

**■ - BASF**  
We create chemistry

# BASF in India Report 2017





←

**Cover photo:**

Manufacturing, marketing and R&D colleagues at the Innovation Campus Mumbai

**On this page:**

BASF is headquartered in Ludwigshafen, Germany, where it maintains the world's largest integrated chemical production complex owned by a single company.

# BASF Group 2017

## Chemicals

The Chemicals segment comprises our business with basic chemicals and intermediates. Its portfolio ranges from solvents and plasticizers to high-volume monomers and glues as well as raw materials for detergents, plastics, textile fibers, paints and coatings, crop protection and medicines. In addition to supplying customers in the chemical industry and numerous other sectors, we also ensure that other BASF segments are supplied with chemicals for producing downstream products.



### Key data Chemicals<sup>1</sup> (million €)

	2017	2016	Change in %
Sales	16,331	12,905	27
Thereof Petrochemicals	6,389	5,035	27
Monomers	6,963	5,189	34
Intermediates	2,979	2,681	11
EBITDA	5,374	3,114	73
Income from operations (EBIT)	4,208	1,953	115
EBIT before special items	4,233	2,032	108

## Performance Products

Our Performance Products lend stability, color and better application properties to many everyday products. Our product portfolio includes vitamins and other food additives in addition to ingredients for pharmaceuticals, personal care and cosmetics, as well as hygiene and household products. Other products from this segment improve processes in the paper industry, in oil, gas and ore extraction, and in water treatment. They furthermore enhance the efficiency of fuels and lubricants, the effectiveness of adhesives and coatings, and the stability of plastics.



### Key data Performance Products<sup>1</sup> (million €)

	2017	2016	Change in %
Sales	16,217	15,558	4
Thereof Dispersions & Pigments	5,398	5,086	6
Care Chemicals	5,079	4,735	7
Nutrition & Health	1,844	1,932	(5)
Performance Chemicals	3,896	3,805	2
EBITDA	2,427	2,577	(6)
Income from operations (EBIT)	1,510	1,678	(10)
EBIT before special items	1,416	1,777	(20)

## Functional Materials & Solutions

In the Functional Materials & Solutions segment, we bundle system solutions, services and innovative products for specific sectors and customers, especially the automotive, electrical, chemical and construction industries, as well as applications for household, sports and leisure. Our portfolio comprises catalysts, battery materials, engineering plastics, polyurethane systems, automotive coatings, surface treatment solutions and concrete admixtures as well as construction systems like tile adhesives and decorative paints.



### Key data Functional Materials & Solutions (million €)

	2017	2016	Change in %
Sales	20,745	18,732	11
Thereof Catalysts	6,658	6,263	6
Construction Chemicals	2,412	2,332	3
Coatings	3,969	3,249	22
Performance Materials	7,706	6,888	12
EBITDA	2,251	2,906	(23)
Income from operations (EBIT)	1,545	2,199	(30)
EBIT before special items	1,617	1,946	(17)

## Agricultural Solutions

The Agricultural Solutions segment provides innovative solutions in the areas of chemical and biological crop protection, seed treatment and water management as well as for nutrient supply and plant stress.

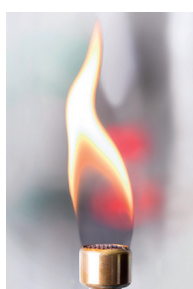


### Key data Agricultural Solutions (million €)

	2017	2016	Change in %
Sales	5,696	5,569	2
EBITDA	1,282	1,305	(2)
Income from operations (EBIT)	1,015	1,037	(2)
EBIT before special items	1,033	1,087	(5)

## Oil & Gas

In the Oil & Gas segment, we focus on exploration and production in oil and gas-rich regions in Europe, North Africa, Russia, South America and the Middle East. Together with our Russian partner Gazprom, we are also active in the transportation of natural gas in Europe.



### Key data Oil & Gas (million €)

	2017	2016	Change in %
Sales	3,244	2,768	17
EBITDA	2,069	1,596	30
Income from operations (EBIT)	1,043	499	109
EBIT before special items	793	517	53
Net income	719	362	99

<sup>1</sup> On January 1, 2017, the Monomers and Dispersions & Pigments divisions' activities for the electronics industry were merged into the global Electronic Materials business unit and allocated to the Dispersions & Pigments division. For better comparability, the affected figures for 2016 have been adjusted accordingly.

## Table of Contents

<b>About this report</b>	<b>4</b>
<b>Welcome</b>	<b>5</b>
<b>BASF Group 2017 at a glance</b>	<b>6</b>
<b>BASF Group</b>	<b>8</b>
<b>BASF in Asia Pacific</b>	<b>16</b>
<b>BASF in India</b>	<b>22</b>
<b>Environment and safety</b>	<b>25</b>
<b>Business development</b>	<b>30</b>
<b>Employees and society</b>	<b>32</b>
<b>BASF Group ten-year summary</b>	<b>38</b>
<b>Further information</b>	<b>39</b>



Inauguration of mobile emissions catalysts manufacturing site in Chennai

## About this report

The “BASF in India” Report is published annually as a concise document about the performance of our activities across the three dimensions of sustainability – economy, environment and society – in India. The reporting period for this publication is calendar year 2017. This report also carries an overview of BASF Group along with its financial performance, prepared in accordance with the requirements of the International Financial Reporting Standards (IFRS), and, where applicable, the German Commercial Code as well as the German Accounting Standards (GAS). The emissions, waste, energy and water use of consolidated joint operations are included pro rata, based on our stake. The employee numbers refer to employees within the BASF Group scope of consolidation as of December 31, 2017.

## Welcome

### Message from the Chairman and Managing Director

Dear friends & Stakeholders,

Innovation is a cornerstone of BASF's global strategy. We believe innovations based on chemistry will enable new solutions to the myriad sustainability challenges we face. This year marked a significant milestone for BASF in India with the inauguration of the Innovation Campus in Mumbai, BASF Group's largest research and development (R&D) investment in South Asia. The focus areas at the campus include crop protection and specialty chemicals research, as well as development activities in pharma ingredients, performance chemicals, care chemicals, and dispersions & pigments.

India is an important automobile manufacturing hub having overtaken Germany as the fourth largest auto manufacturer in 2017. We inaugurated our new mobile emissions catalysts manufacturing site in Chennai, housed under BASF Catalysts India Private Limited, which will help our customers meet increasingly stringent regulatory requirements such as Bharat Stage (BS) IV emissions norms which were introduced in 2017 and planned introduction of BS VI norms by 2020.

Our business performance in 2017 saw a significant improvement with a 21% increase in sales by location of customer. Volumes grew in all businesses despite lower economic growth. India rolled out a major tax reform with the introduction of the Goods and Services Tax (GST). At BASF, we were ready to comply on Day 1, thanks to the diligence of the project team and support from regional and global teams.

We remain steadfast in our commitment to minimizing our environmental footprint. While emissions rose slightly in some areas, due to significant increases in production volumes, we could achieve substantial improvements in the reduction in emissions of organic substances and nitrogen to water. This reduction was achieved with several measures related to waste water treatment and the optimization of effluent treatment plant processes at different sites.

Inclusion of diversity is important to BASF. For the second year running BASF was named by AVTAR as one of the 100 best companies for women in India, in their survey "2017 Working Mother and AVTAR Best Companies for Women in India". In 2017, BASF introduced the Knowledge Series to employees in India, a quarterly platform where inspirational speakers from various fields share experiences with employees.



An encouraging 2017 fills me with optimism for the future. We are firmly on the path of realizing our corporate purpose: We create chemistry for a sustainable future.

Best regards,

A handwritten signature in black ink, appearing to read 'Raman Ramachandran'.

**Raman Ramachandran**

Chairman and Managing Director  
BASF India Limited & Head of BASF South Asia

# BASF Group 2017 at a glance

## Economic data

		2017	2016	Change in %
Sales	million €	64,475	57,550	12.0
Income from operations before depreciation and amortization (EBITDA) and special items	million €	12,527	10,327	21.3
EBITDA	million €	12,724	10,526	20.9
Amortization and depreciation <sup>1</sup>	million €	4,202	4,251	(1.2)
Income from operations (EBIT)	million €	8,522	6,275	35.8
Special items	million €	194	(34)	.
EBIT before special items	million €	8,328	6,309	32.0
Financial result	million €	(722)	(880)	18.0
Income before taxes and minority interests	million €	7,800	5,395	44.6
Net income	million €	6,078	4,056	49.9
EBIT after cost of capital	million €	2,727	1,136	140.1
Earnings per share	€	6.62	4.42	49.8
Adjusted earnings per share	€	6.44	4.83	33.3
Dividend per share	€	3.10	3.00	3.3
Research and development expenses	million €	1,888	1,863	1.3
Personnel expenses	million €	10,610	10,165	4.4
Number of employees		115,490	113,830	1.5
Assets	million €	78,768	76,496	3.0
Investments <sup>2</sup>	million €	4,364	7,258	(39.9)
Equity ratio	%	44.1	42.6	-
Return on assets	%	10.8	8.2	-
Return on equity after tax	%	18.9	13.3	-
Net debt	million €	11,485	14,401	(20.2)
Cash provided by operating activities	million €	8,785	7,717	13.8
Free cash flow	million €	4,789	3,572	34.1

<sup>1</sup> Amortization of intangible assets, depreciation of property, plant and equipment, impairments and reversals of impairments

<sup>2</sup> Additions to intangible assets and property, plant and equipment (including acquisitions)

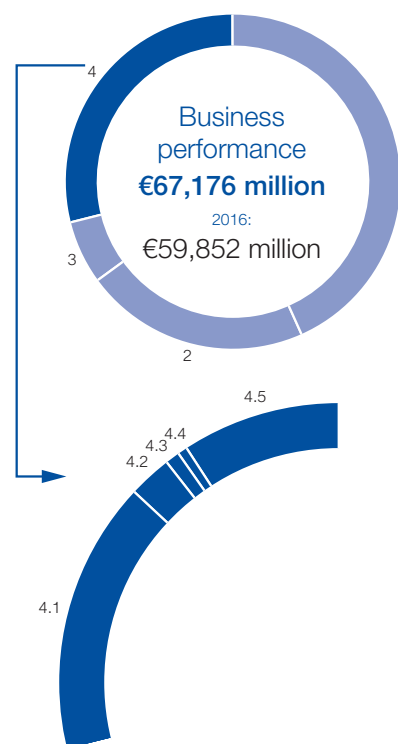
## Value added 2017<sup>3</sup>

### Creation of value added (million €)

	2017	2016
Business performance	67,176	59,852
1 Cost of raw materials and merchandise	(29,224)	(25,450)
2 Services purchased, energy costs and other expenses	(14,520)	(13,658)
3 Amortization and depreciation	(4,202)	(4,251)
4 Value added	19,230	16,493

### Use of value added

	2017	2016
4.1 Employees	55.2%	61.6%
4.2 Government	8.9%	8.6%
4.3 Creditors	2.9%	4.0%
4.4 Minority interests	1.4%	1.2%
4.5 Shareholders (dividend and retention)	31.6%	24.6%



<sup>3</sup> Value added results from the company's performance minus goods and services purchased, depreciation and amortization. Business performance includes sales revenues, other operating income, interest income and net income from shareholdings. Value added shows the BASF Group's contribution to both private and public income as well as its distribution among all stakeholders.

