

# BASF on the Capital Market

In 2021, the stock markets were characterized by a significant recovery of the global economy. This was due in particular to the approval and increasing availability of effective coronavirus vaccines. BASF stands by its ambitious dividend policy and will propose a dividend of €3.40 per share to the Annual Shareholders' Meeting – an increase of 10 euro cents compared with the previous year. Based on the year-end share price for 2021, BASF shares offer a high dividend yield of around 5.5%.

## At a glance

- BASF share price declines 4.5% in 2021
- Assuming that dividends were reinvested, BASF's share performance rose by 0.2%

## BASF share performance

The BASF share closed the 2021 stock market year at €61.78, a decrease of 4.5% compared with the previous year's closing price (€64.72).

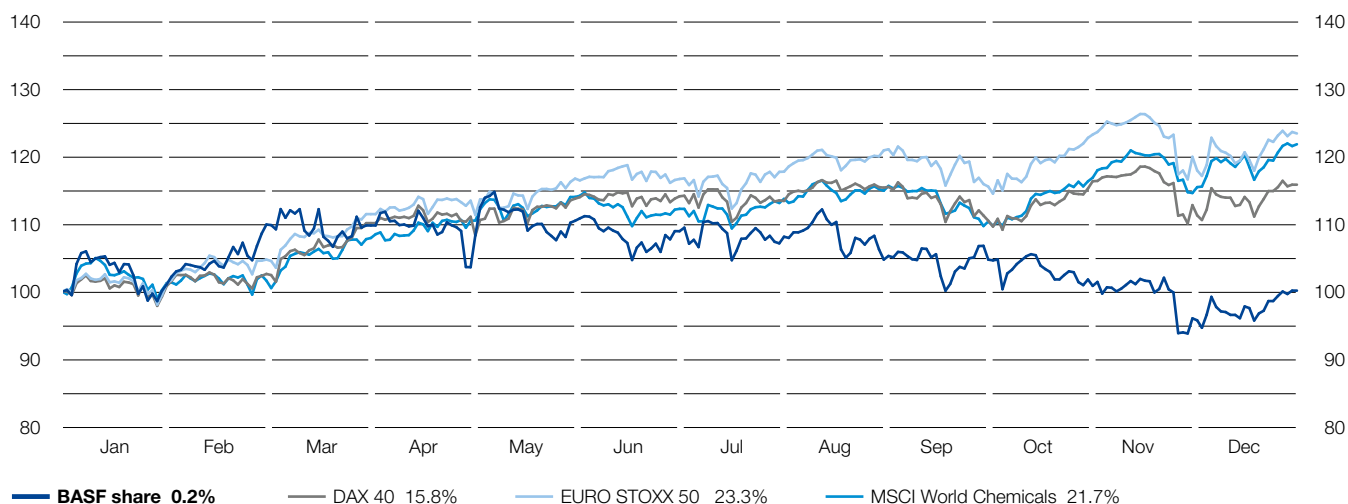
BASF's share price reached an annual high of €72.61 in March 2021 before declining over the course of the year despite continued

positive business performance. This was due to factors such as the composition of the segments' earnings contributions. Share price development was also negatively impacted by market expectations regarding the future development of margins in the basic chemicals business.

Assuming that dividends were reinvested, BASF's share performance rose by 0.2% in 2021. The benchmark indexes of the

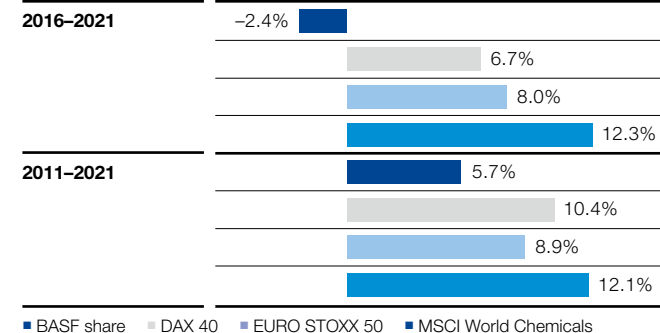
## Change in value of an investment in BASF shares in 2021

