td>~50%</td>
</tr>
<tr>
<td>Share of global chemical market</td>
<td>by 2030</td>
</tr>
<tr>
<td><strong>Climate change:</strong></td>
<td>-70%</td>
</tr>
<tr>
<td>Required reduction of greenhouse gas emissions to achieve the 2°C goal</td>
<td>by 2050 (baseline 1990)</td>
</tr>
<tr>
<td><strong>Circular economy:</strong></td>
<td>~200</td>
</tr>
<tr>
<td>Non-recycled plastics worldwide</td>
<td>million metric tons per year</td>
</tr>
<tr>
<td><strong>Electromobility:</strong></td>
<td>~25%</td>
</tr>
<tr>
<td>Growing demand for battery materials until 2030</td>
<td>per year</td>
</tr>
</tbody>
</table>

Sources: UN, IEA, UBS Foresight, BASF
## Unique position to deliver long-term value

### Unique Verbund concept

- **6** Verbund sites globally
- **241** additional production sites worldwide
- **6.2 million metric tons** of CO₂ avoided globally in 2020

### Industry-leading innovation platform

- **€2.1 billion** R&D expenditures in 2020
- **~10,000** employees in R&D
- **Sales of ~€10 billion** in 2020 with products launched during last 5 years

### Strong and expanding local presence in fast growing Asian market

- **2** Verbund sites already
- **>100** production sites
- **€15.4 billion**¹ sales in 2020
- **Strong volume and earnings development of BASF in Greater China**

### Creating value to society and contributing to a sustainable development

- **Target: 25% CO₂ emission reduction** by 2030 (compared with 2018)²
- **We aim to achieve net zero CO₂ emissions**² by 2050
- **Achieve €22 billion** in Accelerator sales by 2025 (2020: €16.7 billion)

### Progressive dividend policy

- **Aim to increase the dividend per share** every year
- **Dividend of €3.30 per share** for 2020

---

¹ Sales by location of customer. Only includes sales from BASF entities fully consolidated according to IFRS 10/11
² The goal includes Scope 1 and Scope 2 emissions. Other greenhouse gases are converted into CO₂ equivalents according to the Greenhouse Gas Protocol
## Our ambitious financial targets

### Profitable growth

<table>
<thead>
<tr>
<th>Target</th>
<th>2020 status</th>
<th>SDG</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; 9%</td>
<td>1.7%</td>
<td></td>
</tr>
<tr>
<td>&gt; -0.4%</td>
<td>-0.5%</td>
<td></td>
</tr>
<tr>
<td>+3–5%</td>
<td>-10.7%-</td>
<td></td>
</tr>
</tbody>
</table>

| > €3.30 | €3.30       |     |

1. **Achieve a return on capital employed (ROCE)**
   - considerably above the cost of capital percentage every year
2. **Grow sales volumes faster than global chemical production** every year
3. **Increase EBITDA before special items** by 3% to 5% per year
4. **Increase the dividend per share** every year based on a strong free cash flow

---

1. Return on capital employed (ROCE) is a measure of the profitability of our operations. We calculate this indicator as the EBIT generated by the segments as a percentage of the average cost of capital basis.
Our ambitious non-financial targets

<table>
<thead>
<tr>
<th>Effective climate protection</th>
<th>Target</th>
<th>2020 status</th>
<th>SDG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce our absolute CO₂ emissions by 25 percent by 2030 (development of carbon emissions compared with baseline 2018)</td>
<td>≤ 16.4 million metric tons</td>
<td>20.8 million metric tons</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>We aim to achieve net zero CO₂ emissions by 2050.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Resource efficiency and safe production</th>
<th>Target</th>
<th>2020 status</th>
<th>SDG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce worldwide process safety incidents per 200,000 working hours to ≤ 0.1 by 2025</td>
<td>≤ 0.1</td>
<td>0.3</td>
<td></td>
</tr>
</tbody>
</table>

| Reduce the worldwide lost-time injury rate per 200,000 working hours to ≤ 0.1 by 2025 | ≤ 0.1 | 0.3 | |

| Introduce sustainable water management at our production sites in water stress areas and at our Verbund sites by 2030 | 100% | 46.2% | |

<table>
<thead>
<tr>
<th>Sustainable product portfolio</th>
<th>Target</th>
<th>2020 status</th>
<th>SDG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achieve €22 billion in Accelerator sales by 2025</td>
<td>€22.0 billion</td>
<td>€16.7 billion</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employee engagement and diversity</th>
<th>Target</th>
<th>2020 status</th>
<th>SDG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase the proportion of women in leadership positions with disciplinary responsibility to 30% by 2030</td>
<td>30%</td>
<td>24.3%</td>
<td></td>
</tr>
</tbody>
</table>

| More than 80% of our employees feel that at BASF, they can thrive and perform at their best | > 80% | 82% | |

<table>
<thead>
<tr>
<th>Responsible procurement</th>
<th>Target</th>
<th>2020 status</th>
<th>SDG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cover 90% of our relevant spend with sustainability evaluations by 2025</td>
<td>90%</td>
<td>80%</td>
<td></td>
</tr>
</tbody>
</table>

| Have 80% of our suppliers improve their sustainability performance upon re-evaluation | 80% | 68% | |

---

1 Targets as published in the BASF Report 2020, CO₂ targets updated on March 26, 2021
2 The goal includes Scope 1 and Scope 2 emissions. Other greenhouse gases are converted into CO₂ equivalents according to the Greenhouse Gas Protocol
3 Products with substantial contribution to sustainability
4 Relevant spend; based on risk matrices, purchasers’ assessments and other sources

May 2021 | BASF Capital Market Story
BASF Group Q1 2021: BASF with strong start to 2021 business year

Sales bridge Q1 2021 vs. Q1 2020

<table>
<thead>
<tr>
<th>Million €</th>
<th>Q1 2020</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
<th>Q1 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>16,753</td>
<td>1,458</td>
<td>2,221</td>
<td>52</td>
<td>-1,084</td>
<td>19,400</td>
<td></td>
</tr>
</tbody>
</table>

Sales development

Q1 2021 vs. Q1 2020  

- Volumes: +9%  
- Prices: +13%  
- Portfolio: 0%  
- Currencies: -6%

EBIT before special items Q1 2021 vs. Q1 2020

<table>
<thead>
<tr>
<th>Million €</th>
<th>Q1 2020</th>
<th>Q1 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,640</td>
<td>2,321</td>
<td></td>
</tr>
</tbody>
</table>