## Innovation

		2017	2016	Change in %
Research and development expenses	million €	1,888	1,863	1.3
Number of employees in research and development at year-end		10,110	9,966	1.4

## Employees and society

		2017	2016	Change in %
<b>Employees</b>				
Employees at year-end		115,490	113,830	1.5
Apprentices at year-end		3,103	3,120	(0.5)
Personnel expenses	million €	10,610	10,165	4.4
<b>Society</b>				
Donations and sponsorship	million €	56.0	47.0	19.1

## Environment, health, safety and security

		2017	2016	Change in %
<b>Safety, security and health</b>				
Transportation incidents with significant impact on the environment		0	0	0
Process safety incidents	per one million working hours	2.0	2.0	0
Lost-time injuries <sup>4</sup>	per one million working hours	1.4	1.5	(6.6)
Health Performance Index		0.97	0.96	1.0
<b>Environment</b>				
Primary energy use <sup>5</sup>	million MWh	57.3	57.4	(0.2)
Energy efficiency in production processes	kilograms of sales product/MWh	625	617	1.3
Total water withdrawal	million cubic meters	1,816	1,649	10.1
Withdrawal of drinking water	million cubic meters	20.3	20.7	(1.9)
Emissions of organic substances to water <sup>6</sup>	thousand metric tons	14.1	15.9	(11.3)
Emissions of nitrogen to water <sup>6</sup>	thousand metric tons	2.8	2.9	(3.4)
Emissions of heavy metals to water <sup>6</sup>	metric tons	24.8	23.2	6.9
Emissions of greenhouse gases <sup>4</sup>	million metric tons of CO <sub>2</sub> equivalents	22.6	22.0	2.7
Emissions to air (air pollutants) <sup>6</sup>	thousand metric tons	25.7	26.0	(1.2)
Waste	million metric tons	2.12	2.10	1.0
Operating costs for environmental protection	million €	1,024	1,011	1.3
Investments in environmental protection plants and facilities	million €	234	206	3.6

<sup>4</sup> The 2016 figure has been adjusted due to updated data.

<sup>5</sup> Primary energy used in BASF's plants as well as in the plants of our energy suppliers to cover energy demand for production processes

<sup>6</sup> Excluding emissions from oil and gas production

## Audits along the value chain

		2017	2016	Change in %
<b>Suppliers</b>				
Number of on-site sustainability audits of raw material suppliers		120	104	15.4
<b>Responsible Care Management System</b>				
Number of environmental and safety audits		109	121	(9.9)
Number of short-notice audits		63	37	70.2
Number of occupational medicine and health protection audits and health performance control visits		44	30	–

# BASF Group

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The approximately 115,000 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 arranged into five segments: Chemicals, Performance Products, Functional Materials & Solutions, Agricultural Solutions and Oil & Gas.

## Organization of the BASF Group

- Thirteen divisions grouped into five segments
- Regional divisions, functional units and corporate and research units support our business

Our 13 divisions are aggregated into five segments based on their business models. The divisions bear operational responsibility and are organized according to sectors or products. They manage our 55 global and regional business units and develop strategies for the 86 strategic business units.

Our regional units are responsible for optimizing local infrastructure, and contribute to tapping our market potential. For financial reporting purposes, we organize the regional divisions into four regions: Europe; North America; Asia Pacific; South America, Africa, Middle East.

Eight functional units and seven corporate units support the BASF Group's business activities. The functional and corporate units provide services in areas such as finance, investor relations, communications, human resources, engineering and site management, as well as environmental protection, health and safety. Our research and development organization has around 10,000 employees in global research units and safeguards our innovative capacity and competitiveness.

Business processes are the shared responsibility of the divisions and the functional units. They closely coordinate the procurement of raw materials and services, production and transport to customers.

## Sites and Verbund

- Six Verbund sites with intelligent plant networking
- 347 additional production sites worldwide
- Global Technology and Know-How Verbund

BASF has companies in more than 80 countries. We operate six Verbund sites and 347 additional production sites worldwide. Our Verbund site in Ludwigshafen, Germany, is the world's largest integrated chemical complex owned by a single company. This was where the Verbund principle was originally developed and continuously optimized before being implemented at additional sites.

The Verbund system is one of BASF's great strengths. Here, we add value as one company by using our resources efficiently. The Production Verbund intelligently links production units and their energy supply so that, for example, the waste heat of one plant provides energy to others. Furthermore, one facility's by-products can serve as feedstock else-

where. This not only saves us raw materials and energy, it also avoids emissions, lowers logistics costs and leverages synergies.

We also make use of the Verbund principle for more than production, applying it for technologies, know-how, employees, customers and partners, as well. Expert knowledge is pooled in our global research platforms.

## Procurement and sales markets

- Around 130,000 customers; broad customer portfolio
- More than 70,000 suppliers

BASF supplies products and services to around 130,000 customers from various sectors in almost every country in the world. Our customer portfolio ranges from major global customers and medium-sized businesses to end consumers.

We work with over 70,000 suppliers from different sectors worldwide. They supply us with important raw materials, chemicals, investment goods and consumables, and perform a range of services. Some of our most important raw materials are naphtha, natural gas, methanol, ammonia and benzene.

## Business and competitive environment

BASF's global presence means that it operates in the context of local, regional and global developments and is bound by various conditions. These include:

- Global economic environment
- Legal and political requirements (such as European Union regulations)
- Trade agreements like the North American Free Trade Agreement (NAFTA)
- Environmental agreements (such as the E.U. Emissions Trading System)
- Social aspects (such as the U.N. Universal Declaration of Human Rights)

BASF holds one of the top three market positions in around 75% of the business areas in which it is active. Our most important global competitors include AkzoNobel, Clariant, Covestro, DowDuPont, DSM, Evonik, Formosa Plastics, Huntsman, SABIC, Sinopec, Solvay and many hundreds of local and regional competitors. We expect competitors from Asia and the Middle East in particular to gain increasing significance in the years ahead.

## Corporate legal structure

As the publicly traded parent company, BASF SE takes a central position: Directly or indirectly, it holds the shares in the companies belonging to the BASF Group, and is also the largest operating company. The majority of Group companies cover a broad spectrum of our business. In the BASF Group Consolidated Financial Statements, 286 companies including BASF SE are fully consolidated. We consolidate eight joint operations on a proportional basis, and account for 35 companies using the equity method.



## Our Strategy

With the “We create chemistry” strategy, BASF has set itself ambitious goals. We want to contribute to a sustainable future and have embedded this into our corporate purpose: “We create chemistry for a sustainable future.”

In 2050, nearly 10 billion people will live on Earth. While the world's population and its demands will keep growing, the planet's resources are finite. On the one hand, population growth is associated with huge global challenges; and yet we also see many opportunities, especially for the chemical industry.

### Our corporate purpose

#### ■ We create chemistry for a sustainable future

We want to contribute to a world that provides a viable future with enhanced quality of life for everyone. We do so by creating chemistry for our customers and society and by making the best use of available resources.

We live our corporate purpose by:

- Sourcing and producing responsibly
- Acting as a fair and reliable partner
- Connecting creative minds to find the best solution for market needs

For us, this is what successful business is all about.

As an integrated global chemical company, we make important contributions in the following three areas:

- Resources, environment and climate
- Food and nutrition
- Quality of life

In doing so, we act in accordance with four strategic principles.

### Our strategic principles

**We add value as one company.** Our Verbund concept is unique in the industry. Encompassing the Production Verbund, Technology Verbund and Know-How Verbund as well as all relevant customer industries worldwide, this sophisticated and profitable system will continue to be expanded. This is how we combine our strengths and add value as one company.

**We innovate to make our customers more successful.** We want to align our business optimally with our customers' needs and contribute to their success with innovative and sustainable solutions. Through close partnerships with customers and research institutes, we link expertise in chemistry, biology, physics, materials science and engineering to jointly develop customized products, functional materials, and system solutions as well as processes and technologies.

**We drive sustainable solutions.** In the future, sustainability will more than ever serve as a starting point for new business opportunities. That is why sustainability and innovation are becoming significant drivers for our profitable growth.

**We form the best team.** Committed and qualified employees around the world are the key to making our contribution to a sustainable future. Because we want to form the best team, we offer excellent working conditions and inclusive leadership based on mutual trust, respect and dedication to top performance.

### Our values

Our conduct is critical for the successful implementation of our strategy: This is what our values represent. They guide how we interact with society, our partners and with each other.

**Creative:** In order to find innovative and sustainable solutions, we have the courage to pursue bold ideas. We link our areas of expertise from many different fields and build partnerships to develop creative, value-adding solutions. We constantly improve our products, services and solutions.

**Open:** We value diversity – in people, opinions and experiences. That is why we foster dialog based on honesty, respect and mutual trust.

**Responsible:** We act responsibly as an integral part of society. In doing so, we strictly adhere to our compliance standards. And in everything we do, we never compromise on safety.

**Entrepreneurial:** All employees contribute to BASF's success – as individuals and as a team. We turn market needs into customer solutions. We succeed in this because we take ownership and embrace accountability for our work.

### Our focus areas

#### ■ We set ourselves goals along the value chain for our focus areas

Sustainability is key to the company's long-term success and as such, is embedded into our corporate strategy. We have systematically formulated expectations for our conduct and defined focus areas to meet the growing challenges along the value chain:

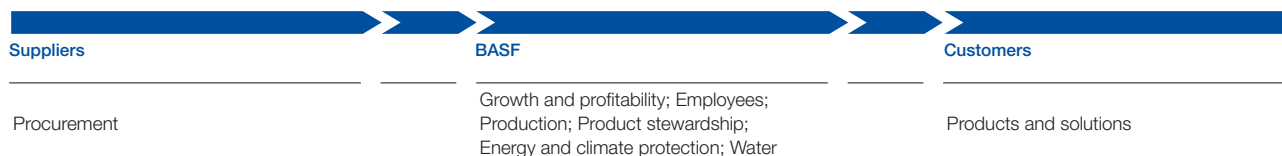
- We source responsibly
- We produce safely for people and the environment
- We produce efficiently
- We value people and treat them with respect
- We drive sustainable products and solutions

## Goals

We carry out our corporate purpose, “We create chemistry for a sustainable future,” by pursuing ambitious goals along our entire value chain. In this way, we aim to achieve profitable growth and take on social and environmental responsibility.

We are focusing on issues where we as a company can make a significant contribution.

### Goal areas along the value chain



## Procurement

	2020 Goal	Status at end of 2017
Assessment of sustainability performance of relevant suppliers; <sup>1</sup> development of action plans where improvement is necessary	70%	56%

<sup>1</sup> Our suppliers are evaluated based on risk due to the size and scale of our supplier portfolio. We define relevant suppliers as those showing an elevated sustainability risk potential as identified by our risk matrices and our purchasers' assessments. We also use further sources of information to identify relevant suppliers such as evaluations from Together for Sustainability (TFS), a joint initiative of chemical companies for sustainable supply chains.

## Growth and profitability

As determined in 2015, our aim for the years ahead is, on average, to grow sales slightly faster and EBITDA considerably faster than global chemical production (excluding pharmaceuticals; 2017: 3.5%; average change since 2015: 3.5%), and to earn a significant premium on our cost of capital. Moreover, we strive for a high level of free cash flow each year, either raising or at least maintaining the dividend at the prior-year level.

