

First Supplement
dated March 1, 2022
to the Debt Issuance Program Prospectus dated September 10, 2021

*This document constitutes a supplement (the "**First Supplement**") within the meaning of Article 23 of Regulation (EU) 2017/1129 of the European Parliament and the Council of June 14, 2017, as amended (the "**Prospectus Regulation**") to two base prospectuses of BASF SE and BASF Finance Europe N.V.: (i) the base prospectus of BASF SE in respect of non-equity securities within the meaning of Art. 2(c) of the Prospectus Regulation ("**Non-Equity Securities**") and (ii) the base prospectus of BASF Finance Europe N.V. in respect of Non-Equity Securities (together, the "**Debt Issuance Program Prospectus**" or the "**Prospectus**").*

This First Supplement is supplemental to and should only be read in conjunction with the Prospectus dated September 10, 2021. Therefore, with respect to future issues under the Program, references in the Final Terms to the Prospectus are to be read as references to the Prospectus as supplemented by this First Supplement.



BASF SE

(Ludwigshafen am Rhein, Federal Republic of Germany)
as Issuer and, in respect of Notes issued by
BASF Finance Europe N.V., as Guarantor

BASF Finance Europe N.V.

(Arnhem, The Netherlands)
as Issuer

EUR 20,000,000,000

Debt Issuance Program
(the "**Program**")

Each Issuer has requested the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the "**CSSF**") in its capacity as competent authority under the Prospectus Regulation and the Luxembourg act relating to prospectuses for securities dated July 16, 2019 (*Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières et portant mise en œuvre du règlement (UE) 2017/1129*, as amended - the "**Luxembourg Law**") to approve this First Supplement and to provide the competent authorities in the Federal Republic of Germany ("**Germany**"), the Republic of Austria, the Republic of Ireland and The Netherlands with a certificate of approval attesting that this First Supplement has been drawn up in accordance with the Prospectus Regulation ("**Notification**"). Each Issuer may request the CSSF to provide competent authorities in additional host Member States within the European Economic Area with a Notification.

This First Supplement has been approved by the CSSF, has been filed with said authority and will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of BASF Group (www.basf.com), respectively.

BASF SE ("**BASF**" or the "**Guarantor**", together with its consolidated group companies, the "**BASF Group**") with its registered office in Ludwigshafen am Rhein, Germany and BASF Finance Europe N.V. ("**BASF Finance**") with its registered office in Arnhem, The Netherlands (herein each also called an "**Issuer**" and together the "**Issuers**") are solely responsible for the information given in this First Supplement.

Each Issuer hereby declares that to the best of its knowledge the information contained in this First Supplement for which it is responsible is, to the best of its knowledge, in accordance with the facts and that this First Supplement makes no omission likely to affect its import.

Terms defined or otherwise attributed meanings in the Prospectus have the same meaning in this First Supplement.

This First Supplement should only be distributed in connection with the Prospectus. It should only be read in conjunction with the Prospectus.

To the extent that there is any inconsistency between any statement in this First Supplement and any other statement in or incorporated by reference into the Prospectus, the statements in this First Supplement will prevail.

Save as disclosed in this First Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Prospectus which is capable of affecting the assessment of Notes issued under the Program since the publication of the Prospectus.

Each Issuer has confirmed to the Dealers that the Prospectus as supplemented by this First Supplement contains all information with regard to the Issuers and the Notes which is material in the context of the Program and the issue and offering of Notes thereunder, the information contained therein with respect to the Issuers and the Notes is accurate in all material respects and is not misleading, the opinions and intentions expressed therein with respect to the Issuers and the Notes are honestly held, there are no other facts with respect to the Issuers or the Notes the omission of which would make the Prospectus as supplemented by this First Supplement misleading in any material respect, and that all reasonable enquiries have been made to ascertain all facts and to verify the accuracy of all statements contained therein.