Sales development:

- Agricultural Solutions: 0%  
- Nutrition & Care: -14%  
- Surface Technologies: +64%  
- Industrial Solutions: -3%  
- Materials: +222%  
- Chemicals: +221%  
- Other: -87%

May 2021 | BASF Capital Market Story
# BASF Group Q1 2021: Financial figures

<table>
<thead>
<tr>
<th>Financial figures</th>
<th>Q1 2021</th>
<th>Q1 2020</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>€</td>
<td>%</td>
</tr>
<tr>
<td>Sales</td>
<td>19,400 million</td>
<td>16,753 million</td>
<td>16</td>
</tr>
<tr>
<td>EBITDA before special items</td>
<td>3,181 million</td>
<td>2,579 million</td>
<td>23</td>
</tr>
<tr>
<td>EBITDA</td>
<td>3,176 million</td>
<td>2,428 million</td>
<td>31</td>
</tr>
<tr>
<td>EBIT before special items</td>
<td>2,321 million</td>
<td>1,640 million</td>
<td>42</td>
</tr>
<tr>
<td>EBIT</td>
<td>2,311 million</td>
<td>1,456 million</td>
<td>59</td>
</tr>
<tr>
<td>Net income from shareholdings</td>
<td>68 million</td>
<td>-168 million</td>
<td>.</td>
</tr>
<tr>
<td>Net income</td>
<td>1,718 million</td>
<td>885 million</td>
<td>94</td>
</tr>
<tr>
<td>Reported EPS</td>
<td>1.87</td>
<td>0.97</td>
<td>93</td>
</tr>
<tr>
<td>Adjusted EPS</td>
<td>2.00</td>
<td>1.26</td>
<td>59</td>
</tr>
<tr>
<td>Cash flows from operating activities</td>
<td>-525 million</td>
<td>-1,030 million</td>
<td>49</td>
</tr>
</tbody>
</table>

## Sales development

<table>
<thead>
<tr>
<th>Q1 2021 vs. Q1 2020</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>↑ 9%</td>
<td>↑ 13%</td>
<td>0%</td>
<td>↓ -6%</td>
</tr>
</tbody>
</table>
BASF’s diversified portfolio with market-oriented segment structure provides resilience and supports customer orientation
Each segment has a clear and compelling path forward

<table>
<thead>
<tr>
<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>
</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>
</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>
</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>
</tr>
<tr>
<td>Capex relevance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M&amp;A relevance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustainability</td>
<td>ChemCycling(^\text{TM})</td>
<td>Bio-based materials</td>
<td>More from less</td>
<td>Low-emission mobility</td>
<td>Bio-based and natural, traceability</td>
</tr>
</tbody>
</table>

1 Other (sales 2020: €2.4 billion, EBITDA bsi 2020: –€609 million) not depicted on this slide
Our unique Verbund concept is one of BASF’s greatest assets with multiple benefits strengthening the portfolio

- 6.2 million metric tons of CO₂ emissions avoided globally in 2020
- Integration enables drop-in solutions for bio-based and recycled feedstock for low-carbon products
- Leverage technological advantages and innovation across all segments
- Unique expertise in developing and integrating new, low-emission technologies
- Ensure competitive supply of key raw materials and products to all segments while avoiding CO₂ emissions
- Harvest the advantages offered by digitalization across BASF, for example, Product Carbon Footprint
- Create customer relevance through size and broad portfolio
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>15,709</td>
<td>16,948</td>
</tr>
<tr>
<td>South America, Africa, Middle East</td>
<td>4,905</td>
<td>6,752</td>
</tr>
<tr>
<td>Europe</td>
<td>23,129</td>
<td>68,849</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>15,406</td>
<td>17,753</td>
</tr>
</tbody>
</table>

BASF sales by industry 2020

<table>
<thead>
<tr>
<th>Industry</th>
<th>Sales Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct customers</td>
<td>&gt; 20%¹</td>
</tr>
<tr>
<td>Chemicals and plastics</td>
<td>Transportation</td>
</tr>
<tr>
<td>Agriculture</td>
<td>10–20%¹</td>
</tr>
<tr>
<td>Consumer goods</td>
<td>&lt; 10%¹</td>
</tr>
<tr>
<td>Construction</td>
<td></td>
</tr>
<tr>
<td>Electronics</td>
<td></td>
</tr>
<tr>
<td>Energy and resources</td>
<td></td>
</tr>
<tr>
<td>Health and nutrition</td>
<td></td>
</tr>
</tbody>
</table>

¹ In each case
Guidance on the use of cash – clear focus on long-term shareholder value

- **Organic growth**
  - €22.9 billion capex budget 2021–2025
  - Proceeds from divestitures to support BASF’s major growth projects
  - Around €2.0 billion in R&D expenses per year

- **Progressive dividend**
  - Aim to increase dividend per share every year
  - Solid balance sheet and strong free cash flow generation support dividend policy

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

- **Share buybacks**
  - Share buybacks are part of our toolbox but are currently not being considered
High capex discipline in ongoing business leads to lower capex budget in five-year planning period

Capex budget 2021–2025: €22.9 billion (2020–2024: €23.6 billion), thereof €3.6 billion in 2021
BASF’s industry-leading innovation platform ensures long-term organic growth

Key facts 2020

- R&D expenses to sales ratio ~3.5%
- Long-term commitment to R&D with annual spending of ~€2.0 billion
- ~10,000 employees in R&D
- ~950 new patents filed in 2020
- Research Verbund: 8 Academic Research Alliances are complemented by cooperations with ~250 universities and research institutes
- ~€10 billion sales generated from R&D activities with products launched during last 5 years
- Accelerator sales of €16.7 billion in 2020; €22 billion in Accelerator sales targeted by 2025
- Peak sales potential of BASF’s Agricultural Solutions innovation pipeline of >€7.5 billion between 2020 and 2030

R&D expenses 2020

Corporate research: 18%
Agricultural Solutions: 40%

Chemicals: 5%
Materials: 9%
Industrial Solutions: 8%
Surface Technologies: 12%
Nutrition & Care: 8%