	2017	Change since 2016	Average change since 2015
Sales	€64.5 billion	12.0%	3.7% <sup>2</sup>
EBITDA	€12.7 billion	20.9%	13.1% <sup>2</sup>
Dividends per share paid out	€3.00	€0.10	
Premium on cost of capital	€2.7 billion		
Free cash flow	€4.8 billion		

<sup>2</sup> Baseline 2015: excluding the gas trading and storage business transferred to Gazprom

## Employees

	2021 Goal	Status at end of 2017
Proportion of women in leadership positions with disciplinary responsibility	22–24%	20.5%
<b>Long-term goals</b>		
International representation among senior executives <sup>3</sup>	Increase in proportion of non-German senior executives (baseline 2003: 30%)	38.9%
Senior executives with international experience	Proportion of senior executives with international experience over 80%	84.6%
Employee development	Systematic, global employee development as shared responsibility of employees and leaders based on relevant processes and tools	Project implemented worldwide

<sup>3</sup> The term “senior executives” refers to leadership levels 1 to 4, whereby level 1 denotes the Board of Executive Directors. In addition, individual employees can attain senior executive status by virtue of special expertise.

## Production

	2025 Goals	Status at end of 2017
Reduction of worldwide lost-time injury rate per one million working hours	≤0.5	1.4
Reduction of worldwide process safety incidents per one million working hours	≤0.5	2.0
	<b>Annual goal</b>	
Health Performance Index	>0.9	0.97

## Product stewardship

	2020 Goal	Status at end of 2017
Risk assessment of products that we sell in quantities of more than one metric ton per year worldwide	>99%	76.2%

## Energy and climate protection

	2020 Goal	Status at end of 2017
Coverage of our primary energy demand by introducing certified energy management systems (ISO 50001) at all relevant sites <sup>4</sup>	90%	54.3%
Reduction of greenhouse gas emissions per metric ton of sales product (excluding Oil & Gas, baseline 2002)	(40%)	(35.5%)

<sup>4</sup> The selection of relevant sites is determined by the amount of primary energy used and local energy prices.

## Water

	2025 Goals	Status at end of 2017
Introduction of sustainable water management at all production sites in water stress areas and at all Verbund sites (excluding Oil & Gas)	100%	45.2%

## Products and solutions

	2020 Goal	Status at end of 2017
Increase the proportion of sales generated by products that make a particular contribution to sustainable development (Accelerator products)	28%	27.3%

## BASF in the regions

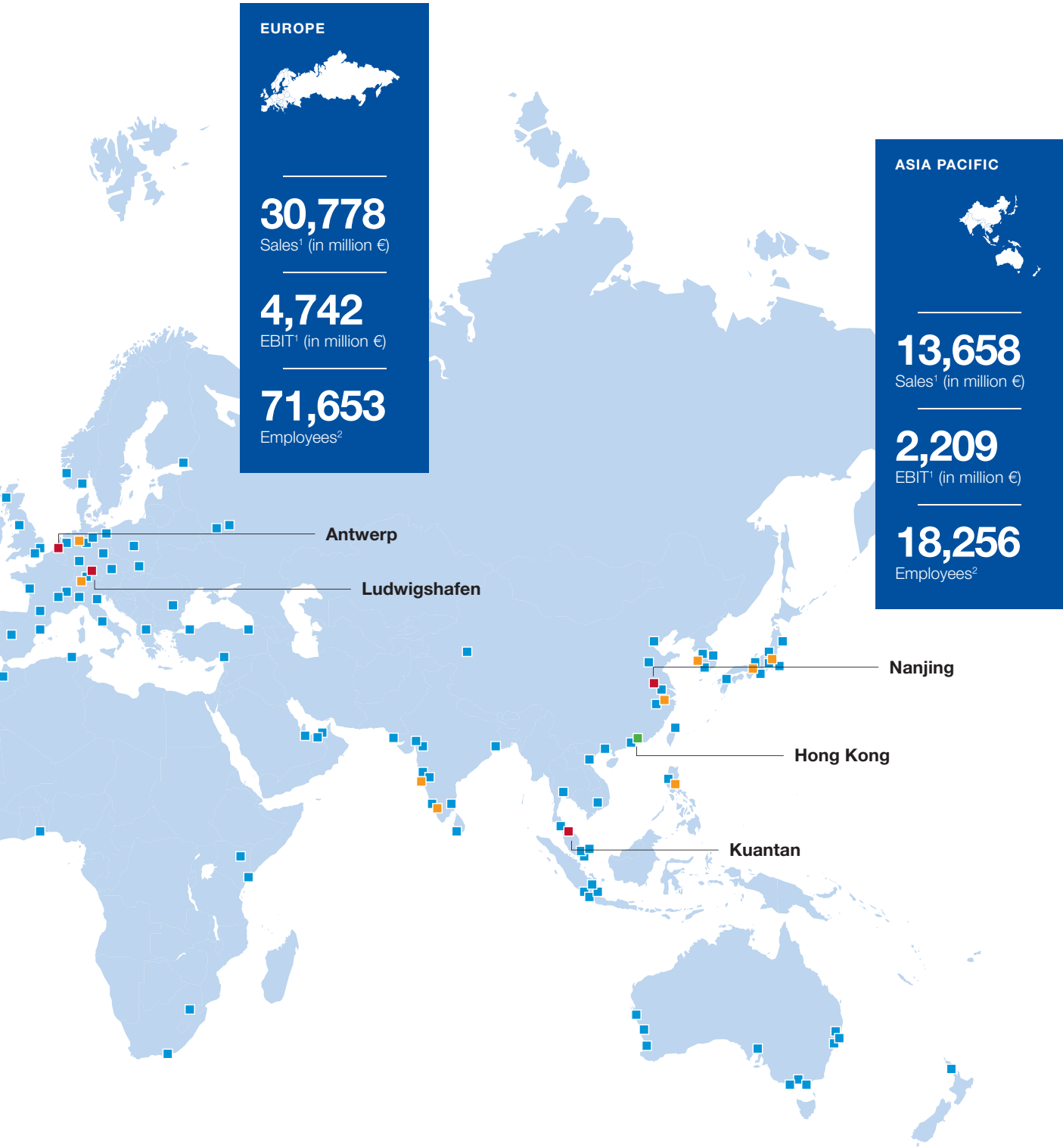
BASF Group sales 2017: €64,475 million;  
EBIT 2017: €8,522 million



- Regional centers
- Selected sites
- Verbund sites
- Selected research and development sites

<sup>1</sup> In 2017, by location of company

<sup>2</sup> At year-end 2017



## BASF on the capital market

The BASF share price rose by 3.9% in 2017, trading at €91.74 at the year-end. We stand by our ambitious dividend policy and paid a dividend of €3.10 per share – an increase of 3.3% compared with the previous year. BASF enjoys solid financing and good credit ratings.

### BASF share performance

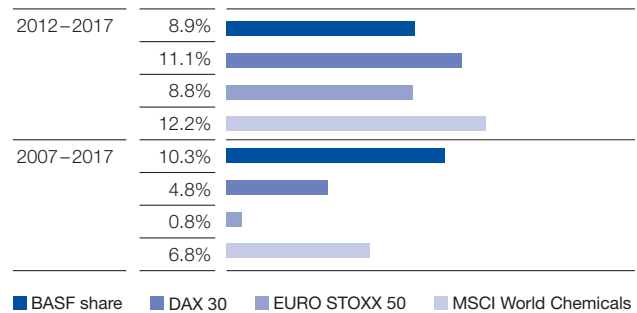
- BASF share gains 3.9% in 2017
- Long-term performance continues to clearly exceed benchmark indexes

The BASF share closed the 2017 stock market year with a closing price of €91.74. This equates to a 3.9% rise in the value of BASF shares compared with the previous year's closing price, which also marked the high for 2016. Assuming that dividends were reinvested, BASF shares gained 7.4% in value in 2017. The benchmark indexes of the German and European stock markets – the DAX 30 and the EURO STOXX 50 – rose by 12.5% and 9.2% over the same period, respectively. The global industry index MSCI World Chemicals gained 23.6%.

The BASF share reached a new high of €97.46 over the course of 2017. Viewed over a 10-year period, the long-term performance of BASF shares still clearly surpasses the German, European and global benchmark indexes. The assets of an investor who invested €1,000 in BASF shares at the end of

2007 and reinvested the dividends in additional BASF shares would have increased to €2,676 by the end of 2017. This represents an annual yield of 10.3%, placing BASF shares above the returns for the DAX 30 (4.8%), EURO STOXX 50 (0.8%) and MSCI World Chemicals (6.8%) indexes.

### Long-term performance of BASF shares compared with indexes (Average annual increase with dividends reinvested)

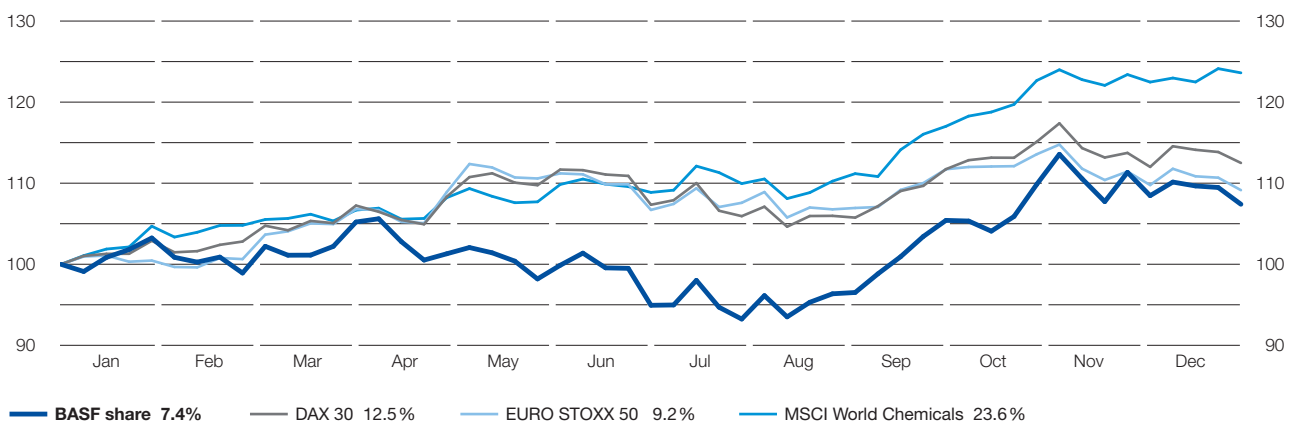


### Weighting of BASF shares in important indexes as of December 31, 2017

DAX 30	8.1%
EURO STOXX 50	3.5%
MSCI World Chemicals	8.6%

### Change in value of an investment in BASF shares in 2017

(With dividends reinvested; indexed)

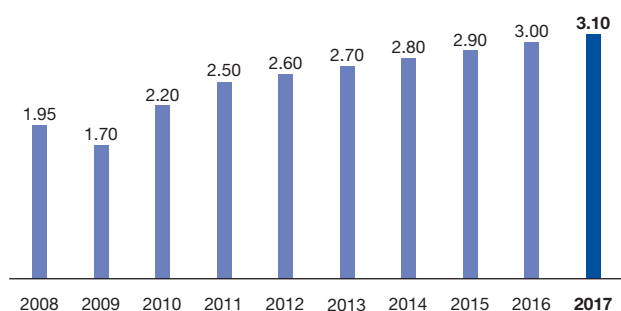


### Dividend of €3.10 per share

For 2017, BASF paid a dividend of €3.10 per share. We stand by our ambitious dividend policy and paid out nearly €2.8 billion to our shareholders.

Based on the year-end share price for 2017, BASF shares offer a high dividend yield of 3.4%. BASF is part of the DivDAX share index, which contains the 15 companies with the highest dividend yield in the DAX 30. We aim to increase our dividend each year, or at least maintain it at the previous year's level.