No person has been authorised to give any information which is not contained in, or not consistent with, the Prospectus as supplemented by this First Supplement or any other document entered into in relation to the Program or any information supplied by any Issuer or such other information as in the public domain and, if given or made, such information must not be relied upon as having been authorised by or on behalf of the Issuers, the Dealers or any of them.

To the extent permitted by the laws of any relevant jurisdiction, neither the Arranger nor any Dealer nor any other person mentioned in the Prospectus as supplemented by this First Supplement, excluding the Issuers, is responsible for the information contained in the Prospectus as supplemented by this First Supplement or any Final Terms or any other document incorporated therein by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

In accordance with Article 23 paragraph 2a of the Prospectus Regulation, where the Prospectus relates to an offer of Notes to the public, investors who have already agreed to purchase or subscribe for the Notes to be issued under this Program before this First Supplement is published have the right, exercisable within three working days after the publication of this First Supplement, until March 4, 2022, to withdraw their acceptances, provided that the significant new factor, material mistake or material inaccuracy referred to in Article 23 paragraph 1 of the Prospectus Regulation arose or was noted before the closing of the offer period or the delivery of the Notes, whichever occurs first. Investors wishing to exercise their right of withdrawal may contact the relevant Issuer.

The purpose of this First Supplement is to update the description of the Issuers due to the publication of the audited consolidated financial statements of BASF Group for the fiscal year ended on December 31, 2021 and further due to the occurrence of certain developments and recent events with regard to BASF Group and their outlook for the 2022 business year.

SUPPLEMENTAL AND REPLACEMENT INFORMATION

I. Supplemental and replacement information pertaining to BASF SE AS ISSUER AND GUARANTOR

1. The section "STATUTORY AUDITORS" on p. 25 of the Prospectus shall be supplemented by inserting the following after the first paragraph:

"The following selected financial data for the year 2021 are excerpted from the Consolidated Financial Statements of BASF Group, which have been audited by KPMG AG Wirtschaftsprüfungsgesellschaft, THE SQUAIRE, Am Flughafen, 60549 Frankfurt am Main, Germany, as the independent registered public accounting firm for BASF and for which an unqualified auditor's report has been issued."

2. The second paragraph of the section "STATUTORY AUDITORS" on p. 25 of the Prospectus shall be supplemented by the following:

"For further information, please see Note 1 of the Consolidated Financial Statements 2021 incorporated by reference into this Prospectus."

3. The first and the second table in the section "SELECTED FINANCIAL INFORMATION – BASF GROUP" on p. 25 and 26 of the Prospectus shall be supplemented by the following:

	"January 1, 2021 – December 31, 2021	January 1, 2020 – December 31, 2020
	million EUR audited	
Sales	78,598	59,149
Income from operations before depreciation and amortization (EBITDA)**	11,355	6,494
Income from operations (EBIT)	7,677	(191)
Net income	5,523	(1,060)
Cash flows from operating activities	7,245	5,413
	December 31, 2021	December 31, 2020
	million EUR audited	
Total assets	87,383	80,292
Stockholders' equity	42,081	34,398
Noncurrent liabilities	25,220	29,614
Current liabilities	20,081	16,280"

4. The section "ALTERNATIVE PERFORMANCE MEASURES ("APM")" on p. 26 to 28 of the Prospectus shall be supplemented by the following:

- a) After the seventh paragraph on p. 26 of the Prospectus, it shall be inserted:

"The values for the respective APM for the full year 2021 are shown below."

- b) After the table "Income from operations (EBIT) before special items (million EUR)" and after the table "Income from operations before depreciation and amortization (EBITDA) (million EUR)" on p. 27 of the Prospectus, it shall be inserted:

"Income from operations (EBIT) before special items (million EUR)

	January 1, 2021 – December 31, 2021	January 1, 2020 – December 31, 2020
Income from operations (EBIT)	7,677	(191)
Special items	(91)	(3,751)
EBIT before special items	7,768	3,560

Income from operations before depreciation and amortization (EBITDA) (million EUR)