€2,086 million
Attractive shareholder return – also in challenging times

Key facts 2020

- Stable dividend of €3.30 per share
- Total dividend payment of €3.0 billion
- Dividend yield of 5.1% based on the share price of €64.72 at year end 2020
Outlook 2021 for BASF Group

<table>
<thead>
<tr>
<th>Outlook 2021</th>
<th>revised forecast</th>
<th>previous forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>€68 billion – €71 billion</td>
<td>€61 billion – €64 billion</td>
</tr>
<tr>
<td>EBIT before special items</td>
<td>€5.0 billion – €5.8 billion</td>
<td>€4.1 billion – €5.0 billion</td>
</tr>
<tr>
<td>ROCE</td>
<td>9.2% – 11.0%</td>
<td>8.0% – 9.2%</td>
</tr>
<tr>
<td>Accelerator sales</td>
<td>€19 billion – €20 billion</td>
<td>€18 billion – €19 billion</td>
</tr>
<tr>
<td>CO₂ emissions</td>
<td>20.5 – 21.5 million metric tons</td>
<td>20.5 – 21.5 million metric tons</td>
</tr>
</tbody>
</table>

**Underlying assumptions** (previous assumptions in parentheses)

- Growth in gross domestic product: 5.0% (4.3%)
- Growth in industrial production: 5.0% (4.4%)
- Growth in chemical production: 5.0% (4.4%)
- Average euro/dollar exchange rate: $1.18 per euro (unchanged)
- Average annual oil price (Brent): $60 per barrel ($50 per barrel)
BASF in excellent position to benefit from market recovery – priorities 2021

1. Further implement strategic measures and transformation into a more agile and customer-focused company

2. Push positioning in growth markets in Asia and battery materials

3. Actively drive sustainability and innovation with our focused Carbon Management and Circular Economy programs

4. Execute portfolio measures: Close pigments transaction and start IPO of Wintershall Dea in 2021, subject to market conditions

5. Focus on strict capital discipline, cost control and operational excellence by completing BASF’s Excellence Program

The customer is at the center of all our activities
Agenda

1. At a glance
2. Strategy implementation in full swing
3. Unique position to capture growth in Asia
4. Battery materials driving electromobility and future growth
5. Pushing the transition to a sustainable economy
6. Reporting
Transforming into an agile and customer-focused organization

<table>
<thead>
<tr>
<th>Action fields</th>
<th>Progress report</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Embedding</strong> to bring services closer to customers</td>
<td>On October 1, 2019, we completed the embedding of around 20,000 employees</td>
</tr>
<tr>
<td><strong>Streamlined headquarters and services</strong></td>
<td>Since January 1, 2020, the lean corporate center with ~1,000 employees is operating. In addition, the Global Business Services unit was established</td>
</tr>
<tr>
<td><strong>Regions with sharpened roles to increase customer focus</strong></td>
<td>Regions with strengthened customer focus, supporting and enabling the businesses locally</td>
</tr>
<tr>
<td><strong>Simplification of process landscape</strong></td>
<td>Simplification measures &gt;200 projects implemented</td>
</tr>
<tr>
<td><strong>People working in an entrepreneurial performance culture</strong></td>
<td>Empowering and incentivizing employees to take ownership in their area of expertise</td>
</tr>
</tbody>
</table>
**Excellence Program 2019–2021: On track to achieve the targeted annual EBITDA contribution**

**Key measures:**

- Operational excellence with focus on production, logistics and planning
- Organizational development targeting leaner structures in the areas of services, headquarters and R&D
  - Personnel cost savings: reduction of ~5,600 positions globally achieved by the end of 2020; around 7% of the personnel reduction delayed into 2021
  - Increased process efficiency, e.g., in procurement
  - R&D cost reduction via focusing budgets

---

1. Run rate; 2. One-time costs in the respective year
Realignment of BASF’s Global Business Services unit – expected annual cost savings of >€200 million from 2023 onwards

In January 2020, the unit was formed as part of the implementation of the corporate strategy.

~8,400 employees transferred to the unit to become a global, flexible and demand-driven service division that strengthens the competitiveness of the operating divisions and provides services in areas such as finance, HR, environmental protection, health and safety, intellectual property, communications, supply chain and consulting.

Following the bundling of services and the implementation of a wide-ranging digitalization strategy, the number of employees in this unit will decline by up to 2,000 by the end of 2022.

Annual cost savings of over €200 million expected from 2023 onwards.

In 2023, the unit will be a fully dedicated service division with the sole purpose of providing solutions for BASF Group with the best possible cost-to-serve offer:

- Simpler end-to-end processes offering more flexibility
- More automation in process steps
- Bundling of tasks in central hubs
We have consistently refocused our portfolio towards innovative growth businesses

**Acquisitions**
- Functional crop care
- Personal care and food ingredients
- Omega-3 fatty acids
- Enzymes
- Battery materials
- Specialty plastics
- Refinish coatings
- Surface treatment
- Seeds and crop protection
- Polyamide business

~€8.8 billion sales in emerging and innovation-driven businesses

**BASF core business**
Selected transactions 2010–today

**Divestitures**
- Styrenics
- Fertilizers
- Natural gas trading and storage
- Custom synthesis business
- Textile chemicals
- Polyolefin catalysts
- Industrial coatings
- Leather chemicals
- Water and paper chemicals
- Oil & gas
- Construction chemicals

~€28.7 billion sales in businesses with decreased differentiation potential

---

1 Selected, closed transactions 2010–today
Upcoming major portfolio measures

DIC to acquire BASF’s pigments business

- Sales 2018: ~€1 billion
- BASF and DIC reached an agreement on the acquisition of BASF’s pigments business in August 2019
- Purchase price of €1.15 billion\(^1\)
- Closing is expected in Q2 2021

\(^1\) On a cash and debt-free basis

Initial public offering (IPO) of Wintershall Dea

- Sales 2020: ~€3.6 billion
- Merger took place on May 1, 2019
- Realization of synergies on track, integration completed
- Initial Public Offering planned, subject to market conditions
Clear acquisition criteria

Strategic acquisition criteria

We want to acquire businesses which …

- create more value as part of BASF’s Verbund
- help achieve relevant market positions
- drive innovation or technological differentiation
- enable new and sustainable business models

Financial acquisition criteria

We want to acquire businesses which …

- provide a return on capital employed above the WACC after full integration into BASF Group
- are EPS accretive by year three at the latest
- contribute to growth of EBITDA before special items
Agenda

