Integrated reporting and online services
This integrated report documents BASF’s economic, environmental and social performance in 2021. We show how sustainability contributes to BASF’s long-term success as an integral part of our corporate purpose and our strategy, and how we as a company create value for our stakeholders.

Symbols

You can find more information in this report.
You can find more information online. The content of these links are voluntary disclosures that were not audited by the auditor.

The content of this section is not part of the statutory audit but has undergone a separate limited assurance by our auditor.

The content of this section is voluntary, unaudited information, which was critically read by the auditor.

At a glance
- Integrated BASF Report serves as U.N. Global Compact progress report
- Nonfinancial reporting in accordance with HGB and additional sustainability reporting in accordance with GRI
- Financial reporting in accordance with IFRS, HGB and GAS
- Editorial deadline: February 21, 2022
- External audit by KPMG AG Wirtschaftsprüfungsgesellschaft

Content and structure

The BASF Report, which is published each year in English and German, combines the major financial and sustainability-related information necessary to comprehensively evaluate our performance. We select the report’s topics based on the following principles: materiality, sustainability context, completeness, balance and stakeholder inclusion. In addition to this report, we publish further information online. The relevant links can be found at the end of each chapter.

Our sustainability reporting has been based on Global Reporting Initiative (GRI) guidelines and standards since 2003. We have applied the “Comprehensive” option since 2017.

We have been active in the International Integrated Reporting Council (IIRC) since 2014 and have supported the work of the Value Reporting Foundation, formed by the merger of the IIRC and the Sustainability Accounting Standards Board (SASB), since 2021. This involvement gives us the opportunity to discuss our experiences of integrated reporting with stakeholders and at the same time, receive inspiration for enhancing our reporting. BASF’s report addresses elements of the IIRC framework by illustrating how we create value, for example. The information contained in this report also serves as a progress report on BASF’s implementation of the 10 principles of the U.N. Global Compact.

The GRI and Global Compact Index can be found in the online report. It provides an overview of all relevant information to fulfill the GRI indicators and shows how we contribute to the United Nations’ Sustainable Development Goals (SDGs) and the principles of the U.N. Global Compact. The results of the limited assurance of this information conducted by KPMG AG Wirtschaftsprüfungsgesellschaft can also be found there. We also publish online additional information on sustainability in accordance with the industry-specific requirements of the SASB.

The information on the financial position and performance of the BASF Group comply with the requirements of International Financial Reporting Standards (IFRS), and, where applicable, the German Commercial Code (HGB), German Accounting Standards (GAS) and the guidelines on alternative performance measures from the European Securities and Markets Authority (ESMA). Internal control mechanisms ensure the reliability of the information presented in this report. BASF’s Board of Executive Directors confirmed the effectiveness of the internal control measures and compliance with the regulations for financial reporting.

Material topics along the value chain form the focal points of reporting and define the limits of this report. We take three dimensions into account in identifying and evaluating material topics: the impact on BASF, the impact of BASF and relevance for our stakeholders.

For more information on our sustainability reporting, see from page 45 and 96 onward
For more information on our control and risk management system, see page 151 onward
Our value creation based on the IIRC framework can be found on page 24 and in the online report
For more information on our sustainability reporting, see from page 45 and 96 onward
Data

All information and bases for calculation in this report are founded on national and international standards for financial and sustainability reporting. The data and information for the reporting period were sourced from the expert units responsible using representative methods. Due to rounding, individual figures may not add up exactly to the totals shown and percentages may not correspond exactly to the figures shown.

The reporting period is the 2021 business year. Relevant information is included up to the editorial deadline of February 21, 2022.

BASF Group’s scope of consolidation for its financial reporting comprises BASF SE, with its headquarters in Ludwigshafen, Germany, and all of its fully consolidated subsidiaries and proportionally consolidated joint operations. Shares in joint ventures and associated companies are accounted for, if material, using the equity method in the BASF Group Consolidated Financial Statements and are thus not included in the scope of consolidation.

The section “Employees” refers to employees active in a company within the BASF Group scope of consolidation as of December 31, 2021.

Our data collection methods for environmental protection and safety are based on the recommendations of the International Council of Chemical Associations (ICCA) and the European Chemical Industry Council (CEFIC). In the section “We Produce Safely and Efficiently,” we report all data of the worldwide production sites of BASF SE, its fully consolidated subsidiaries, and proportionally consolidated joint operations. BASF SE subsidiaries that are fully consolidated in the BASF Group scope of consolidation as of December 31, 2021, are included up to the editorial deadline of February 21, 2022.

The list of shares held can be found at basf.com/en/corporategovernance

External audit

Our reporting is audited by a third party. KPMG AG Wirtschaftsprüfungsgesellschaft has audited the BASF Group Consolidated Financial Statements and the Management’s Report and has approved them free of qualification.

The limited assurance of the sustainability information contained in the Management’s Report was conducted in accordance with ISAE 3000 (Assurance Engagements other than Audits or Reviews of Historical Financial Information) and ISAE 3410 (Assurance Engagements on Greenhouse Gas Statements), the relevant international assurance standards for sustainability reporting. KPMG conducted a reasonable assurance of all disclosures on the most important nonfinancial key performance indicators, accelerator sales and CO₂ emissions. The forecast for the key performance indicator CO₂ emissions is also part of the Management’s Report and is covered by the annual audit. No forecast has been made for the previous Accelerator target as we plan to update our portfolio steering target in 2022.

KPMG also conducted a limited assurance of the nonfinancial group statement (NFS).

Forward-looking statements and forecasts

This report contains forward-looking statements. These statements are based on current estimates and projections of the Board of Executive Directors and currently available information. Forward-looking statements are not guarantees of the future developments and results outlined therein. These are dependent on a number of factors; they involve various risks and uncertainties; and they are based on assumptions that may not prove to be accurate. Such risk factors include those discussed in Opportunities and Risks on pages 151 to 160. We do not assume any obligation to update the forward-looking statements contained in this report above and beyond the legal requirements.