	January 1, 2021 – December 31, 2021	January 1, 2020 – December 31, 2020
Income from operations (EBIT)	7,677	(191)
Amortization and depreciation of, and valuation allowances on, intangible assets and property, plant and equipment	3,678	6,685
EBITDA	11,355	6,494"

- c) After the table "Return on capital employed (ROCE) (million EUR)" and after the table "Capital employed (million EUR)" on p. 27 to 28 of the Prospectus, it shall be inserted:

"Return on capital employed (ROCE) (million EUR)

	January 1, 2021 – December 31, 2021	January 1, 2020 – December 31, 2020
EBIT of BASF Group	7,677	(191)
EBIT of Other	(641)	(1,203)
EBIT of Segments	8,317	1,012
Cost of capital basis of segments, average of month-end figures	61,579	60,111
ROCE in %	13.5	1.7

Capital employed (million EUR)

	January 1, 2021 – December 31, 2021	January 1, 2020 – December 31, 2020
Intangible assets	13,143	14,249
Property, plant and equipment	19,280	20,210
Investments accounted for using the equity method	1,682	1,395
Inventories	11,459	10,469
Accounts receivables	11,588	9,379
Current and noncurrent other receivables and other assets*	3,908	3,149
Assets of disposal groups	520	1,260
Cost of capital basis of segments, average of month-end figures	61,579	60,111
Deviation from cost of capital basis at closing rates as of December 31	2,688	(3,948)
Assets not included in the cost of capital	23,115	24,129
Assets of the BASF Group as of Dec 31	87,383	80,292

5. The section "HISTORICAL FINANCIAL INFORMATION" on p. 28 of the Prospectus shall be supplemented by the following:

"The audited consolidated financial statements of BASF Group for the fiscal year ending on December 31, 2021 and the auditors' report thereon, together contained in the BASF Report 2021 on pages 186-285, are incorporated by reference into this Prospectus."

6. The first paragraph of the section "GENERAL INFORMATION ABOUT BASF SE - HISTORY AND DEVELOPMENT OF THE ISSUER – Share capital" on p. 29 of the Prospectus shall be replaced by the following:

"As of the date of this Prospectus as supplemented by the First Supplement, the fully-paid share capital of BASF is unchanged since the date of the last published audited financial statements as of December 31, 2021 and amounts to EUR 1,175,652,728.32 divided into 918,478,694 registered shares with no par value (*Namensaktien*) ("BASF Share(s))."

7. The section "GENERAL INFORMATION ABOUT BASF SE - HISTORY AND DEVELOPMENT OF THE ISSUER – Capitalization and financial indebtedness" on p. 31 to 33 of the Prospectus shall be supplemented by the following:

"The following table sets forth the consolidated capitalization of BASF Group as of December 31, 2021 and December 31, 2020:

Stockholders' equity and liabilities (million EUR)	December 31, 2021	December 31, 2020
Stockholders' equity		
Subscribed capital	1,176	1,176
Capital reserves	3,106	3,115
Retained earnings	40,365	37,911
Other comprehensive income	(3,855)	(8,474)
Non-controlling interest	1,289	670

Noncurrent liabilities		
Provisions for pensions and similar obligations	6,160	8,566
Other provisions	1,782	1,484
Tax provisions and deferred tax liabilities	1,914	2,034
Financial indebtedness	13,764	15,819
Other liabilities	1,600	1,711
Current liabilities		
Accounts payable, trade	7,826	5,291
Provisions	3,935	2,825
Tax liabilities	1,161	988
Financial indebtedness	3,420	3,395
Other liabilities	3,679	3,440
Liabilities of disposal groups	61	341
Total stockholders' equity and liabilities	87,383	80,292

Contingent liabilities (million EUR)	December 31, 2021	December 31, 2020
Bills of exchange	3	2
Guarantees	383	347
Warranties	58	79
Collateral granted on behalf of third-party liabilities	1	-
Total	445	428