1. At a glance
2. Strategy implementation in full swing
3. Unique position to capture growth in Asia
4. Battery materials driving electromobility and future growth
5. Pushing the transition to a sustainable economy
6. Reporting
Asia Pacific is the growth region for global chemical production with China as the major driver

Real chemical production excluding pharmaceuticals
billion US$

<table>
<thead>
<tr>
<th>Region</th>
<th>2020: ~4,100</th>
<th>2030: ~5,600</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater China</td>
<td>47%</td>
<td></td>
</tr>
<tr>
<td>Rest of Asia Pacific</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>South America</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Middle East, Africa</td>
<td></td>
<td>4% (CAGR +3%)</td>
</tr>
<tr>
<td>Europe</td>
<td></td>
<td>17% (CAGR +1%)</td>
</tr>
<tr>
<td>South America</td>
<td></td>
<td>3% (CAGR +2%)</td>
</tr>
<tr>
<td>Europe</td>
<td></td>
<td>14% (CAGR +3%)</td>
</tr>
</tbody>
</table>

CAGR\(^1\) +3.1%

Global GDP CAGR +3.1%

Source: BASF ¹ Real chemical production excluding pharmaceuticals.
BASF is active in Asia Pacific since 1885 and has a unique position to capture growth in the region

### BASF Group in Asia Pacific (2020)

- **BASF is present in** 19 **markets**
- **>70** production sites\(^1\)
- **~100** sales offices\(^2\)
- **17,753** employees\(^3\)
- **~€15.4 billion** sales\(^4\)
- **~€0.8 billion** EBIT

---

\(^1\) BASF investigates establishment of a second Verbund site in China

\(^2\) Only selected sites and offices are depicted on this chart. Site and office numbers refer to companies of significant size where BASF holds a stake greater than 50%

\(^3\) As of December 31, 2020

\(^4\) Sales by location of customer. Only includes sales from BASF entities fully consolidated according to IFRS 10/11
BASF in Asia Pacific – a balanced portfolio

Sales¹ by segment in 2020: €15.4 billion

- 11% Chemicals
- 23% Materials
- 15% Industrial Solutions
- 32% Surface Technologies
- 10% Nutrition & Care
- 5% Agricultural Solutions
- 4% Other

Sales¹ by sub-region in 2020: €15.4 billion

- 55% Greater China
- 12% South Asia
- 11% ASEAN
- 11% Japan
- 9% South Korea
- 2% Australia, New Zealand

ASEAN: Singapore, Philippines, Vietnam, Thailand, Indonesia, Malaysia, Myanmar, Cambodia, Laos
South Asia: India, Pakistan, Bangladesh, Sri Lanka, Nepal
South Korea: Includes Mongolia

¹ Sales to third parties by location of customer; figures do not include sales of joint ventures consolidated at equity such as BASF-YPC Ltd., Nanjing, China.
BASF is uniquely positioned to capture further growth in China – proven track record of strong earnings development in the region

**BASF’s sales volumes outgrew Greater China’s chemical production**

<table>
<thead>
<tr>
<th>Real chemical production growth¹ (CAGR 2015–2019)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global chemical production</td>
<td>3,1</td>
</tr>
<tr>
<td>Chemical production Greater China</td>
<td>4,7</td>
</tr>
<tr>
<td>Volume growth BASF Greater China²</td>
<td>7,5</td>
</tr>
</tbody>
</table>

**Strong earnings development of BASF in Greater China**

<table>
<thead>
<tr>
<th>EBITDA² before special items (CAGR 2015–2019)</th>
<th>million €</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>0</td>
</tr>
<tr>
<td>2016</td>
<td>500</td>
</tr>
<tr>
<td>2017</td>
<td>1.000</td>
</tr>
<tr>
<td>2018</td>
<td>1.500</td>
</tr>
<tr>
<td>2019</td>
<td>2.000</td>
</tr>
</tbody>
</table>

**Volume-growth strategy with focus on Asian markets**

<table>
<thead>
<tr>
<th>Real chemical production growth³ (CAGR 2020–2030)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global GDP growth</td>
<td>3,1</td>
</tr>
<tr>
<td>Global chemical production</td>
<td>3,1</td>
</tr>
<tr>
<td>Chemical production Greater China</td>
<td>4,3</td>
</tr>
</tbody>
</table>

**Figures 2020 vs. 2019**

-0.4% 3.2% 12%

**Figures 2020**

- €1.3 billion EBITDA bsi
- 16% EBITDA bsi margin

¹ Source: BASF, real chemical production excluding pharmaceuticals (base year 2015); as of February 2021
² Restated figures due to reporting of construction chemicals as discontinued operation. Not included: BASF-YPC Company Limited as BASF’s share is accounted for at-equity
³ Source: BASF, real GDP growth and real chemical production excluding pharmaceuticals (base year 2015); as of November 2020
Guangdong is home of key customers from fast-growing industries

**CAGR (%, p.a.): 2015–2020**

**Strongly growing industrial base**
Real billion US$

- ~5.3% CAGR
- 671
- 2020

**Large chemical production**
Real billion US$

- ~3.1% CAGR
- 151
- 2020

**Largest automotive production, China**
# of motor vehicles built in Guangdong (1,000)

- ~5.5% CAGR
- 3,133
- 2020

**Steady increase of private consumption**
Real billion US$

- ~6.1% CAGR
- 611
- 2020

**Market characteristics**

- Around 115 million residents in Guangdong province (2019)
- GDP Guangdong (2020): ~US$1,706 billion (exceeding GDP of South Korea)
- GDP growth from 2020–2035: 5-6% p.a.
- Key customer industries: transportation, consumer goods, home and personal care, electronics
- Chemical products are generally undersupplied from local production

---

1. Real value added, manufacturing Guangdong
2. Real chemical production Guangdong, inferred by gross output/value added ratio for China
3. Real private consumption Guangdong; IHS forecast
BASF intends to build a world-class Verbund site in South China to serve fast-growing customer industries in the region

Key facts
- Wholly owned and operated by BASF
- Project is currently in the feasibility phase
- First plants expected to be operational in 2022
- US$10 billion capital expenditures to be implemented in phases until 2030
- Most advanced Verbund site with smart manufacturing concepts
Agenda