With dividends reinvested; indexed



## Long-term performance of BASF shares compared with indexes

Average annual increase with dividends reinvested

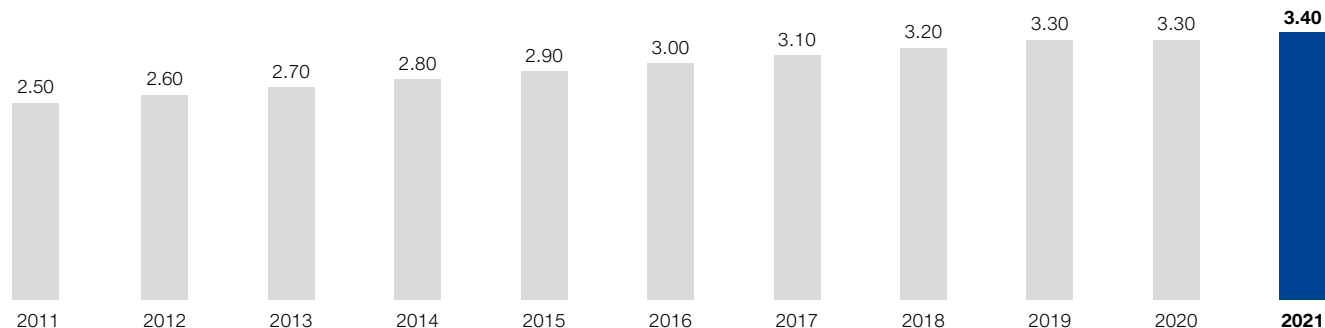


## Weighting of BASF shares in important indexes as of December 31, 2021

DAX 40	4.0%
EURO STOXX 50	1.8%
MSCI World Chemicals	4.6%

**Dividend per share**

€ per share



German and European stock markets – the DAX 40 and the EURO STOXX 50 – rose by 15.8% and 23.3% over the same period, respectively. The global industry index MSCI World Chemicals gained 21.7%.

The assets of an investor who invested €1,000 in BASF shares at the end of 2011 and reinvested the dividends in additional BASF shares would have increased to €1,733 by the end of 2021. This represents an average annual yield of 5.7%.

**Proposed dividend of €3.40 per share**

The Board of Executive Directors and the Supervisory Board will propose a dividend payment of €3.40 per share to the Annual Shareholders' Meeting. BASF stands by its ambitious dividend policy of increasing the per-share dividend each year and plans to pay out €3.1 billion<sup>1</sup> to the shareholders of BASF SE.

Based on the year-end share price for 2021, BASF shares offer a high dividend yield of around 5.5%. BASF is part of the DivDAX share index, which contains the 15 companies with the highest dividend yield in the DAX 40.

**Share buyback program of up to €3 billion**

In light of the positive business development and the gains on divestitures in the course of 2021, the Board of Executive Directors of BASF SE resolved on a share buyback program on January 4, 2022. The program amounts to up to €3 billion, started on January 11, 2022, and shall be concluded by December 31, 2023, at the latest, subject to a renewed authorization to repurchase own shares by the Annual Shareholders' Meeting of BASF SE on April 29, 2022. BASF SE will cancel all repurchased shares and reduce the share capital accordingly.

The share buyback program is based on the authorization by the Annual Shareholders' Meeting of BASF SE on May 12, 2017 authorizing the Board of Executive Directors to purchase up to 10% of the issued shares at the time of the resolution until May 11, 2022. BASF plans to propose to the 2022 Annual Shareholders' Meeting a renewed authorization to buy back own shares.

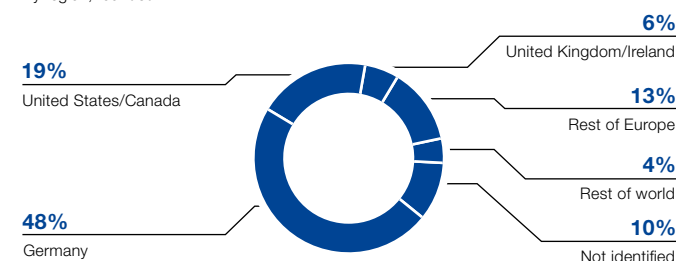
In addition to its progressive dividend policy, share buybacks are another tool that BASF uses to create value for its shareholders.

