

150 Jahre



We create chemistry

**Speech at the 150th anniversary event,
Dr. Kurt Bock, Chairman of the Board
of Executive Directors of BASF SE,
Ludwigshafen, April 23, 2015**

The spoken word applies.

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Frau Bundeskanzlerin,
ladies and gentlemen,
colleagues,

As you can see, we are excited about the future and want to inspire other people too. This attitude has characterized BASF from the outset. 150 years is a special anniversary – it's usually an opportunity to look back and reflect, but also to look forward.

We are celebrating today in our “front parlor” – the Feierabendhaus – even though capacity here is limited. Like few other locations, this venue is representative of BASF's tradition and the close links with our neighborhood here in Ludwigshafen but also in Germany. As you can see, the venue can also be adapted to suit new developments.

Each of you here today has a special relationship with BASF – a very close one in some cases, in others on a more intermittent basis. We have invited you to say thank you and to celebrate with us. You have contributed to the fact that BASF has been successful for 150 years.

We are pleased that many of our customers – small and large – are with us today from all over the world. We have been working with many of you for decades; together we have grown and brought innovations to market.

BASF's globalization would also not have been successful without our suppliers and service providers: opening up new markets, building plants, and sourcing precursors and services.

We have become even closer with a whole range of our business partners. We have cooperations and joint ventures. In doing so, we have gained access to raw materials, expanded into new markets and jointly pioneered new technologies. This has been crucial to the development of BASF – initially in Europe and North America, then in China, Malaysia and Russia, just to mention a few countries.

Many of you fill all these roles simultaneously and are our customers, suppliers, partners and also competitors. Things are sometimes quite complicated in the chemical industry, so that's why connected thinking is so important for us.

Our success story has only been possible thanks to a high-performing and motivated leadership team and the commitment of each individual employee. In 1865, BASF started its activities with 30 employees. Today, we have more than 113,000 employees, more than half of whom work outside of Germany. We are proud of the skill and dedication of our team and proud of how it works together globally. This is something that we will be duly celebrating in this anniversary year at our sites around the world.

We are also proud of the social partnership in our industry. We have a very similar view of the challenges facing us in terms of our global competitiveness. And we know how much we can expect of each other.

And we are proud of how we identify and develop tomorrow's leaders. We familiarize them step by step with the diversity of our our global business, and we make it clear that at BASF the company and the issue at hand always take priority over the individual. Above all, our team is today more international than our founding fathers could ever have imagined, and if I may respectfully say, with a higher proportion of women.

Our success today is also due to the fact that the right course was set years or even decades ago. Sometimes, there are 10 to 20 years between an idea or a discovery and eventual commercial success. Especially in chemistry, we are constantly building on the achievements of our predecessors.

Most investors – I would like to be able to say all investors – share this long-term perspective. For them, the long-term strategy must be right, but it also has to be delivered every quarter. We have big institutional investors, some of whom have held large amounts of BASF stock for decades. But we also have very many retail

investors – more than 450,000 alone in Germany – who entrust us with their savings and to whom we feel obliged.

Investors and analysts observe us very closely. The same is true for the media. To them, BASF is always a good indicator for economic trends, but also a rewarding object of study to determine what is currently not working. And I can assure you that we are not always successful in everything we do. Nevertheless, we will try our best to remain spectacularly unspectacular for the media.

The press is a critical observer, but it also helps us to convey our messages to the general public. This is of enormous importance to us. Not just because members of the public buy and use our products – sometimes without even knowing that they are doing so – but also because the public guarantees our license to operate. We need to win people's acceptance and trust every day, and to show why they are justified. In Ludwigshafen this is today easier than in some emerging markets, where experiences with the chemical industry can certainly be ambivalent. The task does not become any easier when ever fewer people have seen factories and laboratories from the inside, let alone worked in them. And it is even more difficult, when large sections of society have a rather romantic understanding of nature and technology, and we know who invented romanticism.

Chemistry is complicated, as some of us had to learn the hard way in school. Our products are often not easy to handle, and most people don't necessarily swoon at the sight of a stream cracker. A sense of responsibility and openness, also in terms of transparency, are therefore core values for managing BASF. It is precisely for these reasons that we try to explain the benefits and possible risks of chemistry to people – be that in kindergartens, in our Kids' Labs or in dialog with the authorities and with politicians.