Consolidated statement of comprehensive income

Income and expense items (million EUR)	January 1, 2021 – December 31, 2021	January 1, 2020 – December 31, 2020
Income after taxes	5,982	(1,075)
Remeasurement of defined benefit plans	3,476	(1,376)
Deferred taxes on non-reclassifiable gains/losses	(811)	422
Non-reclassifiable gains/losses after taxes from equity-accounted investments	44	(19)
Non-reclassifiable gains/losses	2,709	(973)
Unrealized gains/losses from cash flow hedges	284	14
Reclassifications of realized gains/losses recognized in the income statement	(222)	65
Unrealized gains/losses from currency translation	1,566	(1,612)
Reclassification of realized gains/losses from currency translation recognized in the statement of income	52	71
Deferred taxes for gains/losses that can be reclassified	(29)	(5)
Reclassifiable gains/losses after taxes from equity-accounted shareholdings	313	(1,286)
Reclassifiable gains / losses	1,964	(2,753)
Other comprehensive income after tax	4,673	(3,726)
Comprehensive income	10,655	(4,801)"

8. The section "ORGANIZATIONAL STRUCTURE - Employees" on p. 37 of the Prospectus shall be supplemented by the following:

"As of December 31, 2021, the number of employees increased to 111,047 employees compared with 110,302 employees as of December 31, 2020. The rise was primarily due to staff increases in Asia Pacific, especially in connection with the formation of BASF Shanshan Battery Materials Co., Ltd., as well as for the new Verbund site in Zhanjiang, China. The divestiture of the pigments business, which comprised around 2,500 employees, had an offsetting impact. As of December 31, 2021, a total of 1,175 employees (2020: 1,137 employees) worked at joint operations. The development of the number of employees was distributed over the regions as follows:

	2021	2020
Europe	67,532	68,849
Thereof Germany	51,026	51,961
North America	16,753	16,948
Asia Pacific	19,976	17,753
South America, Africa, Middle East	6,786	6,752
Total	111,047	110,302"

9. The section "SIGNIFICANT CHANGES/TREND INFORMATION" on p. 58 of the Prospectus shall be replaced by the following:

"There have been no significant changes in the financial position of BASF Group since December 31, 2021. There has been no material adverse change in the prospects of BASF Group since the date of the last published audited financial statements as of December 31, 2021. There has not been any significant change in the financial performance of BASF Group since December 31, 2021, the end of the last financial period for which financial information has been published, to the date of the Prospectus as supplemented by this First Supplement."

10. The section "OUTLOOK " on p. 58 of the Prospectus shall be supplemented by the following:

"BASF expects global economic growth to be somewhat more moderate in 2022 following the very strong recovery in 2021. Global growth should be supported by the gradual containment of the coronavirus pandemic. Nevertheless, a full recovery of the market environment is still not yet expected in 2022 as uncertainty remains exceptionally high.

The BASF forecast assumes moderate growth in the majority of its customer industries, while the automotive industry is expected to see a stronger recovery. The forecast range takes into account uncertainty resulting in particular from the effects of ongoing supply chain disruptions, the further course of the coronavirus pandemic and the development of energy prices."

11. The section "RECENT EVENTS" on p. 58 to 59 of the Prospectus shall be supplemented by the following:

"On February 25, 2022, a dividend of EUR 3.40 per share as proposed by the Board of Executive Directors and Supervisory Board for the 2021 business year was announced. This dividend will be voted on by shareholders at the upcoming Annual Shareholders Meeting.

On January 4, 2022, the Board of Executive Directors of BASF SE resolved on a share buyback program in light of the positive business development and the gains on divestitures in the course of 2021. The program amounts to up to €3 billion, started on January 11, 2022, and shall be concluded by December 31, 2023, at the latest, subject to a renewed authorization to repurchase own shares by the

Annual Shareholders' Meeting of BASF SE on April 29, 2022. BASF SE will cancel all repurchased shares and reduce the share capital accordingly.