**Broad base of international shareholders**

With over 800,000 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 2021 showed that, at around 19% of share capital, the United States and Canada made up the largest regional group of institutional investors. Institutional investors from Germany accounted for around 9%. Institutional investors from the United Kingdom and Ireland hold 6% of BASF shares, while investors from the rest of Europe hold a further 13% of capital. Approximately 39% 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 companies with the largest percentage of private shareholders.

**Shareholder structure**

By region, rounded

**Employees becoming shareholders**

In many countries, we offer share purchase programs that turn our employees into BASF shareholders. In 2021, for example, around 23,600 employees (2020: around 27,600) purchased BASF shares worth €38.2 million (2020: €61.1 million).

 For more information on employee share purchase programs, see page 97

<sup>1</sup> Based on the number of outstanding shares as of December 31, 2021 (918,478,694)

## BASF – a sustainable investment

### At a glance

- CDP again awards BASF Leadership status
- BASF maintains “Prime” status in ISS ESG rating
- BASF recognized as a Global Compact LEAD company

BASF has participated in the program established by the international organization CDP (formerly the Carbon Disclosure Project) for reporting on data relevant to climate protection since 2004. CDP represents over 590 investors with over \$110 trillion in assets and more than 200 major organizations with \$5.5 trillion in purchasing power. In 2021, BASF again scored an A– on CDP’s Climate List, giving it Leadership status. In the scoring framework used by CDP in 2021, BASF was ranked among the top third of participating chemical companies.

BASF was rated A– in the CDP assessment for sustainable water management. The assessment takes into account how transparently companies report on their water management activities and

how they reduce risks such as water scarcity. CDP also evaluates the extent to which product developments can contribute to sustainable water management for customers of the companies assessed. BASF continues to implement its sustainable water management target at all relevant production sites (Verbund sites and sites in water stress areas).

BASF participated in the CDP’s “Forests” assessment for the second time in 2021 and was ranked A–, as in the previous year. As a participant in various value chains, BASF is committed to ending deforestation in these supply chains. Consequently, BASF is one of

the companies with Leadership status, as for climate protection and water management.

BASF maintained its Prime status in the ISS ESG rating developed by Institutional Shareholder Services and is among the top 7% of the companies assessed. BASF received special recognition for addressing key sustainability issues such as environmental management, energy efficiency and business ethics with a comprehensive set of measures and processes.

### Key BASF share data

		2017	2018	2019	2020	2021
Year-end price	€	91.74	60.40	67.35	64.72	61.78
Year high	€	97.46	97.67	74.49	68.29	72.61
Year low	€	79.64	58.40	56.20	39.04	57.88
Year average	€	88.16	80.38	64.77	53.31	66.20
Daily trade in shares <sup>a</sup>						
	million €	185.7	229.6	187.6	219.2	170.8
	million shares	2.1	2.9	2.9	4.1	2.6
Number of shares December 31	million shares	918.5	918.5	918.5	918.5	918.5
Market capitalization December 31	billion €	84.3	55.5	61.9	59.4	56.7
Earnings per share	€	6.62	5.12	9.17	–1.15	6.01
Adjusted earnings per share	€	6.44	5.87	4.00	3.21	6.76
Dividend per share	€	3.10	3.20	3.30	3.30	3.40
Dividend yield <sup>b</sup>	%	3.38	5.30	4.90	5.10	5.50
Payout ratio	%	47	63	36	.	57
Price-earnings ratio (P/E ratio) <sup>b</sup>		13.9	11.8	7.3	.	10.3

<sup>a</sup> Average, Xetra trading

<sup>b</sup> Based on year-end share price

### Further information on BASF stock

#### Securities code numbers

Germany	BASF11
United States (CUSIP number)	055262505
ISIN International Securities Identification Number	DE000BASF111

#### International ticker symbols

Deutsche Börse	BAS
Pink Sheets / OTCQX	BASFY (ADR)
Bloomberg (Xetra trading)	BAS GY
Reuters (Xetra trading)	BASFn.DE

In Sustainalytics<sup>1</sup> ESG Risk Ratings, BASF is ranked among the top 10% of companies in diversified chemicals. It was commended for the fact that its sustainability targets are reflected in the compensation for the Board of Executive Directors, underlining strong overall management of environmental, social and governance matters.

