

News Release

P220/20e
June 8, 2020

Purchase of commercial paper by the Bank of England is part of BASF's existing commercial paper program

Ludwigshafen – June 8, 2020 – In April 2020, the Bank of England accepted BASF as an eligible counterparty with a solid A-rating. BASF subsequently issued commercial paper to the Bank of England in the amount of £1 billion maturing in March 2021. This transaction is based on the initial terms of the Covid Corporate Financing Facility (CCFF), which was published by the UK Treasury on March 17, 2020 to provide liquidity in the financial markets.

Purchases of commercial paper are customary financial market transactions. The transaction with the Bank of England does not include any conditions that restrict capital distributions or senior management remuneration. BASF pays interest on the outstanding commercial paper. Thus, the transaction with the Bank of England under BASF's existing commercial paper program does not have the character of state aid.

BASF preferably meets its external financing needs on the international capital markets. The company's global commercial paper program, which has an issuing volume of up to \$12.5 billion, is used for short-term financing. BASF has been active in the U.S. commercial paper market for more than 20 years. In 2020, the company also started to issue on the European commercial paper market.

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. More than 117,000 employees in the BASF Group work on contributing to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio is organized into six segments: Chemicals, Materials, Industrial Solutions,

Surface Technologies, Nutrition & Care and Agricultural Solutions. BASF generated sales of €59 billion in 2019. BASF shares are traded on the stock exchange in Frankfurt (BAS) and as American Depositary Receipts (BASFY) in the U.S. Further information at www.basf.com.