Dividend per share (€ per share)

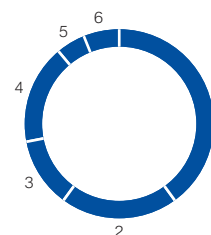


### Broad base of international shareholders

With over 500,000 shareholders, BASF is one of the largest publicly owned companies with a high free float. An analysis of the shareholder structure carried out at the end of 2017 showed that, at around 20% of share capital, the United States and Canada made up the largest regional group of institutional investors. Institutional investors from Germany accounted for around 11%. Shareholders from the United Kingdom and Ireland hold 12% of BASF shares, while investors from the rest of Europe hold a further 17%. Approximately 29% of the company's share capital is held by private investors, nearly all of whom reside in Germany. BASF is therefore one of the DAX 30 companies with the largest percentage of private shareholders.

Shareholder structure (by region, rounded)

1	Germany	40%
2	United States and Canada	20%
3	United Kingdom and Ireland	12%
4	Rest of Europe	17%
5	Rest of world	5%
6	Not identified	6%



### Employees becoming shareholders

In many countries, we offer share purchase programs that turn our employees into BASF shareholders. In 2017, for example, 23,700 employees (2016: approximately 24,000) purchased employee shares worth €63 million (2016: €59 million).

# BASF in Asia Pacific

## At a glance

### Economy

Sales by location of customer in the Asia Pacific region rose by 18% to €14,343 million in 2017 (2016: €12,165 million).

All segments contributed to this growth. The increase was attributable to higher sales prices as well as an increase in volumes. Adverse currency effects impacted sales negatively. Portfolio measures had no material effect on sales development in 2017.

EBIT in the region grew by 101% to €2,209 million. This was primarily due to a higher overall margin and volumes growth in all segments. There was a particularly strong increase in the contribution from the Chemicals segment.

As part of our regional strategy, we want to further increase the proportion of sales from local production in Asia Pacific. We once again made progress toward this goal in 2017: One example is the mobile emissions catalysts production site opened in Chennai, India, in March 2017. In Shanghai, China, we started up a large-scale plant for the production of chemical catalysts in November 2017. We will continue to work on this goal in 2018.

We also inaugurated our new Innovation Campus Mumbai in India which focuses on research in crop protection and specialty chemicals. It represents BASF's largest research and development investment in South Asia to date.

Our investments in production facilities and research serve to bring products to market for our local and global customers in the growing region of Asia.

#### BASF sales in Asia Pacific (billion €)

(by location of customer)

Year	Sales (billion €)
2017	14.3
2016	12.2
2015	12.3

#### BASF EBIT in Asia Pacific (million €)

(by location of company)

Year	EBIT (million €)
2017	2,209
2016	1,098
2015	445

### Environment

Throughout the value chain – in raw material sourcing, in our own operations, and in the solutions we provide to our customers – we aim to address environmental challenges in Asia Pacific.

At the raw material level, for example, the joint initiative established by BASF together with Arkema, Jayant Agro and the non-governmental organization Solidaridad to promote sustainability in the castor oil supply chain continued in 2017. With the Sustainable Castor Initiative – Pragati, the project members aim to improve the economic situation of castor oil farmers and their employees in India by helping them to optimize their yield and reduce the impact on the environment.

Throughout the region, BASF implemented a number of initiatives to support better energy and water efficiency and waste management at the site level. This included initiatives to increase recycling rates as well as increasing the re-use of cooling water.

During 2017, BASF introduced a wide range of solutions that help our customers meet their environmental goals. For example, to help improve indoor air quality, we launched the Acronal® ECO 7653 range of next-generation dispersions for interior paint with extremely low levels of volatile organic compounds, as well as Formaldpure™, a new catalyst which can rapidly remove formaldehyde from indoor air.

### Employees and society

As of the end of 2017, BASF employed 18,256 people in the Asia Pacific region (2016: 18,156). Of these, 25.9% were female (2016: 26.6%). There were 2,141 new hires in the region in 2017, 24.9% of which were female (2016: 32.1% of 1,733).

#### Number of employees (as of December 31)

Year	Total	% of which female
2017	18,256	25.9%
2016	18,156	26.6%
2015	17,562	26.2%

■ Total ■ of which female

#### Number of new hires (as of December 31)

Year	Total	% of which female
2017	2,141	24.9%
2016	1,733	32.1%
2015	1,861	25.1%

■ Total ■ of which female

BASF continually develops frameworks to support employees in identifying the most effective individual work practices. Such systems were introduced at BASF more than 20 years ago and are now in place throughout the Asia Pacific region.



## An interview with Sanjeev Gandhi

### Will BASF continue its growth momentum in Asia Pacific?

In 2017, BASF recorded significant sales and earnings growth in Asia across all markets and business segments. Asia Pacific will continue to be the world's largest market for production and consumption of chemicals, but significant challenges remain: volatile markets, fast-changing customer needs, stringent regulatory conditions, and energy and resources scarcity.

Therefore, along with extending our product portfolio through global and regional acquisitions, we are also further expanding our production network in emerging markets including China, India, Malaysia and Thailand. Our planned investments of around €2.7 billion between 2018 and 2022 will focus on areas where BASF is technologically leading, has a competitive advantage and expects above-average market growth. Our target remains to increase share of sales from own manufactured products. This will enable us to serve customers in the region quicker and with greater flexibility.

### How can BASF support innovation in Asia Pacific?

We aim to help our local customers to compete and gain a foothold in global markets. Innovation is key to this. We collaborate on innovation with our customers and partners throughout the value chain to offer new solutions that meet their sustainability goals.

We have been continuously expanding our research and development (R&D) footprint in Asia Pacific over the past five years, to drive innovation by integrating customer and market needs at an early stage. In 2017, we established a second Innovation Campus Mumbai in India, coupled with the expansion of the Innovation Campus Shanghai in China, including a new battery materials lab and Automotive Application Center. We also expanded the scope of our postdoctoral center in Asia Pacific, the Network for Asian Open Research (NAO), to include a significantly broader range of university partners and research areas. In close collaboration with our customers and the R&D community in the region, these innovation hubs enable us to better gauge emerging demand and research on tailored solutions for our customers.



Sanjeev Gandhi, member of the Board of Executive Directors, BASF SE, responsible for Asia Pacific

### What opportunities remain in the region?

Asia Pacific is the region where global megatrends – urbanization, need for safe and sustainable food supply, growing energy demand – are most evident. We focus on innovative businesses that contribute to energy efficient vehicles, affordable mass housing, advanced pharmaceutical production, more sustainable packaging and solutions for less resource-intensive agriculture. BASF will support these markets with solutions that meet our customers' sustainability challenges.

### What are BASF's plans for India?

BASF is expanding its research & development capabilities and its manufacturing capacity in India. BASF's Innovation Campus Mumbai, our largest R&D investment in South Asia, conducts research and development in a broad range of areas, including crop protection and specialty chemicals.

We continue to invest in expanding our manufacturing footprint, to realize the opportunities offered by government initiatives like Make in India, Smart Cities and Swachh Bharat. For example, we have recently doubled our automotive emissions catalysts manufacturing capacity to meet the rapidly growing demand for advanced emissions control solutions in India.

## Innovation

**Innovation in chemistry enables economic, environmental, and social development, and thus plays a key role in meeting the needs of Asia Pacific's growing population in a period of rapid urbanization. BASF is committed to fostering innovation in this dynamic region by constantly enhancing its local research capabilities. In the future, around a quarter of BASF's global research and development (R&D) activities will be in Asia Pacific.**

### Growing R&D capabilities in Asia Pacific

- **Launch of Innovation Campus Mumbai in India**
- **New Automotive Application Center Asia Pacific to be opened in 2018**

BASF has been continuously expanding its research and development footprints in Asia Pacific, to drive innovation by integrating customer and market needs at an early stage. With major R&D sites located in China, India, Japan and Korea, BASF had around 1,160 (2016: 1,100) R&D employees in Asia Pacific by the end of 2017.

BASF operates two Innovation Campuses in Shanghai, China, and Mumbai, India. This concept is unique to Asia Pacific and brings all parties, including R&D, business and production units, to a single integrated site. The Innovation Campuses are integral parts of BASF's global Know-How Verbund, and house global, regional and local R&D projects.

Innovation Campus Shanghai, located at BASF Shanghai Pudong Innovation Park in Shanghai, China, was inaugurated in 2012 and expanded in 2015. In July 2017, a new battery materials lab opened to address the R&D needs of the battery materials market and the fast-growing e-vehicle industry in China. Additionally, a new R&D building began construction in 2017 to house the new Automotive Application Center and the Process Catalyst R&D Center, which will be operational by end of 2018. Innovation Campus Shanghai is the global headquarters of Advanced Materials & Systems Research. It has a broad research portfolio in the areas of advanced materials, chemical process engineering and environmental catalysts. Combining technical development capabilities of the operating divisions, as well as industrial design expertise featured in Asia Pacific Design Center, the Innovation Campus Shanghai serves the innovation demand of almost all major industries.

Also in 2017, BASF inaugurated Innovation Campus Mumbai, with complementary research focusing on crop protection and specialty chemicals. It includes state-of-the-



**Innovation Campus Mumbai was inaugurated in March 2017**

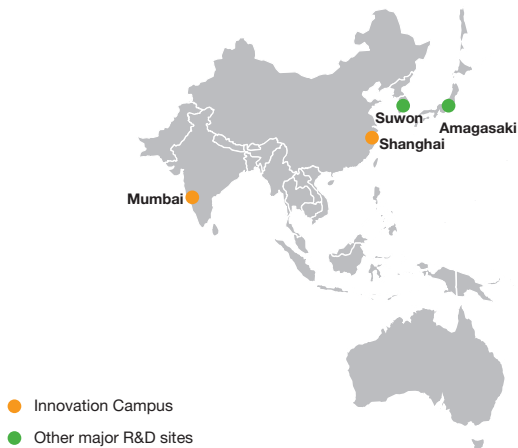


**Researchers work at the battery materials lab at BASF R&D Center Amagasaki, Japan**

art laboratories for chemical synthesis, application and process development, as well as analytics. The Innovation Campus Mumbai brings all new and existing R&D activities in Mumbai under one roof, located next to the office buildings and production plants at the Thane site in Navi Mumbai.

Across Asia Pacific, BASF R&D centers with specialized focus areas contribute to developing innovative solutions that address the region's challenges of resource efficiency, food and nutrition, and quality of life. BASF's R&D Center in Amagasaki, Japan, focuses on developing innovative materials to improve battery performance, while covering other R&D activities in electronics, pigments, plastic additives, packaging and adhesives. The company's R&D Center in Suwon, Korea, specializes in electronic materials development in close collaboration with major customers in Korea and across the region.

### BASF R&D setup in Asia Pacific



#### Asia Pacific R&D sites:

##### Innovation Campus Shanghai

- Focus: Advanced Materials, Process Engineering, Environmental Catalysts

##### Innovation Campus Mumbai

- Focus: Crop Protection, Specialty Chemicals

##### R&D Center Amagasaki

- Focus: Electronics, Battery Materials

##### R&D Center Suwon

- Focus: Electronics

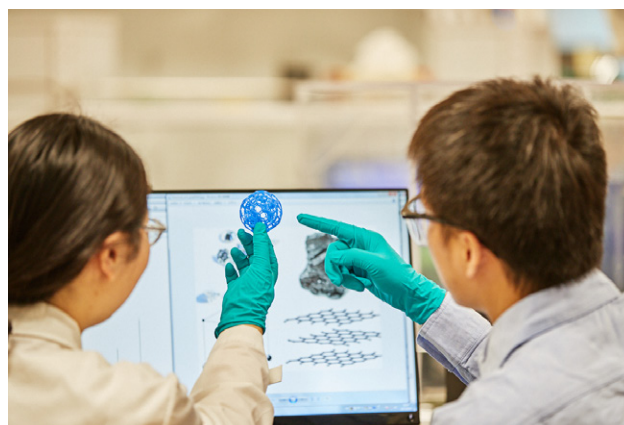
### Open innovation with academia and industry

- Network for Asian Open Research (NAO) expands topic scope with more partners
- Hosting Innovation Roundtable® in Shanghai

BASF places great value on open innovation through close collaboration with academic and industry partners around the world. It maintains a global network of around 600 partners from universities, institutes and companies, forming a key pillar of BASF’s global Know-How Verbund.