1. At a glance
2. Strategy implementation in full swing
3. Unique position to capture growth in Asia
4. Battery materials driving electromobility and future growth
5. Pushing the transition to a sustainable economy
6. Reporting
Rise of e-mobility is net positive for chemicals demand per car

<table>
<thead>
<tr>
<th>Internal Combustion Engine (ICE)</th>
<th>Battery Electric Vehicle (BEV)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emissions control and power generation</td>
<td>Higher demand: Growth in battery materials more than compensates some catalyst replacement</td>
</tr>
<tr>
<td>Engineering plastics</td>
<td>Higher demand: Growth drivers: Flame retardant plastics, battery housings and cable sheathing</td>
</tr>
<tr>
<td>Coolants</td>
<td>Comparable demand: Growth areas: E-coolants and specialty fluids for e-mobility and autonomous driving</td>
</tr>
<tr>
<td>Coatings</td>
<td>Comparable demand: Growth areas: Coatings for battery housings and passive vehicle-temperature management</td>
</tr>
</tbody>
</table>
BASF addresses the needs of the fast-growing e-mobility market

Heat management
Effective heat management can increase the range of electric cars, as it reduces the energy drawn from the battery to heat and cool the vehicle.

<table>
<thead>
<tr>
<th>Components</th>
<th>BASF materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chassis coatings</td>
<td>Chromacool®</td>
</tr>
</tbody>
</table>

Electric powertrain
The electric motor and power electronics are core components of an electric vehicle. BASF materials help customers to reduce weight, increase design flexibility and enable components and functions to be integrated safely.

<table>
<thead>
<tr>
<th>Components</th>
<th>BASF materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electric motor</td>
<td>Cellasto®</td>
</tr>
<tr>
<td>Power electronics</td>
<td>Ultradur®, Ultradur®</td>
</tr>
</tbody>
</table>

Battery
The battery pack is the heart of an electric car. To support next-generation battery technology, BASF is continuously improving its portfolio with new solutions.

<table>
<thead>
<tr>
<th>Components</th>
<th>BASF materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Battery cells</td>
<td>CAM1 (HED™ product family), N-methylpyrrolidone (NMP), Ethylene carbonate</td>
</tr>
<tr>
<td>Battery housing</td>
<td>Oxsilan®, CathoGuard®, Ultradur®</td>
</tr>
<tr>
<td>Battery bearings</td>
<td>Cellasto®</td>
</tr>
<tr>
<td>Battery cooling</td>
<td>Glysantin®, Ultradur®</td>
</tr>
<tr>
<td>High-voltage plugs</td>
<td>Ultradur®HR, Ultradur®</td>
</tr>
</tbody>
</table>

Charging infrastructure
Safe and easy-to-use charging devices are vital if electromobility is to become widespread.

<table>
<thead>
<tr>
<th>Components</th>
<th>BASF materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charging stations</td>
<td>Ultradur®, Ultradur®</td>
</tr>
<tr>
<td>Charging cables</td>
<td>Elastollan®</td>
</tr>
<tr>
<td>Charging plugs</td>
<td>Ultradur®</td>
</tr>
<tr>
<td>Charging inlet</td>
<td>Ultradur®</td>
</tr>
</tbody>
</table>
BEVs and hybrids create superior growth opportunities in battery materials

Global vehicle production by engine type

<table>
<thead>
<tr>
<th>Year</th>
<th>BEV: Battery Electric Vehicles</th>
<th>Hybrids: ICE + Battery</th>
<th>ICE only</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2030</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Market projections for 2030:
- ~30 million electric vehicles built per year
- >2,500 kt of CAM in electromobility
- €50-65 billion CAM market size

Electromobility drives battery materials growth

~25% CAGR

1 Plug-in hybrid and full hybrid electric vehicles
BASF is well-positioned in the value chain with strategic partnerships to secure high-purity raw materials and develop closed loops.

The chemistry of cathode active materials is key to addressing electromobility challenges.
BASF is a leading supplier for high energy density cathode active materials to the automotive industry

**CAM drive battery performance**
- HED™ Nickel Cobalt Manganese Oxide (NCM) & Nickel Cobalt Aluminum Oxide (NCA)
- Own precursor and cathode active materials manufacturing
- Global footprint, R&D, technology centers and production sites
- Comprehensive IP portfolio and close relationship with automotive industry

**BASF’s targets and approach**
- **Double the range** of a midsize car to 600 km
- **Double the battery lifetime**
- **Halve the size of the battery**
- **Reduce the charging time** to 15 minutes
- Balance chemical composition
- Optimize production process
BASF combines battery-materials production and recycling with the goal of closing the loop in the circular economy

Key facts

- Regulation drives demand for recycling
- OEMs will need recycling partners to establish closed loop approaches
- Recycling provides sustainable and cost-efficient access to metals
- BASF has proprietary and differentiating technology along with expertise in recycling
BASF becomes cathode active materials supplier with capacities in all three regions

2012
First CAM production facility in Elyria, Ohio

2018
Second CAM production facility in Battle Creek, Michigan; merged with Elyria, Ohio into BASF TODA America (BTA)

2015
Foundation of BASF TODA Battery Materials (BTBM), Japan, with R&D center

2017
Tripled capacity at BTBM in Onoda, Japan

2022
CAM precursor production in Harjavalta, Finland planned

2022
CAM production and recycling pilot plant planned in Schwarzheide, Germany

2020
BASF and Eramet to assess nickel-cobalt refining complex in a feasibility study in Weda Bay, Indonesia

Production sites
Research & development hubs
BASF is active and investing in battery materials

October 2018

- BASF’s announced precursor plant will be constructed in Harjavalta, Finland enabling a secure supply of locally-sourced nickel and cobalt
- The new plant will utilize locally generated renewable energy sources, including hydro, wind and biomass
- Start-up planned for 2022

February 2020

- BASF further invests in Europe to strengthen position in battery materials for electric vehicles
  - Schwarzheide, Germany as location for CAM production in Europe enabling the supply of ~400,000 electric vehicles per year
  - Production plant to use industry-leading energy mix lowering CO₂ footprint
  - Part of BASF’s plans to establish a global presence with battery materials supply
  - Start-up planned for 2022

December 2020

- BASF and Nornickel join forces to supply the battery materials market
  - Schwarzheide, Germany as location for CAM production in Europe enabling the supply of ~400,000 electric vehicles per year
  - Production plant to use industry-leading energy mix lowering CO₂ footprint
  - Part of BASF’s plans to establish a global presence with battery materials supply
  - Start-up planned for 2022