I am sure that the politicians among you will understand the allusion. We are a highly regulated industry, and we are particularly dependent on the political framework – not just in Germany and

Europe, but globally. Energy and climate policy, biotechnology, nanotechnology, fracking, or TTIP. The list doesn't end there.

We are therefore grateful for your presence today as representatives of state and politics. We are aware that you cannot simply grant our wishes, since there are also obviously opposing interests. Aside from skirmishes in the political arena and in the media, however, we do not lose hope that the costs and benefits of our industry will ultimately be assessed rationally – on the basis of scientific results and facts. Only then, for example, can you understand that we are currently implementing the largest investment program in decades in Germany.

We are pleased by the broad support given by the German government to science, research and excellence. Germany and BASF can only succeed through innovation. That is why expanding Germany's profile as a location for science is so important to us, just like initiatives such as the National Platform for Electromobility.

Ladies and Gentlemen,

This is the environment in which BASF operates. We want to remain successful. We conduct research and development, produce and sell our products, but all this is only successful if the chemistry is right. This is something else for which we stand with our claim "We create chemistry."

Young researchers have just impressively shown what we do. In the future there will be no lack of challenges that need to be tackled. Energy, housing and food are just some of the topics. In 1865, there were around 1.3 billion people on the planet; today there are seven billion, and in 2050 the global population is expected to exceed nine billion.

Chemistry is a key science, and the chemical industry is a key industry. Since our foundation we have therefore worked closely with universities and research institutes. We are also exploring new avenues, for example with our anniversary activities. In various cities around the world – Mumbai, Shanghai, New York, São Paulo,

Barcelona and here in Ludwigshafen – we are working with scientists, companies, authorities, NGOs and representatives of civil society. The goal of this Creator Space tour is to discuss urgent questions and to generate solutions together.

Cooperation is also a precondition for success in the world of music. Today that does not apply only to the relationship between the orchestra and its conductor. Together with composer Michael Nyman, we are breaking new ground for our anniversary celebration. In 2014, we asked our employees worldwide to record typical sounds of BASF – for example the flowing water of the Rhine River or the humming of production plants. Inspired by this sound library, Michael Nyman has composed a work that receives its world premiere today. We are very curious to hear it. I haven't heard it yet either.

We are confident that we will receive numerous new impulses and ideas by the end of 2015. We are driven by the possibly naïve conviction that there is a solution to every problem. One just has to try and keep on persevering. BASF's history has several such examples to offer, and I don't see why things should be different today. On the contrary: We are producing new knowledge faster today than ever before.

But today we face different challenges to those faced by our founding fathers in the 19th century. In 1865, they had to cope with more than 100 different types of coins in what would become the German Empire. The Goldmark did not become the legal currency until 1871. Europe was divided by customs borders, which was one reason why BASF started its first foreign production activities in Russia in 1875.

And our founders operated according to different societal understanding. The German historian Jürgen Osterhammel has described this very aptly: In this period, he says, the goal was to “increase the mastery of nature using scientific knowledge and to increase the wealth of entire societies through the application of

technology.” And at that time Europe was dominant technologically, economically and militarily.

Today, we no longer speak about mastering nature. Instead, the focus is on conserving natural resources and on sustainability. And Asia is in the fast lane. Some have suggested that Asia is currently undergoing a true industrial revolution that is allowing the region to catch up without repeating what Europe underwent in the 19th century. Twenty-five years ago at our last anniversary celebration, there were perhaps a few people who recognized this trend, but hardly anyone expected the extent of the tectonic shift that would in particular affect our industry.

Ladies and Gentlemen,

Chemistry was, is and will continue to be a key industry. In the future, our growth will predominantly take place outside of Europe. At BASF we want to continue to actively shape this transition. Science and our research will lay the foundations. Our strengths have grown over the past 150 years. Now it is up to us to continue to use these strengths, connected across the globe.

I wish all of us a great anniversary event. I look forward to the speeches and don't want to close without thanking Elise Kissling and Ina Ruhland who, with their teams, shaped and organized this year.