BASF was again recognized as a Global Compact LEAD company by the U.N. Global Compact in 2021. BASF consistently supports the U.N. Global Compact and its 10 principles of responsible business conduct and the Sustainable Development Goals.

BASF was among the top 10% in the World Benchmarking Alliance's (WBA) Food and Agriculture Benchmark, which assessed 350 companies from the food and agricultural sector on sustainable business practices.

 For more information on the key sustainability indexes, see [basf.com/sustainabilityindexes](https://basf.com/sustainabilityindexes)

 For more information on energy and climate protection, see page 126 onward

For more information on air and soil, see page 133

For more information on the procurement of certified palm oil and palm kernel oil, see page 112 onward

## Analysts' recommendations

Around 30 financial analysts regularly publish studies on BASF. The latest analyst recommendations for our shares as well as the average target share price ascribed to BASF by analysts can be found online at [basf.com/analystestimates](https://basf.com/analystestimates).

## Close dialog with the capital market

### At a glance

- Virtual formats facilitate dialog during coronavirus pandemic
- Capital Markets Day in March 2021, Investor Update in September 2021 and R&D Webcast in December 2021

Our corporate strategy aims to create long-term value. We support this strategy through regular and transparent communication with the capital market. In light of the coronavirus pandemic, we almost exclusively used virtual formats such as video or conference calls for dialog in 2021. We engage with institutional investors and rating agencies in numerous one-on-one meetings, as well as at roadshows and conferences worldwide, and give private investors an insight into BASF at informational events.

In March 2021, Dr. Martin Brudermüller presented our path and our ambitious climate neutrality targets at a virtual Capital Markets Day. BASF aims to achieve net zero CO<sub>2</sub> emissions<sup>2</sup> by 2050. Based on its progress in developing low-emission and carbon-free technologies, BASF is also setting an ambitious medium-term 2030 target for reductions in greenhouse gas emissions: BASF now wants to reduce its greenhouse gas emissions worldwide by 25% compared with 2018 – and to achieve this despite targeted growth and the construction of a large Verbund site in Zhanjiang, China. Dr. Markus Kamieth and Saori Dubourg also presented the Industrial Solutions and Nutrition & Care segments in more detail during the virtual Capital Markets Day.

At a virtual Investor Update in September 2021, Dr. Martin Brudermüller and Dr. Markus Kamieth informed investors about the BASF Group's two major growth projects: our future Verbund site in Zhanjiang, China, and our battery materials activities.

Finally, Dr. Melanie Maas-Brunner offered analysts and investors an insight into the BASF Group's research and development in December 2021. In a webcast, she presented, among other topics, contributions of research to sustainability in the field of electromobility.

Analysts and investors have confirmed the quality of our financial market communications. For instance, we were again named "Best IR" in the materials sector in the annual survey conducted by Britain's IR Magazine.

 For more information about BASF stock, see [basf.com/share](https://basf.com/share)

For more information on the 2022–2023 share buyback program, see [basf.com/sharebuyback](https://basf.com/sharebuyback)

For more information on the Capital Markets Day 2021, see [basf.com/CMD21](https://basf.com/CMD21)

For more information on the Investor Update 2021, see [basf.com/investor-update](https://basf.com/investor-update)

For more information on the R&D Webcast 2021, see [basf.com/rd-webcast-2021](https://basf.com/rd-webcast-2021)

Register for the newsletter with current topics and dates at [basf.com/share/newsletter](https://basf.com/share/newsletter)

Contact the Investor Relations team by phone at +49 621 60-48230 or email [ir@basf.com](mailto:ir@basf.com)

<sup>1</sup> Sustainalytics provides institutional investors and companies with ESG and corporate governance research, ratings and analytics.

<sup>2</sup> Based on the BASF Group's Scope 1 and Scope 2 emissions; other greenhouse gases are converted into CO<sub>2</sub> equivalents in accordance with the Greenhouse Gas Protocol