In Asia Pacific, Network for Asian Open Research (NAO, formerly known as the Network for Advanced Materials Open Research) has been a joint platform directed by BASF and leading universities and institutes in the region since 2014. In December 2017, NAO was expanded to include a broader range of university partners and research areas. The network now consists of 10 partners from China, Japan and Korea. Areas of collaboration have been extended to cover all technologies under BASF’s three global technology platforms, namely, Advanced Materials & Systems Research, Bioscience Research and Process Research & Chemical Engineering.

Since its establishment, BASF and its partners have completed more than 20 joint research projects, with 10 post-doctoral students joining BASF after the projects completion. Currently, NAO projects cover research areas including new monomers and polymers, surfaces and interfaces, zeolites, hybrid materials, coatings, as well as digitalization in R&D.



**Researchers analyze a 3D-printed sample at the lab. The Innovation Campus Shanghai houses two 3D printing labs focusing on solutions based on laser sintering process and photopolymer systems**

In September 2017, BASF hosted an event held by the global Innovation Roundtable® network at Innovation Campus Shanghai, attracting about 180 innovation managers, R&D experts and executives from many international companies. The two-day roundtable discussion focused on “Design Thinking & Scouting for Start-ups” and “Collaborative Business Model Innovation”. Innovation Roundtable is a learning network for best practice sharing, and fosters future collaborations among companies.

## Launch of Innovation Campus Mumbai

- BASF Group's largest R&D investment in South Asia
- Significant progress in pipeline for new insecticides, fungicides and specialty chemicals

In March, BASF inaugurated its new Innovation Campus in Mumbai. The project will involve a total expected investment of up to €50 million from BASF Group, and marks the Group's largest research and development investment in South Asia. Focus areas include crop protection and specialty chemicals research, as well as development activities in performance chemicals, care chemicals, and dispersions & pigments.

In May, BASF organized the first science symposium at the Innovation Campus to connect BASF experts with the academic research community. Over 80 scientists actively participated in the symposium. Researchers from leading Indian institutes like the Indian Institute of Technology – Bombay (IITB), the Indian Institute of Science Education and Research (ISER Pune) and the National Chemical Laboratory Pune (NCL Pune) gave lectures at the symposium. The presentations included diverse topics such as flow chemistry, protein-polymer based biomaterials, organic synthesis, and ultraviolet absorbers in care chemicals. The symposium introduced the role and capabilities of the Innovation Campus effectively, thus creating a platform of scientific excellence for future collaboration.

Research at the Innovation Campus resulted in significant progress in the project pipeline for new insecticides, fungicides and specialty chemicals. The research work resulted in the filing of multiple patent applications in 2017.



Innovation Campus Mumbai, India

## More sustainable toilet cleaning solution

- Lutropor® M, a green acid, is an alternative to HCl in toilet cleaning solutions

Most existing toilet cleaning fluids are based on hydrochloric acid (HCl), a strong mineral acid with many industrial uses. While the use of HCl is common, it can have adverse effects since the acid is toxic, corrosive and releases fumes.

BASF has launched and developed into the Indian market an alternative to HCl based toilet cleaners. BASF's Lutropor M is a green acid which is biodegradable, releases no volatile organic compounds, produces no acidic fumes and is minimally corrosive.

Lutropor also enables the manufacturer to become more efficient. There is a reduction in processing time leading to faster batch turnaround. In addition, the formulation also requires lower dosage levels. Finally, the energy consumption is also lower because Lutropor M allows a cold-water manufacturing process.



Biologist at the Agriculture Research Station, Pune

## BASF in India

### At a glance

**BASF has successfully partnered India's progress for more than 125 years, with all global businesses maintaining a presence in India today, except for Oil & Gas. At the end of 2017, BASF in India had 2,313 employees at 11 production sites and at offices throughout the country, as well as at its Innovation Campus Mumbai and at R&D centers in Mangalore. In 2017, BASF registered sales of approximately €1.3 billion to customers in India.**

BASF recorded its first sales in India in the year 1890 in textile colors. BASF India Limited was listed on the Bombay Stock exchange in 1968. Today, BASF in India has a diversified portfolio organized into four segments: Chemicals, Performance

Products, Functional Materials & Solutions and Agricultural Solutions.

BASF India Limited<sup>1</sup>, the flagship company of BASF in India, is a public limited company with 73.33% of the shares held by BASF SE and its Group companies. BASF and its Group companies maintain key production sites at Dahej, Mangalore, Ankleshwar, Thane and Chennai. The Mangalore site is BASF's largest manufacturing site in South Asia (in terms of area). BASF SE holds 90% of BASF Catalysts India Pvt. Limited through its Group companies. BASF also maintains two R&D centers in India, in Mumbai and Mangalore, which are part of BASF's global technology platform.



Chemical production site in Dahej, Gujarat

<sup>1</sup>Listed on the BSE Limited and National Stock Exchange of India Ltd.



**BASF in India**

Sales (by location of customer)

Employees (as of December 31, 2017)

€1.3 billion

2,313

## Major sites

### **Bandra Kurla Complex office, Mumbai**

---

- Registered office of BASF in India since December 1, 2017

### **Ankleshwar Site, Gujarat**

---

- Established in 1996 (part of BASF since the acquisition of Ciba and Diamond Dye Chem in 2010)
- Pergasol® line upgraded in 2012 to produce world-class paper dyes for global customers
- Global supply hub for Optical Brightening Agents, Imaging & Colorants used in papermaking and home care products.

### **Chennai Site, Tamil Nadu**

---

- Established in 2017
- Produces a full range of catalyst solutions, including light duty, heavy duty and motorcycle emissions catalysts

### **Dahej Site, Gujarat**

---

- Established in 2014
- Single largest investment to date in BASF India, at INR 1,000 crores (approximately €150 million)
- Includes an integrated hub for polyurethane manufacturing and production facilities for care chemicals and polymer dispersions

### **Kharagpur Site, West Bengal**

---

- Established in 2016
- Focuses on producing standard and custom-made performance based construction chemicals

### **Mangalore Site, Karnataka**

---

- Established in 1996
- BASF's largest manufacturing facility in South Asia, covering 34.6 hectares
- First manufacturing operation for fine chemical catalysts in Asia Pacific, established in 2013
- Houses coatings technical support lab, which offers technical and product development support to local and global customers

### **Nallagarh Site, Himachal Pradesh**

---

- Established in 2007
- Engaged in the production of customized admixture

solutions for construction of high rise buildings, overbridges, underground construction and other long-lasting infrastructure construction

### **Nellore Site, Andhra Pradesh**

---

- Established in 2014
- Largest construction chemicals site of BASF in India
- Produces standard and custom-made performance based admixtures

### **Thane Site, Navi Mumbai**

---

- Established in 1966
- Engaged in the production of engineering plastics, coolants, polyurethanes, textile, leather auxiliaries, care chemicals and construction chemicals, catering to key customers in the northern and western markets

### **Turbhe Site, Navi Mumbai**

---

- Established in 1998
- Focuses on producing standard and custom-made performance based construction chemicals

### **Chemetall India Pvt Ltd site, Pune**

---

- Established in 2011 (part of BASF since the acquisition of Chemetall in 2016)
- Engaged in production of industrial coatings, surface and treatment solutions, catering to key customers in Pune

### **Agricultural Research Station, Pune**

---

- Established in 2015
- Focuses on global agricultural research on herbicides, fungicides and insecticides

### **Innovation Campus, Navi Mumbai**

---

- Inaugurated in 2017
- Marks BASF's largest research and development investment in South Asia
- Will ultimately employ up to 300 scientists
- Focus areas include crop protection and specialty chemicals as well as development activities in pharma ingredients, care chemicals, performance chemicals and dispersions & pigments



## Environment and safety

At BASF, we never compromise on safety. This principle is anchored in our strategy and underlines our philosophy in operating our own facilities and dealing with third parties. BASF has embraced the goals of the chemical industry's voluntary Responsible Care® initiative which covers environmental protection, health and safety (EHS) as well as security and energy efficiency, and applies them to its operations. The Responsible Care Management System (RCMS) is based on BASF's strategy and is binding for the whole BASF Group. Just as the company applies stringent standards to its own operations, we demand the same high standards of our contractors and suppliers. We choose carriers, service providers and suppliers not just on the basis of price, but also based on their performance in environmental and social responsibility.

### Process safety

- HAZOP study carried out at three plants
- Reviews conducted for ongoing projects at sites

Hazard review is an ongoing and continuous process for all manufacturing units. This year, process safety experts helped conduct hazard and operability (HAZOP) reviews at the dispersions production plants in Mangalore and Dahej, and the liquid petroleum gas storage facility at the catalysts production site in Chennai. A process review was conducted at the Dahej and Ankleshwar sites following additional investments at the existing plants, using BASF standard guidelines on a software platform which was developed globally.

Any change in the existing process or operation which is critical to safety undergoes a management of change process. The process safety team supports in identifying and implementing effective control measures to eliminate or reduce risks by implementing suitable control measures.



Fire fighting drill, Thane

### Product stewardship

- Global directives with uniformly high standards for product stewardship

We review the safety of our products from research and development through production and all the way to our customers' application. We work continuously to ensure that our products pose no risk to the people or the environment when they are used responsibly and in the manner intended. BASF also ensures uniformly high standards for product stewardship worldwide.

BASF in India adopted the Globally Harmonized System (GHS) for classification and labelling of chemicals in 2016, and today all our product packaging in India uses GHS labels. GHS labels not only ensure a high standard of protection for human health and the environment, but also facilitate free trade of chemical products between countries.

By 2020, we will conduct risk assessments for all substances and mixtures BASF sells worldwide in quantities of more than one metric ton per year, including in India. The risk associated with using a substance is determined by the combination of its hazardous properties and its potential exposure to people and the environment.

### Emergency response

- Emergency response plans reviewed at Dahej, Chennai and Kharagpur sites.
- Firefighting training sessions and mock drills conducted at all manufacturing sites

We work to ensure emergency response preparedness across all the sites and offices of BASF in India. In 2017, the emergency response team reviewed emergency response plans at BASF manufacturing sites in Dahej, Chennai and Kharagpur.

A train-the-trainer session on hazardous material (hazmat) handling was held in Shanghai by experts from the BASF fire department in Ludwigshafen, Germany, attended by a BASF representative from India. This employee will in turn organize training sessions to develop hazmat teams across all the sites of BASF in India.

Firefighting training, along with mock incident drills, were conducted at all manufacturing sites by the respective site EHS managers. Firefighting training sessions were also conducted at offices including Navi Mumbai and Bangalore.

Existing hazmat teams also supported and responded to off-site emergency incidents related to drum and product safety at customer and distributors' warehouses.

## Security

### ■ Risk assessment, crisis management training and desktop drills at select sites

In 2017, security at BASF continued to focus on the design and execution of security for new projects, information protection and crisis preparedness. Harmonized standards for electronic surveillance systems were established and these standards were implemented when upgrading an existing electronic surveillance system or installing a new system. This harmonization would be beneficial as it would result in optimization of security deployment and provide better insights into efficiency of security processes.