- BASF and Eramet partner to assess the development of a nickel-cobalt refining complex to supply growing EV market
  - Parties to jointly assess the development of a state-of-the-art nickel and cobalt hydrometallurgical refining complex in Weda Bay, Indonesia
  - Planned development will provide BASF access to an additional secure and sustainable source of nickel and cobalt
  - Start-up planned for mid-2020s
BASF’s unique value proposition with leading sustainability offering

- Short and reliable supply chain
- Sustainable sourcing
- Best in class CO₂ footprint
- Battery recycling

- Global production
  - Sizeable and expandable capacity in Europe starting 2022
  - First CAM producer in all three regions

- Secured metal sourcing
  - Secured high-purity metal through partnerships
  - Reduced supply risk and logistics efforts

- Low carbon footprint
  - Highly energy efficient manufacturing process technology
  - Utilization of low-CO₂ / renewable energy

- Battery recycling
  - Closed loop recycling offering
  - Proprietary technology
BASF Battery Materials in pole position

- Broad **high energy density CAM portfolio**
- **Tailored solutions** to strong customer base
- Established **manufacturing know-how**
- **Strong innovation** and growth pipeline
- **Global presence** and secure supply chain
- Long-standing **strategic partnerships**
- **Leading raw material** and sustainability position
Agenda

1. At a glance
2. Strategy implementation in full swing
3. Unique position to capture growth in Asia
4. Battery materials driving electromobility and future growth
5. Pushing the transition to a sustainable economy
6. Reporting
Resource efficiency – BASF’s Verbund is ideal for CO₂ emission reduction

- Combined heat and power plants and integrated energy Verbund prevented 6.2 million metric tons of CO₂e emissions in 2020
- Synergies in logistics and infrastructure, minimization of waste
- BASF uses fossil raw materials responsibly: 75% of carbon converted to products, 25% consumed for process energy and converted to CO₂ equivalents
- European emissions trading benchmarks show that BASF’s chemical plants operate at above-average energy efficiency

1 BASF carbon mass balance calculation (2019, non-audited, without oil and gas business)
Our commitments to reaching the Paris Climate Agreement

2030 25% CO₂ emissions reduction (compared with 2018)¹

2050 net zero CO₂ emissions¹
Our path to reduce BASF emissions from 2018 to 2030

BASF greenhouse gas emissions (Scope 1 and Scope 2) 2018–2030

CO₂ reduction in business as is 2018

- Grey-to-green
- Power-to-steam
- New technologies
- Bio-based feedstocks
- Opex
- Temporary measures

CO₂ increase from growth

- Growth (organic, inorganic)
- Verbund site
- South China

2018

2030

22

25%
Our path to reduce BASF emissions from 1990 to 2050

BASF greenhouse gas emissions (Scope 1 and Scope 2) 1990–2050

<table>
<thead>
<tr>
<th>Year</th>
<th>CO₂ reduction in business as is 2018</th>
<th>CO₂ increase from growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>&gt;45%</td>
<td>~75%</td>
</tr>
<tr>
<td>2018</td>
<td>22%</td>
<td>~60%</td>
</tr>
</tbody>
</table>

- Grey-to-green
- Power-to-steam
- New technologies
- Bio-based feedstocks
- Opex
- Temporary measures
- Growth (organic, inorganic)
- Verbund site South China
- Business as is 2018
- 2030
- 2050
Our levers to reduce BASF’s CO₂ emissions

Our journey to net zero 2050

- Grey-to-green
- Power-to-steam
- New technologies
- Bio-based feedstocks
- Continuous opex
- Offsetting

Temporary measures

Global GHG emissions Scope 1+2
Methane pyrolysis combines low emissions with low energy demand

- **Methane pyrolysis** requires around **80% less electricity** than water electrolysis
- **Funding** for pilot reactor **was granted** by German Federal Ministry of Education and Research
- **Pilot reactor** at the Ludwigshafen site
- Start-up of **first commercial plant** projected for 2030

We have achieved a milestone in scaling up our groundbreaking methane pyrolysis process for hydrogen production
Major capex for further transformation only expected beyond 2030

<table>
<thead>
<tr>
<th>Time Frame</th>
<th>Projected capex</th>
<th>Billion €</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021–2025</td>
<td>&lt;1</td>
<td></td>
</tr>
<tr>
<td>2026–2030</td>
<td>2–3</td>
<td></td>
</tr>
<tr>
<td>2030+</td>
<td>&gt;10</td>
<td></td>
</tr>
</tbody>
</table>
Turning Carbon Management into business opportunities

20,000 Raw materials Scope 3
700 Production plants Scope 1
10 TWh/a Energy Scope 2

CO₂ Product Carbon Footprints of ~45,000 sales products

Cradle-to-gate Product Carbon Footprints for BASF’s portfolio available by end of 2021 based on process emissions, energy demand and upstream emissions
Product Carbon Footprint allows targeted discussions with customers on desired sustainability properties of products

Aroma ingredient example
Cumulative reduction of CO₂ emissions, %

- Current process
- Renewable energy
- Renewable feedstocks (e.g., green hydrogen)
- Other

| Reduction potential: up to ~85% | -15% to -25% | -30% to -45% | -15% |

- Product Carbon Footprint ensures unprecedented transparency along the value chain
- Choice of raw materials, technology or energy supply helps tailor product properties to customer needs
- Cross-industry standardization required around calculation of CO₂ footprints of products
What we expect from our suppliers: Transparency on and reduction of CO$_2$ emissions

- BASF is establishing certified, full CO$_2$ tracing (Product Carbon Footprint) and needs transparency from its suppliers for this
- To support its suppliers and the industry, BASF will share its knowledge to create an international standard for CO$_2$ transparency tools
- BASF will work together with its suppliers and expects them to reduce the CO$_2$ footprint of their products

BASF will work all levers to reduce CO$_2$ emissions
BASF’s Circular Economy Program: Targets

- 250,000 metric tons of circular feedstock by 2025
- Double circular sales to €17 billion by 2030
- Prioritize related capex, M&A, R&D
From a linear to a more circular economy – BASF contribution: ChemCycling™