On December 28, 2021, BASF reached an agreement to divest its production site in Quincy, Florida, and the associated attapulgitic business to Clariant for a purchase price of \$60 million. The Quincy facility employs around 75 employees and manufactures clay-based mineral products used in a variety of industrial applications. The transaction affects the Dispersions & Resins division and is expected to close in the summer of 2022, subject to the approval of the relevant antitrust authorities

On December 7, 2021, it was announced that BASF is to carve out its mobile emissions catalysts business. The new standalone structure will prepare the business for the upcoming changes in the internal combustion engine market and allow for future strategic options. The new entity will continue to operate globally and comprise approximately 20 production sites and over 4,000 employees. The carve-out process will start in January 2022 and is expected to take up to 18 months.

On December 6, 2021, BASF and Allianz Capital Partners, on behalf of Allianz Insurance Companies (Allianz), announced that they had reached an agreement on the purchase of 25.2% of the Hollandse Kust Zuid (HKZ) wind farm by Allianz. This follows a transaction between Vattenfall and BASF under which BASF acquired 49.5% of HKZ from Vattenfall on September 1, 2021. BASF will continue to receive most of the power produced by its originally acquired share of 49.5% of HKZ under a long-term fixed-price corporate power purchasing agreement. The transaction is expected to close in the first quarter of 2022, subject to the approval of the relevant merger control authorities.

On November 30, 2021, BASF completed the sale of the precision microchemicals business to Entegris. The transaction included fixed assets and inventories. The purchase price amounted to \$90 million. The precision microchemicals business was part of the Surface Treatment business unit of BASF's Coatings division, operating under the Chemetall brand.

On November 18, 2021, BASF and KaMin LLC. / CADAM S.A. (KaMin) signed an agreement to sell BASF's kaolin minerals business to KaMin, a global performance minerals company headquartered in Macon, Georgia. Currently, the kaolin minerals business is part of BASF's Performance Chemicals division and has approximately 440 employees in North America, Europe and Asia. The divestiture comprises the production hub with sites in Daveyville, Toddville, Edgar, Gordon and related mines, reserves and mills in Toombsboro and Sandersville in Georgia. The refinery catalysts operations located at the same site are not part of the divestiture. Pending approval by the relevant authorities, closing of the transaction is expected in the second half of 2022.

On November 9, 2021, BASF and Clayton, Dubilier & Rice sold their shares in Solenis to Platinum Equity, a private equity company based in Beverly Hills, California. With over 5,200 employees, Solenis serves customers in water-intensive industries by helping them solve complex water treatment and process improvement challenges. BASF held a 49% share in Solenis after transferring its paper and water chemicals business to the company in February 2019. This was reported as a non-integral investment accounted for using the equity method. The remaining 51% of the shares were held by funds managed by Clayton, Dubilier & Rice, and by Solenis management. The purchase price attributable to BASF was €1.1 billion. "

II. Supplemental information pertaining to GENERAL INFORMATION

The list in the section "Documents Available" on p. 189 of the Prospectus shall be supplemented by inserting the following additional items:

"(viii) the audited consolidated annual financial statements of BASF Group in respect of the financial year ended 2021."

III. Supplemental information pertaining to DOCUMENTS INCORPORATED BY REFERENCE

- 1. The list in the section "DOCUMENTS INCORPORATED BY REFERENCE" on p. 190 of the Prospectus shall be supplemented by inserting the following additional items:**

"(f) the published audited consolidated annual financial statements of BASF Group (English language version) dated December 31, 2021, including the auditors' report thereon."

- 2. The following tables shall be added to the table "Cross-reference list of Documents incorporated by Reference" on p. 190 of the Prospectus:**

<u>"Page</u>	<u>Section of Prospectus</u>	<u>Document incorporated by reference</u>
24	BASF Group, Financial Information	Financial Report 2021 of BASF Group (p. 186 – p. 286) Consolidated balance sheet (p. 196 – p. 197) Consolidated statement of income (p. 194) Consolidated statement of cash flows (p. 198) Notes (p. 200 – p. 286) Auditors' report (p. 188 – p. 193) https://www.basf.com/global/documents/en/news-and-media/publications/reports/2022/BASF_Report_2021.pdf

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