To ensure a sound and timely response during incidents and crises, certain sites and departments undertook risk assessments, crisis management training sessions and desktop drills, conducted jointly by the corporate security and corporate affairs teams.

## Transportation and distribution safety

- Behavior Based Safety video for transport vehicle drivers
- 50% reduction in transport accidents
- Best compliant company for the Distribution Safety code under Responsible Care

In 2017, the transport and distribution safety team at BASF continued its efforts to improve the safe driving behavior of drivers which directly impacts transport accidents. A behavior based safety training video was developed in local language, Marathi, and rolled out in the second half of 2017. The video covered topics like defensive driving, causes of accidents, tips on how to avoid accidents, and BASF-specific safety requirements like maximum speed, night driving restrictions and actions in case of emergency. The training program was rolled out to more than 200 drivers. In addition, the team organized several three-day driver training programs, to help drivers improve their defensive driving skills.

We conducted a series of safety meetings with logistics service providers to support with the implementation of safety programs and practices. Nearly all of our third-party warehouses have now been rated as low risk.

The overall safety performance and practices adopted by BASF India for transportation and distribution safety has not only helped us to reduce transport accidents and lower the risk in distribution of chemicals, but also set a benchmark in the chemical industry.



BASF was awarded the Indian Chemical Council Certificate of Merit to recognize its compliance with the Distribution Code under Responsible Care.

## Water

### ■ Reduction in emissions organic substances and Nitrogen to water

Water is one of the most important resources for production of chemicals. BASF takes care to use water responsibly and to minimize emissions. In 2017, in spite of increased water use due to higher levels of production, BASF reduced emissions of organic substances and nitrogen to water significantly. This was achieved with the help of implementation of measures related to waste water treatment and optimization of effluent treatment plant processes at several sites.

Emissions of organic substances to water (COD) decreased to 49 metric tons (2016: 61 metric tons), and nitrogen emissions to water decreased to 1.0 metric tons (2016: 1.6 metric tons). Emissions of heavy metals to water increased to 0.15 metric tons in 2017 (2016: 0.14 metric tons).

**Emissions to water (total): Organic Substances (COD) (Metric tons)**

2017	49	
2016	61	
2015	58	

**Emissions to water (total): Nitrogen (COD) (Metric tons)**

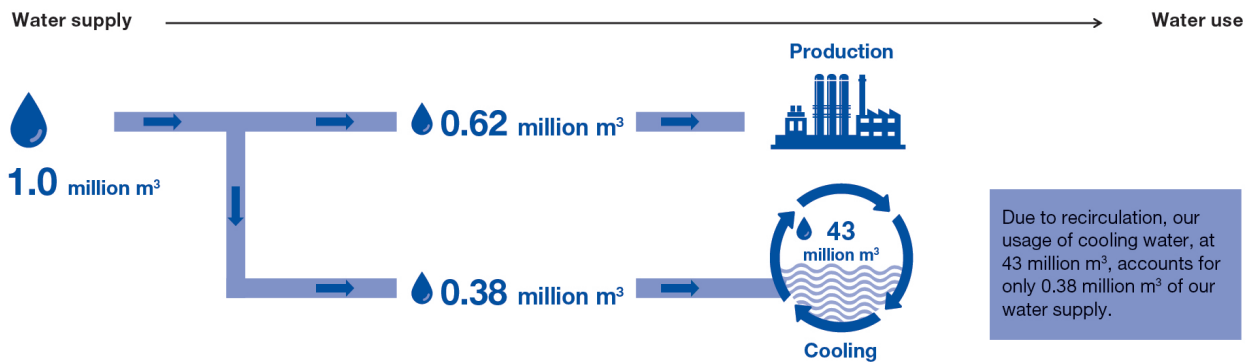
2017	1.0	
2016	1.6	
2015	1.3	

**Emissions to water (total): Heavy Metals (Metric tons)**

2017	0.15	
2016	0.14	
2015	0.12	

Water used for production decreased to 62,000 cubic meters in 2017 (2016: 67,000 cubic meters). This metric refers to water that has come into contact with products, for example, when used for washing or as solvent or a reaction medium. Water used for cooling rose marginally to 43 million cubic meters (2016: 42 million cubic meters) because of increased production. Due to very efficient recirculation of water that was used for cooling, the total water supply was only 1 million cubic meters in 2017 (2016: 0.98 million cubic meters).

### Water use in India (million cubic meters)



**Water supply (million cubic meters)**

2017	1.0	
2016	0.98	
2015	0.92	

**Water use (million cubic meters)**

	Production	Cooling
2017	0.62	43
2016	0.67	42
2015	0.64	40

## Waste

In 2017, BASF generated 12,830 metric tons of waste in India, compared to 13,208 metric tons in 2016.

### Waste (total) (metric tons)

Year	Waste (metric tons)	Recycled waste (%)
2017	12,830	48%
2016	13,208	50%
2015	11,420	53%

■ Amount of waste ■ Amount of recycled waste

## Emissions to air

### Greenhouse emissions increased due to higher production volumes

Greenhouse gas emissions of BASF increased to 89,055 metric tons in 2017 (2016: 84,515 metric tons) due to increase in production volumes as a result of all the plants at Dahej became fully operational.

### Greenhouse gas emissions (total) (metric tons of CO<sub>2</sub> equivalents)<sup>1</sup>

Year	Emissions (metric tons of CO <sub>2</sub> equivalents)
2017	89,055
2016	84,515
2015	78,198

<sup>1</sup>CO<sub>2</sub> equivalents include: CO<sub>2</sub>, N<sub>2</sub>O, CH<sub>4</sub>, HFC, PFC, SF<sub>6</sub>

In 2017, our emissions of air pollutants were 144 metric tons, slightly decreased compared to the previous year (2016: 146 metric tons).

### Air pollutants<sup>2</sup> (without CH<sub>4</sub>) (metric tons)

Year	Emissions (metric tons)
2017	144
2016	146
2015	132

<sup>2</sup>Air pollutants consist of CO, NOx, SOx, NMVOC (non-methane volatile organic compounds), dust, NH<sub>3</sub> and other organic compounds

## Energy

### Overall production increased resulting in higher energy consumption

BASF production volumes increased in 2017 at manufacturing sites in India.

In 2017, steam consumption increased to 106,496 metric tons (2016: 96,857 metric tons) due to the increase in production volumes.

### Steam consumption (total) (metric tons)

Year	Consumption (metric tons)
2017	106,496
2016	96,857
2015	95,868

In 2017, electricity consumption also increased to 71,152 MWh (2016: 66,580 MWh).

### Electricity consumption (total) (MWh)

Year	Consumption (MWh)
2017	71,152
2016	66,580
2015	63,982

There was an increase in fuel consumption from central power plants and boilers compared to the previous year, to 94,593 MWh (2016: 92,855 MWh). This is attributable to all plants at Dahej becoming fully operational.

### Fuel consumption (total) (central power plants and boilers) (MWh)

Year	Consumption (MWh)
2017	94,593
2016	92,855
2015	86,064






The environment, health and safety team performs a safety inspection at a manufacturing site.

## Business development

BASF continued its expansion in India in 2017, with the establishment of its 11 manufacturing facility. Our research and development footprint was also expanded significantly with the inauguration of the Innovation Campus in Mumbai.

Sales to customers rose significantly to €1,326 million in 2017 (2016: €1,098 million). Almost all business units witnessed an increase in volumes.

Sales (by location of customer) (million €)

2017	1,326	
2016	1,098	
2015	1,112	

### New catalyst plant in Chennai

- BASF doubles catalyst manufacturing capacity
- Site produces full range of emission catalysts

BASF Catalyst India Private Limited inaugurated a new mobile emissions catalysts manufacturing site in Chennai in March 2017. The site includes a new 47,000-square-meter production plant, which replaces an existing BASF plant in Chennai and is the culmination of a three-year expansion project, which has doubled the company's catalyst manufacturing capacity in India. The site produces a full range of catalyst solutions, including light duty, heavy duty and motorcycle emissions catalysts to meet growing market demand and customer technology needs.

The site produces BASF EMPRO™ emissions control solutions, including the Three-Way Catalyst (TWC), Diesel Oxidation Catalyst (DOC), Catalyzed Soot Filter (CSF) and Selective Catalytic Reduction (SCR) Catalyst.

With the expansion of our manufacturing capacity and capabilities in Chennai, BASF is better positioned to respond to the increase in demand for advanced emissions control solutions in India. It will also help our customers meet increasingly stringent requirements such as the Indian government's decision to advance from BS IV emissions norms to BS VI norms by 2020.



BASF catalyst plant in Chennai

### Launch of new solution for the paint Industry

- Unique technology of Acronal® 7079 ensures both good dirt pick-up resistance and elasticity

The durability of exterior coatings is dependent on a number of factors related to weathering, such as colour retention, alkaline and efflorescence resistance, crack bridging ability, and, most importantly, dirt-pickup resistance (DPUR). Indian environmental conditions in general tend to have higher levels of aerial dust, which makes exterior coatings more prone to picking up dirt. High levels of DPUR denote the ability of the paint to maintain its original appearance in terms of soiling caused by exterior environmental conditions.

A major technical challenge for many paint chemists has therefore been to formulate a paint that not only has good DPUR properties, but also has good elasticity properties to prevent the formation of cracks. The prevention of cracks allows good water resistance and water vapor permeability.

Acronal® 7079, with its controlled emulsion polymer structure and crosslinking technology, has made it possible to bring together two contradictory properties into one paint: good DPUR and crack bridging ability.

Indigo paints, a leading paint company located in Pune, has developed a new paint based on Acronal 7079 under its Platinum series of high end paints: Indigo Dirtproof & Waterproof Exterior Laminate, the most advanced single coat elastomeric paint in India.

## Strategic partnership with Vital Therapeutics

### ■ Breakthrough in the powder choline chloride market through strategic partnership

BASF is one of the leading companies in the animal nutrition industry. Choline, which is included in vitamin-like substances, is necessary for the formation of vital bodily substances, for example creatine and adrenaline, and in fat conversion and other metabolic reactions. A sufficient supply of choline contributes to a vital and productive flock. Animals can produce certain amounts of choline themselves, but it does not suffice to meet their own demand. Therefore, it is beneficial to add choline to feed.

India's feed industry predominantly uses the powder, rather than the liquid form of choline chloride. To supply this market, BASF entered into a strategic partnership with Vital Therapeutics, a leading manufacturer of vitamin premixes and veterinary formulations, to bring a new choline chloride product in powder form to the feed industry in India. Under the terms of this partnership, Vital converts choline chloride liquid from BASF to a powder form at a new manufacturing plant set up specifically for this purpose at Secunderabad.

BASF and Vital also entered into a brand alliance under this partnership. Vital's choline products, Vitachol 50® and Vitachol 60®, are co-branded with BASF logo, which mentions BASF as the supplier of choline chloride, on the packaging. This partnership between BASF and Vital Therapeutics has opened up a new market segment for choline chloride powder formulations, while offering the premium product to customers at competitive price levels to meet their expectations.



Vitachol 60®, a co-branded feed product

## Range of crop protection products launched

### ■ Range of products launched for the rice and fruit market

India has the largest rice cultivation area in the world, at nearly 44 million hectares. In January 2017, BASF entered the rice market in India with the launch of range of crop protection products. These products will help rice growers to stabilize harvests and increase productivity.

Seltima is an innovative fungicide that not only is extremely effective in controlling rice blast but also offers added plant health benefits. Adexar, another fungicide launched this year, helps control sheath blight and provides sturdiness to the crop. Basagran is a herbicide that is very effective in control of tough sedges and broadleaf weeds.