- Investments into Quantafuel (pyrolysis of mixed plastic waste) and Pyrum (pyrolysis of end-of-life tires) and uptake supply agreements with both companies
- Agreement with New Energy for uptake of pyrolysis oil derived from end-of-life tires and for a joint feasibility study for adaption of technology to other plastic waste streams

Plastic waste and end-of-life tires are converted into liquid feedstock and fed into BASF’s value chains

- Close the loop
- ChemCycling™
  + can handle mixed plastic waste
  + produces virgin grade raw materials
  + replaces virgin fossil resources
  + CO₂ emissions prevented¹

¹ Compared to conventional plastic production and incineration of plastic waste
Transformation requires a broad technology portfolio

**Carbon Management**

- Methane pyrolysis: ~0.9
- Heat pumps: ~0.6-1.0
- eDrive NH₃: ~0.7
- eFurnace: ~0.2
- Water electrolysis: ~0.2

**Low-CO₂**

**Bio-based**

**Cycled**

**Circular Economy**

**CO₂ avoidance potential per megawatt hour of electrical energy used (metric tons of CO₂/MWh)**

- Methane pyrolysis: ~0.9
- Heat pumps: ~0.6-1.0
- eDrive NH₃: ~0.7
- eFurnace: ~0.2
- Water electrolysis: ~0.2

**Target:** We aim at doubling our circular sales to reach €17 billion by 2030

Focus on closing the loops

- Renewable-based feedstocks
- Recycled-based feedstocks
- Enable recyclability and/or biodegradability
€16.7 billion of BASF Group sales from sustainable solutions – leveraging our innovation power

- Portfolio segmentation: >57,000 specific product applications analyzed by 2020 (€54.1 billion in sales, 98.4% of relevant portfolio\(^1\))
- Accelerator margins on average ~6 percentage points above the rest of assessed portfolio
- Goal: €22 billion of sales with Accelerator products by 2025 (2020: €16.7 billion)
- Stronger integration in R&D pipeline, business strategies and M&A projects
- We will stop selling Challenged products within maximum five years after classification

\(^1\) The product portfolio acquired from Bayer has been partially assessed
Innovations for a sustainable future – Accelerator examples

- **SLENTEX®** – high-performance flexible insulation material
- **Formic acid** – ecoefficient runway and road deicing
- **Acronal® MB** – from biomass to dispersions
- **ecovio®** – compostable cling film for fresh-food packaging
- **Inscalis®** – insecticide with unique mode of action
- **Synative® ES TMP** – biodegradable marine lubricants
BASF in sustainability ratings and rankings

CDP
In 2020, BASF achieved a score of “A-” in the climate category, thus attaining leadership status again. As a first-time participant, BASF achieved a score of “A-” in the forest category. BASF was included in the “Water A list” of leading companies for sustainable water management.

Sustainalytics
BASF is “Outperformer” in the overall ESG rating 2020 with strong ratings in social and governance categories.

MSCI ESG Research
In 2021, BASF was rated “A.” The analysts highlighted that BASF is present in clean tech markets and has a robust carbon mitigation strategy.

FTSE4Good Global Index
BASF was included again in the FTSE4Good Global Index 2020, with a rank in the top ten of the chemical industry.

2020 CSR Award of the German federal government
BASF was recognized for an outstanding and long-term CSR commitment and a holistic CSR strategy which addresses all areas of the company.
Agenda

1. At a glance
2. Strategy implementation in full swing
3. Unique position to capture growth in Asia
4. Battery materials driving electromobility and future growth
5. Pushing the transition to a sustainable economy
6. Reporting
BASF Group Q1 2021: Volume growth across all regions

Sales volumes development by region¹ quarters compared to prior-year quarters %

BASF Group

<table>
<thead>
<tr>
<th>Region</th>
<th>Q1 2020</th>
<th>Q2 2020</th>
<th>Q3 2020</th>
<th>Q4 2020</th>
<th>Q1 2021</th>
<th>Q2 2021</th>
<th>Q3 2021</th>
<th>Q4 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>-11</td>
<td>-2</td>
<td>-18</td>
<td>-4</td>
<td>9</td>
<td>3</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-13</td>
<td>-10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greater China</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
<td>16</td>
<td>17</td>
<td>12</td>
</tr>
</tbody>
</table>

¹ Location of customer
BASF Group Q1 2021: Volume growth across all segments

Volume development by segment
Q1 2021 vs. Q1 2020
absolute (million €) terms

<table>
<thead>
<tr>
<th>Segment</th>
<th>Q1 2021 (€)</th>
<th>Q1 2020 (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall volume</td>
<td>1,458</td>
<td></td>
</tr>
<tr>
<td>Chemicals</td>
<td>165</td>
<td></td>
</tr>
<tr>
<td>Materials</td>
<td>262</td>
<td></td>
</tr>
<tr>
<td>Industrial Solutions</td>
<td>118</td>
<td></td>
</tr>
<tr>
<td>Surface Technologies</td>
<td>708</td>
<td></td>
</tr>
<tr>
<td>Nutrition &amp; Care</td>
<td>39</td>
<td></td>
</tr>
<tr>
<td>Agricultural Solutions</td>
<td>197</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>-31</td>
<td></td>
</tr>
</tbody>
</table>

relative (%) terms

- Chemicals: 7%
- Materials: 9%
- Industrial Solutions: 5%
- Surface Technologies: 16%
- Nutrition & Care: 3%
- Agricultural Solutions: 7%
- Other: -4%
- Overall: 9%
## Cash flow development in Q1 2021

<table>
<thead>
<tr>
<th>Cash flow activity</th>
<th>Q1 2021</th>
<th>Q1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>million €</td>
<td>million €</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thereof Changes in net working capital</td>
<td>-2,773</td>
<td>-3,000</td>
</tr>
<tr>
<td>Miscellaneous items</td>
<td>-335</td>
<td>86</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td>-435</td>
<td>-1,820</td>
</tr>
<tr>
<td>Thereof Payments made for property, plant and equipment and intangible assets</td>
<td>-456</td>
<td>-569</td>
</tr>
<tr>
<td>Acquisitions / divestitures</td>
<td>-7</td>
<td>-1,245</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td>710</td>
<td>4,294</td>
</tr>
<tr>
<td>Thereof Changes in financial and similar liabilities</td>
<td>717</td>
<td>4,329</td>
</tr>
<tr>
<td>Dividends</td>
<td>-7</td>
<td>-36</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>-981</td>
<td>-1,599</td>
</tr>
</tbody>
</table>
Strong balance sheet

Balance sheet March 31, 2021 vs. December 31, 2020 (billion €)

- Total assets increased by €4.5 billion to €84.8 billion
- Noncurrent assets were almost stable at €50.2 billion
- Current assets increased by €4.8 billion to €34.6 billion, primarily due to higher trade accounts receivable
- Net debt increased by €1.3 billion to €16.0 billion
- Equity ratio: 46.0% (March 31, 2021)
Sales Q1 2021 vs. Q1 2020
million €

Intermediates
799
12%

Petrochemicals
1,937
18%

€2,736
16%

EBIT before special items
million €

Sales development
Q1 2021 vs. Q1 2020

Volumes
↑ 7%

Prices
↑ 15%

Portfolio
↓ -1%

Currencies
↓ -5%
Materials

Sales Q1 2021 vs. Q1 2020

<table>
<thead>
<tr>
<th></th>
<th>Million €</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Q1 2021 vs. Q1 2020</td>
<td>€3,447</td>
</tr>
<tr>
<td>Monomers Q1 2021</td>
<td>€1,715</td>
</tr>
<tr>
<td>Monomers Q1 2020</td>
<td>€1,008</td>
</tr>
</tbody>
</table>

EBIT before special items

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>€209</td>
<td>€489</td>
</tr>
<tr>
<td>Q2</td>
<td>€-80</td>
<td>€217</td>
</tr>
<tr>
<td>Q3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1</td>
<td></td>
<td>€672</td>
</tr>
</tbody>
</table>

Sales development

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2021 vs. Q1 2020</td>
<td>↑ 9%</td>
<td>↑ 12%</td>
<td>↑ 3%</td>
<td>↓ -4%</td>
</tr>
</tbody>
</table>
Industrial Solutions

Sales Q1 2021 vs. Q1 2020

<table>
<thead>
<tr>
<th>Performance</th>
<th>Chemicals</th>
<th>Dispersions &amp; Pigments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2021</td>
<td>€2,108</td>
<td>1,349</td>
</tr>
<tr>
<td>Q1 2020</td>
<td>759</td>
<td>4%</td>
</tr>
</tbody>
</table>

Sales development Volumes Prices Portfolio Currencies

<table>
<thead>
<tr>
<th>Q1 2021 vs. Q1 2020</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2021</td>
<td>↑ 5%</td>
<td>↓ -1%</td>
<td>0%</td>
<td>↓ -4%</td>
</tr>
</tbody>
</table>

EBIT before special items

<table>
<thead>
<tr>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>€273</td>
<td>€163</td>
<td>€186</td>
<td>€200</td>
<td>€266</td>
</tr>
</tbody>
</table>

May 2021 | BASF Capital Market Story
Surface Technologies

Sales Q1 2021 vs. Q1 2020

<table>
<thead>
<tr>
<th>Sales development</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2021 vs. Q1 2020</td>
<td>↑ 16%</td>
<td>↑ 31%</td>
<td>0%</td>
<td>↓ -10%</td>
</tr>
</tbody>
</table>

EBIT before special items

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>220</td>
<td>360</td>
</tr>
<tr>
<td>Q2</td>
<td>-151</td>
<td>-151</td>
</tr>
<tr>
<td>Q3</td>
<td>200</td>
<td>215</td>
</tr>
<tr>
<td>Q4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Coatings

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volumes</td>
<td>837</td>
<td>1,000</td>
</tr>
<tr>
<td>Prices</td>
<td>€5,947</td>
<td>€7,085</td>
</tr>
<tr>
<td>Portfolio</td>
<td>5%</td>
<td>45%</td>
</tr>
</tbody>
</table>

Catalysts

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volumes</td>
<td>5,110</td>
<td>7,000</td>
</tr>
<tr>
<td>Prices</td>
<td>€5,947</td>
<td>€7,085</td>
</tr>
<tr>
<td>Portfolio</td>
<td>45%</td>
<td>50%</td>
</tr>
</tbody>
</table>

Note: The table shows a comparison of sales and earnings before interest and taxes (EBIT) for Coatings and Catalysts for the first quarter of 2021 versus the same period in 2020. The table includes a comparison of volumes, prices, portfolio, and currencies.
Nutrition & Care

Sales Q1 2021 vs. Q1 2020

<table>
<thead>
<tr>
<th>Sales development</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2021 vs. Q1 2020</td>
<td>3%</td>
<td>-1%</td>
<td>0%</td>
<td>-5%</td>
</tr>
</tbody>
</table>

EBIT before special items

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2020</th>
<th>2021</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>254</td>
<td>256</td>
<td>3%</td>
</tr>
<tr>
<td>Q2</td>
<td>143</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3</td>
<td></td>
<td>120</td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1</td>
<td></td>
<td>218</td>
<td></td>
</tr>
</tbody>
</table>

Nutrition & Health: 474 million € (-4%)

Care Chemicals: 1,059 million € (-3%)
Agricultural Solutions

Sales Q1 2021 vs. Q1 2020

<table>
<thead>
<tr>
<th>Sales development</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2021 vs. Q1 2020</td>
<td>↑ 7%</td>
<td>↑ 2%</td>
<td>0%</td>
<td>↓ -8%</td>
</tr>
</tbody>
</table>

EBIT before special items

Q1 2020 vs. Q1 2021

- 0%
## Review of “Other”

<table>
<thead>
<tr>
<th>Financial figures</th>
<th>Q1 2021 (million €)</th>
<th>Q1 2020 (million €)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>783</td>
<td>702</td>
</tr>
<tr>
<td>EBIT before special items</td>
<td>-560</td>
<td>-299</td>
</tr>
<tr>
<td>Thereof Costs of corporate research</td>
<td>-69</td>
<td>-75</td>
</tr>
<tr>
<td>Costs of corporate headquarters</td>
<td>-58</td>
<td>-54</td>
</tr>
<tr>
<td>Foreign currency results, hedging and other measurement effects</td>
<td>-53</td>
<td>54</td>
</tr>
<tr>
<td>Other businesses</td>
<td>30</td>
<td>27</td>
</tr>
<tr>
<td>Special items</td>
<td>-16</td>
<td>-22</td>
</tr>
<tr>
<td>EBIT</td>
<td>-576</td>
<td>-321</td>
</tr>
</tbody>
</table>