BASF also launched new crop protection products for fruit growers. Signum, a fungicide, was launched for the grape market. Signum provides both disease control and stress tolerance. Merivon is an innovative broad spectrum fungicide which was launched for the apple market.



Seltima, a fungicide for the rice market, was launched in India in 2017.

# Employees and society

## Employees

Employees forming the “best team” are the foundation of our excellent performance and ensure our long-term success: their skills, commitment and motivation make BASF competitive and fit for the future. This belief is seen in the tangible efforts and resources the company puts into the development of the employees as well as into company sponsored activities to strengthen the team. As of the end of 2017, BASF in India had a total of 2,313 employees (2016: 2,356).

### Recruitment

- **BASF adds new tools and techniques to aid recruitment process**

BASF’s success as an organization is largely dependent on the skills, values and passion of its people. We constantly look for new tools and techniques to aid in the recruitment process. We also extensively utilized psychometric tools based on BASF’s competencies and organized a competency-based interviewing techniques workshop for all hiring managers. For lateral hiring of middle-managers and above, we introduced an added interview stage, a panel comprising diverse business and function leaders for a broader assessment of the candidate.

We reduced our dependence on external agencies and consultants. Our “Mitr” (“Friend”) referral program and “Udaan” (“Flight”) internal career development program contributed significantly to hiring in the past year.

The “Grow” Graduate Program® underwent significant changes and improvements. More rigorous selection and onboarding processes were put in place and salary structures were revised. We utilized automated digital assessments to test technical abilities and implemented online aptitude tests to identify high potential candidates. We hired more than twice the number of candidates hired in the previous year.

#### Number of employees (as of December 31, 2017)

2017	2,313	<div style="width: 100%; height: 10px; background-color: #c00000;"></div>
2016	2,356	<div style="width: 100%; height: 10px; background-color: #e67e22;"></div>
2015	2,236	<div style="width: 100%; height: 10px; background-color: #e67e22;"></div>

### Career development

- **Includes training and performance management**
- **BASF introduces new programs for development of employees**

BASF leadership has contributed greatly to the building of a culture of greater ownership and accountability, by contributing actively in initiatives like the Critical Leadership Skills Program, the New Leader Program and the Project Related Development program.

The New Leader program was introduced this year. This program was designed by BASF globally and adapted for local implementation and made sustainable by using a leader-led facilitation model. Human resources and business sales leaders partnered to lead three-day workshops at five different locations after undergoing a rigorous train-the-trainer program. The participants were then guided through their learning journey by calls with the facilitators after the first and second months.



Participants in the New Leader Program in Mumbai

A project related development program was launched in 2017. This is an active learning model where participation is invited from all employees in projects that engage business and functional units. This is a proven framework to develop practical industry and sector knowledge and stay abreast with industry best practices.

The BASF Excellence Academy for Manufacturing added performance and employee development related programs at the sites. Meanwhile, the talent development portfolio saw an expansion in profiles by adding another pool of technical experts through the technical excellence community. A new e-learning tool not only augments the learning experience but is also beneficial for employees who are located at remote locations.



## Working at BASF

- Knowledge Series introduced program
- Cultural and sports programs encourage fun at work

A variety of programs to enhance team spirit and knowledge are arranged at BASF sites around India.

In 2017, BASF introduced the Knowledge Series to employees in India, a quarterly platform where inspirational speakers from various fields share experiences with employees. During the session, employees can interact with the speakers on key topics like leadership, strategy, organizational culture, and inclusion of diversity. The first program was held in October in which Captain Raghu Raman, a former Army Officer and founding CEO of the National Intelligence Grid (NATGRID), gave a stirring account of leadership under the most trying circumstances in his talk on “Leadership at 26,000 Feet”. Captain Raman’s session focused on insights and critical leadership skills.



**Captain Raghu Raman at the Knowledge Series program “Leadership at 26,000 Feet”**

To foster a sense of comradery among employees at the Ankaleshwar site, a family get-together, followed by a cultural evening, was organized at the Ankaleshwar site. A Dashera celebration and garba event was also organized at the site to mark the festival. A two-day annual sports event was organized in which employees competed in various indoor and outdoor games. These employee engagement activities, along with other initiatives, like the New Leaders Program and Scholarship Grant Program for employees’ children, contribute to employee engagement around India.

BASF India held a table tennis tournament at the Navi Mumbai office in a new and engaging league format, inspired by the popular IPL Cricket League. The two-day tournament drew participation from 50 employees including the leads of the Fit@BASF initiative.

## Inclusion of diversity

- BASF is one of 100 best companies for women in India
- Diversity and Inclusion Day celebrated with the theme “breaking biases”

For the second year running BASF, was named by AVTAR as one of the 100 best companies for women in India in their survey – 2017 Working Mother and AVTAR Best Companies for Women in India. Established in 2000, AVTAR is a diversity advocate and workplace inclusion expert. Working Mother, an organization based in the United States, has honored 100 companies for the last 32 years for offering programs and progressive policies that allow all employees to succeed at work and beyond.



**BASF receives the 2017 AVTAR BCWI award**

The “Grow” Graduate Program at BASF is one of the most sought-after on-the-job training programs in the industry today. The program enables trainees to transition from the campus to the corporate world and to integrate smoothly into BASF’s culture. This year, more than half the candidates hired under the “Grow” trainee program were women.

BASF in India celebrated International Diversity and Inclusion day on May 12, 2017. It was a pioneering attempt to celebrate our focus on this important area, under the theme of “breaking biases”. 250 employees at BASF offices in Mumbai, Chennai, Delhi and Kolkata took part in activities around breaking conscious and unconscious biases around gender, culture and generations at the workplace. These included an interactive street play format by a professional group, a panel discussion on “How men can contribute to women’s success”, a ramp walk in traditional attire, and fun quiz contests followed by a pot luck of various cuisines reflecting regional diversity.

### Employee age structure (%) (as of December 31, 2017)

Up to and including 25 years	5.0	<div style="width: 5%;"></div>
Between 26 and 39 years	53.2	<div style="width: 53.2%;"></div>
Between 40 and 54 years	36.9	<div style="width: 36.9%;"></div>
55 years and older	4.9	<div style="width: 4.9%;"></div>

# Occupational health and safety

## Occupational health

- **Global Health Campaign 2017**  
“Your Lungs - Your Life”
- **BASF's global doctors' meeting held at Mumbai**

Our global health management serves to promote and maintain the health and productivity of our employees. Our worldwide standards for occupational medicine and health protection are specified in a directive that is implemented by a global network of experts. This was once again supported by numerous emergency drills and health promotion measures in 2017. Our focus in 2017 was lung and respiratory health, with the global “Your Lungs - Your Life” campaign carried out in India. The campaign focused on topics related to respiratory ailments, allergies, lung capacity and tuberculosis. A Peak Flow Meter Test to measure lung function capacity was conducted in partnership with pharmaceutical company Cipla. The campaign saw active participation from BASF employees at manufacturing sites and offices around India.

Internal medical audits were carried out at Thane, Chennai and Ankaleshwar manufacturing sites by auditors from BASF, Germany. All three sites were given a Green category rating which proved adherence to high standards in health and safety.

BASF India hosted the 2017 BASF global doctors' meeting in Mumbai in February, with participation of BASF physicians from 30 different countries. The agenda focused on topics related to health programs in various countries, new internal requirements, the BASF global health campaign 2018, and industrial hygiene.

Also in 2017, BASF employees from offices and sites in India participated in four stress management workshops, which were conducted at Mumbai by an external specialist.

For more information on occupational medicine, health promotion campaigns and the Health Performance Index, see [basf.com/health](http://basf.com/health)



**BASF global doctors' meeting, Mumbai**

## Occupational safety

- **Lost time injury rate among employees at 0.1 per million working hours**
- **Lost time injury rate among contractors at 1.1 per million working hours**

Responsible Care® is an initiative by the chemical industry which calls on companies to demonstrate their commitment to improving all aspects of performance which relate to protection of health, safety and environment. BASF sites are regularly audited by the BASF global audit team, as well as by the Indian Chemical Council.

In 2016, a harmonized Permit to Work was introduced across all BASF sites in Asia Pacific. In 2017, these permits were established and used by all sites in BASF India.

An action tracker tool was also introduced to increase the reporting of unsafe acts and conditions. This tool has dramatically increased the reporting of unsafe acts and conditions in India, thereby leading to a decrease in near miss and injury incidents.

In 2017, the lost time injury rate per million working hours for BASF employees and leased personnel was 0.1, while the work-related lost time injury rate for contractors was at 1.1, both the same as the previous year. There were no fatal accidents in 2017.

**Lost time injury rate – BASF employees and leased personnel**  
(per million working hours)

2017	0.1	<div style="width: 10%;"></div>
2016	0.1	<div style="width: 10%;"></div>
2015	0.4	<div style="width: 40%;"></div>

**Lost time injury rate – contractors** (per million working hours)

2017	1.1	<div style="width: 110%;"></div>
2016	1.1	<div style="width: 110%;"></div>
2015	0	<div style="width: 0%;"></div>



WASH awareness street play in Dahej

## Social engagement

Through social engagement at BASF, we aim to contribute to the United Nations Sustainable Development Goals through two approaches: Corporate Citizenship and Starting Ventures. Through our not-for-profit projects, we improve the quality of life of the communities around our sites and worldwide. We also initiate business-oriented projects to improve the quality of life of low-income consumers and value chain partners in developing and emerging countries.

### Corporate citizenship

- Behavioral change programs on water, sanitation and hygiene in Dahej
- Construction of girls' toilet at Mangalore School
- Installation of digital classrooms at two schools at Thane

BASF has identified water, sanitation and hygiene – “WASH” – as a theme for our non-profit activities in India. Our activities support the national “Swachh Bharat” program to end open defecation, and we believe that behavioral change is an important component of any long-term plan to this end.

In 2017, therefore, BASF focused on running behavioral change programs in the village of Dahej, in Gujarat, where one of BASF's largest production sites in India is located.

We conducted a usability assessment of the 232 household toilets constructed in the previous two years. The survey was accompanied by a series of street plays on WASH awareness, which reached out to nearly 850 villagers. The survey affirmed high usage of toilets at Dahej which proved the efficacy of behavioral change programs conducted in the last three years.

We also conducted three menstrual hygiene workshops and reached out to 300 women. The sessions were conducted using WASH videos on menstrual and personal hygiene, and included distribution of a menstrual hygiene kit containing sanitary napkins, dettol, a nail cutter, a hand towel and hand wash liquid.

BASF also provided six “Anaganwadi” centers, or rural child care centers, with a piped water supply, which benefits nearly 180 children.

In Mangalore, as elsewhere in India, the absence of a proper sanitation facility for girls at schools is a major reason for low school enrollment among girls. BASF constructed one girls' toilet at a government school at Mangalore, the location of BASF's largest production site in India. The toilet has a menstrual hygiene room which is equipped with an incinerator. This is the tenth such toilet that BASF has constructed at government schools in Mangalore over the last three years.

Along with this program, BASF's partner organization, the Leaf Society, conducted menstrual hygiene awareness workshops at two government schools in Mangalore reaching out to nearly 300 girl students.

BASF also installed digital classrooms at two schools for underprivileged children in Thane, benefitting nearly 1,500 students. Digital learning offers an important means for improving teaching standards in schools, and can help simplify difficult concepts and processes through the use of audiovisual tools.



Girls' toilet at Mangalore School



Menstrual hygiene workshop in Dahej

## Employee volunteering

### ■ BASF employees in Mangalore train students under the water education project

BASF initiated a water education project at Mangalore in 2011. This project was implemented by The Energy and Resource Institute (TERI), and funded by BASF Stiftung, a charitable foundation based in Germany. The aim of the project is to bring about behavioral change among school children regarding water usage and testing. After two years of operations by TERI, BASF volunteers have been visiting the schools and ensuring the project's continuation.

BASF established water labs in seven schools in Mangalore to educate children to conserve, analyze and purify water. Fourteen BASF volunteers, two in each school, train students on various water quality testing parameters such as pH, alkalinity, chloride, odor and appearance. The volunteers visit the schools once every month. The hands-on training has helped educate students on the critical importance of quality of water, its consumption and preservation. The children have become ambassadors for spreading the message on importance of clean water as a means of improving community health.



A BASF volunteer conducting training at a water lab in Mangalore

## BASF Kids' Lab

### ■ BASF hosts Kid's lab for 240 students at Mumbai

BASF established Kids' Lab in 1997 with the aim to nurture kids' interest in chemistry. It is a free interactive chemistry education program for children aged 6-12 years to discover the world of chemistry through simple and safe experiments.

The annual Kids' Lab sessions were held in India at the Innovation Campus, Mumbai in March 2017. More than 240 Mumbai school children aged 8 to 12 took part in exciting hands-on experiments. The theme of the Kids' lab this year was clean and healthy food and nutrition, in support of UN Strategic Development Goal 6 – clean water and sanitation.

Children performed experiments on chromatography (purifying chemicals and measuring quality and quantity of individual components), water storage (retaining large volumes of water in superabsorbent polymers), and "clever foodies" (understanding the intrinsic role chemistry plays in food and the key components of good food habits). Children also learned about the role of chemicals in cosmetics and body care products.



240 students participated in BASF Kids' Lab sessions in Mumbai.

## BASF Group ten-year summary

Million €	2008	2009	2010	2011	2012 <sup>1</sup>	2013 <sup>2</sup>	2014	2015	2016	2017
<b>Sales and earnings</b>										
Sales	62,304	50,693	63,873	73,497	72,129	73,973	74,326	70,449	57,550	64,475
Income from operations (EBIT)	6,463	3,677	7,761	8,586	6,742	7,160	7,626	6,248	6,275	8,522
Income before taxes	5,976	3,079	7,373	8,970	5,977	6,600	7,203	5,548	5,395	7,800
Income before minority interests	3,305	1,655	5,074	6,603	5,067	5,113	5,492	4,301	4,255	6,352
Net income	2,912	1,410	4,557	6,188	4,819	4,792	5,155	3,987	4,056	6,078
Income from operations before depreciation and amortization (EBITDA)	9,562	7,388	11,131	11,993	10,009	10,432	11,043	10,649	10,526	12,724
EBIT before special items	6,856	4,852	8,138	8,447	6,647	7,077	7,357	6,739	6,309	8,328
EBIT after cost of capital	1,621	(226)	3,500	2,551	1,164	1,768	1,368	194	1,136	2,727
<b>Capital expenditures, depreciation and amortization</b>										
Additions to property, plant and equipment and intangible assets	3,634	5,972	5,304	3,646	5,263	7,726	7,285	6,013	7,258	4,364
Thereof property, plant and equipment	2,809	4,126	3,294	3,199	4,084	6,428	6,369	5,742	4,377	4,028
Depreciation and amortization of property, plant and equipment and intangible assets	3,099	3,711	3,370	3,407	3,267	3,272	3,417	4,401	4,251	4,202
Thereof property, plant and equipment	2,481	2,614	2,667	2,618	2,594	2,631	2,770	3,600	3,691	3,586
<b>Number of employees</b>										
At year-end	96,924	104,779	109,140	111,141	110,782	112,206	113,292	112,435	113,830	115,490
Annual average	95,885	103,612	104,043	110,403	109,969	111,844	112,644	113,249	111,975	114,333
<b>Personnel expenses</b>										
	<b>6,364</b>	<b>7,107</b>	<b>8,228</b>	<b>8,576</b>	<b>8,963</b>	<b>9,285</b>	<b>9,224</b>	<b>9,982</b>	<b>10,165</b>	<b>10,610</b>
<b>Research and development expenses</b>										
	<b>1,355</b>	<b>1,398</b>	<b>1,492</b>	<b>1,605</b>	<b>1,732</b>	<b>1,849</b>	<b>1,884</b>	<b>1,953</b>	<b>1,863</b>	<b>1,888</b>
<b>Key data</b>										
Earnings per share <sup>3</sup>	€ 3.13	1.54	4.96	6.74	5.25	5.22	5.61	4.34	4.42	6.62
Adjusted earnings per share <sup>3</sup>	€ 3.85	3.01	5.73	6.26	5.64	5.31	5.44	5.00	4.83	6.44
Cash provided by operating activities <sup>4</sup>	5,023	5,693	6,460	7,105	6,602	8,100	6,958	9,446	7,717	8,785
EBITDA margin	% 15.3	14.6	17.4	16.3	13.9	14.1	14.9	15.1	18.3	19.7
Return on assets	% 13.5	7.5	14.7	16.1	11.0	11.5	11.7	8.7	8.2	10.8
Return on equity after tax	% 17.0	8.9	24.6	27.5	19.9	19.2	19.7	14.4	13.3	18.9
<b>Appropriation of profits</b>										
Net income of BASF SE <sup>5</sup>	2,982	2,176	3,737	3,506	2,880	2,826	5,853	2,158	2,808	3,130
Dividend	1,791	1,561	2,021	2,296	2,388	2,480	2,572	2,664	2,755	2,847
Dividend per share <sup>3</sup>	€ 1.95	1.70	2.20	2.50	2.60	2.70	2.80	2.90	3.00	3.10
<b>Number of shares as of December 31<sup>3,6</sup></b>										
million	<b>918.5</b>	<b>918.5</b>	<b>918.5</b>	<b>918.5</b>	<b>918.5</b>	<b>918.5</b>	<b>918.5</b>	<b>918.5</b>	<b>918.5</b>	<b>918.5</b>

<sup>1</sup> We have applied International Reporting Standards IFRS 10 and 11 as well as International Accounting Standard 19 (revised) since January 1, 2013. Figures for 2012 have been restated; no restatement was made for 2011 and earlier.

<sup>2</sup> Figures for 2013 have been adjusted to reflect the dissolution of the natural gas trading business disposal group.

<sup>3</sup> We conducted a two-for-one stock split in the second quarter of 2008.

<sup>4</sup> Includes the change in reporting from 2009 onward of the effects of regular extensions of U.S. dollar hedging transactions

<sup>5</sup> Calculated in accordance with German GAAP

<sup>6</sup> After deduction of repurchased shares earmarked for cancellation

## Further information

### Corporate Office / Registered Office

#### BASF India Limited

The Capital, A wing, 1204 - C, 12th Floor, Plot No. C - 70, G Block, Bandra Kurla Complex, Bandra(East), Mumbai 400 051 Phone: + 91 22 62785600 Website: basf.com/in

### Offices

#### BASF India Limited

Thane - Belapur Road, Turbhe, Plot No.12, TTC Area, Navi Mumbai - 400705, Maharashtra Phone: +91 22 67127600 Fax: +91 22 67127717

#### BASF India Limited

3<sup>rd</sup> & 4<sup>th</sup> Floor, Shree Sawan Knowledge Park, Plot No. D-507, MIDC, Turbhe, Navi Mumbai - 400705, Maharashtra Phone: +91 22 67243700 Fax: +91 22 66739981

#### BASF India Limited

3<sup>rd</sup> floor,Block 1A, DLF IT park-1, New town, Rajaharat, Kolkota - 700056. Phone : + 91 33 40283230

#### BASF India Limited

4th Floor, "A" Wing, Commercial Plaza, Radisson Hotel, Mahipalpur, NH-8,New Delhi - 110 037, India Phone: +91 11 4159 6400 Fax: +91 11 4159-6496

#### BASF India Limited

No.110, Abhishree Adroit, Near Mansi Circle, Judges Bungalow Road, Vastrapur, Ahmedabad, Gujarat 3800159

#### BASF India Limited

Plot No, P 8/1, 2nd Floor, Veerapuram Village, Mahindra World City, Chengelpet Taluk, Kanchipuram District, Tamilnadu - 603002 Phone: +91 44 67468181

#### BASF India Limited

402 , 4th floor , Gowra Grand S.P. Road , Begumpet, Secunderabad - 500003 Phone: +91 40 66160130-131

#### BASF India Limited

Srihari, # 16, 18th Main Road, Padmanabhanagar, Bangalore – 560061 Phone: +91 80 26394553

### Production sites

#### BASF India Limited

Surathkal Bajpe Road, Bala, Via. Katipalla, Mangalore - 575030, Karnataka Phone: +91 8242237000 Fax: +91 8242270025

#### BASF India Limited

Unit I and II, Plot No. 6214/6216 & 8001, GIDC Phase IV, Ankleshwar - 393002, Gujarat Phone: +91 02646617120 Fax: +91 2646238039

#### BASF India Limited

Plot No 4B, GIDC, Dahej, 392130, Dist. Bharuch, India Phone: +91 2641 660101

#### BASF India Limited

Khasara No. 87/1 Village, Beer Plassis, Solan District, Nalagarh - 174101, Himachal Pradesh Phone: +91 1795265335/ 36 Fax: +91 4427454490

#### BASF Catalysts India Private Limited

Mahindra World City, Chingleput Taluk, Kanchipuram District, Tamilnadu, Pincode: 603002 Phone: +91 44 67468181

#### BASF India Limited

Plot no.F-7, Vidyasagar Industrial park, Kharagpur, Paschim, Medinipur, West Bengal Phone: +91 8101641286

#### BASF India Limited

Thane - Belapur Road, Turbhe, Plot No.12 and 13, TTC Area, Navi Mumbai - 400705, Maharashtra Phone: +91 2267127600 Fax: +91 2267127717

#### BASF India Limited,

C-68, TTC, MIDC, Turbhe, Navi Mumbai - 400613, Phone: +91 2227619992 Fax: +91-22 4157 7766

#### BASF India Limited,

Plot no 1/1A, APIIC Industrial Park, Menakur (V), Naidupet, SPSR Nellore District, Andhra Pradesh Phone: +91 7093333707

#### Chemetall India Pvt. Ltd

GAT No. 569, Village Koregaon Bhima, Pune - Nagar Road, Tal. Shirur, Disrict Pune 412 207. Phone: +91 2137 618000 Fax: +91 2137 253 128

#### Chemetall India Pvt. Ltd

Plot No. RNS-23, SIPCOT Industrial Park, Oragadam Expansion Scheme Oragadam , Chennai - 631605 Phone: + 91 44 6720 2620

For more information, please visit our website or follow us at [facebook.com/basf](https://facebook.com/basf) or [twitter.com/basf](https://twitter.com/basf). You can also find this and other BASF publications online at [basf.com/in](https://basf.com/in)

We welcome comments and opinions. To provide feedback on this report, please visit on [basf.com/report-feedback](https://basf.com/report-feedback)

### Further information

---

You can find this publication on the internet at [www.basf.com.in](http://www.basf.com.in)



**Responsible Care**  
OUR COMMITMENT TO SUSTAINABILITY

BASF supports the worldwide Responsible Care initiative of the chemical industry.

### Contact

---

#### Media Relations

Deepti Keshav Shetty,  
Phone: +91 22 8667 4076

#### Investor Relations

Pankaj Bahl,  
Phone: +91 22 6238 4029