

## 1.2 Corporate Governance<sup>1</sup>

### Corporate Governance Report

Corporate governance refers to the entire system for managing and supervising a company. This includes its organization, values, corporate principles and guidelines as well as internal and external control and monitoring mechanisms. Effective and transparent corporate governance ensures that BASF is managed and supervised responsibly with a focus on value creation and sustainability. It fosters the confidence of our investors, the financial markets, our customers and other business partners, employees, other groups affiliated with our company (stakeholders) as well as the public in BASF.

The fundamental elements of BASF SE's corporate governance system are: its two-tier management system, with a transparent and clear separation of company management and supervision between BASF's Board of Executive Directors and the Supervisory Board; the equal representation of shareholders and employee representatives on the Supervisory Board; and the shareholders' rights of coadministration and supervision at the Annual Shareholders' Meeting.

### Board of Executive Directors

[ESRS 2 GOV-1](#) [ESRS 2 GOV-2](#)

#### Direction and management by the Board of Executive Directors

The Board of Executive Directors is responsible for managing the company and represents BASF SE in business undertakings with third parties. BASF's Board of Executive Directors is strictly separated from the Supervisory Board, which monitors the Board of Executive Directors' activities and decides on its composition: A member of the Board of Executive Directors cannot simultaneously be a member of the Supervisory Board. As the central duty of company management, the Board of Executive Directors defines the corporate goals and strategic direction of the BASF Group as well as its individual business areas, including the sustainability strategy. In doing so, the Board ensures that the opportunities and risks associated with social and environmental factors for our company (outside-in perspective) as well as the ecological and societal impacts of BASF's corporate activities (inside-out perspective) are systematically identified and evaluated. (In addition to long-term economic goals, the corporate strategy appropriately takes environmental and social objectives into account, too. The corporate planning defined on this basis comprises financial and sustainability-related goals.)

Furthermore, the Board of Executive Directors determines the company's internal organization and decides on the composition of management positions on the levels below the Board. It also manages and monitors BASF Group business by planning and setting the corporate budget, allocating resources and management capacities, monitoring and making decisions on significant individual measures, and supervising operational management.

The Board's actions and decisions are geared toward the company's best interests. It is committed to the goal of sustainably increasing the company's value and developing the company over the long term, taking into account environmental and social goals as well as economic targets. The Board's responsibilities include the preparation of the Consolidated and Separate Financial Statements of

<sup>1</sup> With the exception of the "Disclosures according to sections 289a and 315a of the German Commercial Code (HGB) and explanatory report of the Board of Executive Directors according to section 176(1) sentence 1 of the German Stock Corporation Act (AktG)," the content of this section is not part of the statutory audit but is part of a separate audit with limited assurance.

BASF SE and reporting on the company's financial and nonfinancial performance as well as half-year and quarterly reporting. Furthermore, it must ensure that the company's activities comply with the applicable legislation and regulatory requirements as well as internal corporate requirements (compliance). This includes the establishment of appropriate systems for control, compliance and risk management as well as embedding a company-wide compliance culture with undisputed standards (see page [317](#)).

Decisions that are reserved for the Board as a whole by law, through the Board of Executive Directors' Rules of Procedure or through resolutions adopted by the Board, are made and all important matters of the company are discussed at regularly held Board meetings called by the chair of the Board of Executive Directors. Board decisions are based on detailed information and analyses provided by the operating divisions and Corporate Center units as well the service and research units and, if deemed necessary, by external consultants. The chair of the Board of Executive Directors leads the Board meetings. Board decisions can generally be made via a simple majority. In the case of a tied vote, the chair of the Board of Executive Directors gives the casting vote. However, the chair of the Board of Executive Directors cannot enforce a decision against the Board of Executive Directors' majority vote. The chair of the Board also does not have the right to veto. Outside of matters that are assigned to the entire Board for consultation and decision-making, all members of the Board of Executive Directors are authorized to make decisions individually in their designated areas of responsibility.

The Board of Executive Directors can set up Board committees to consult and decide on individual issues such as proposed material acquisition or divestiture projects or to prepare decisions to be made by the entire Board. These committees must include at least three members of the Board of Executive Directors. For the preparation of important decisions, such as those on acquisitions, divestitures, investments and personnel, the Board has various commissions at the level below the Board. With the support of the Corporate Center units and the service and research units and independently of the affected operating division, these committees thoroughly assess the planned measures and evaluate the associated opportunities and risks. Based on this information, they report and make recommendations to the Board.

The Board of Executive Directors informs the Supervisory Board regularly, without delay and comprehensively, of all issues important to the company with regard to planning, business development, the risk situation, risk management and compliance. Furthermore, the Board of Executive Directors coordinates the company's strategic orientation with the Supervisory Board (for additional information on risk management, see the forecast report from page [87](#) onward). The Statutes of BASF SE and the Supervisory Board have defined certain transactions that require the Board of Executive Directors to obtain the Supervisory Board's approval prior to their conclusion. Such cases that require approval include the acquisition of enterprises and disposal of parts of enterprises, as well as the issue of bonds or comparable financial instruments. However, this is only necessary if the acquisition or disposal price or the amount of the issue in an individual case exceeds 3% of the equity reported in the most recent approved Consolidated Financial Statements of the BASF Group.

The members of the Board of Executive Directors, including their areas of responsibility and memberships in the supervisory bodies of other companies, are listed from page [141](#) onward.

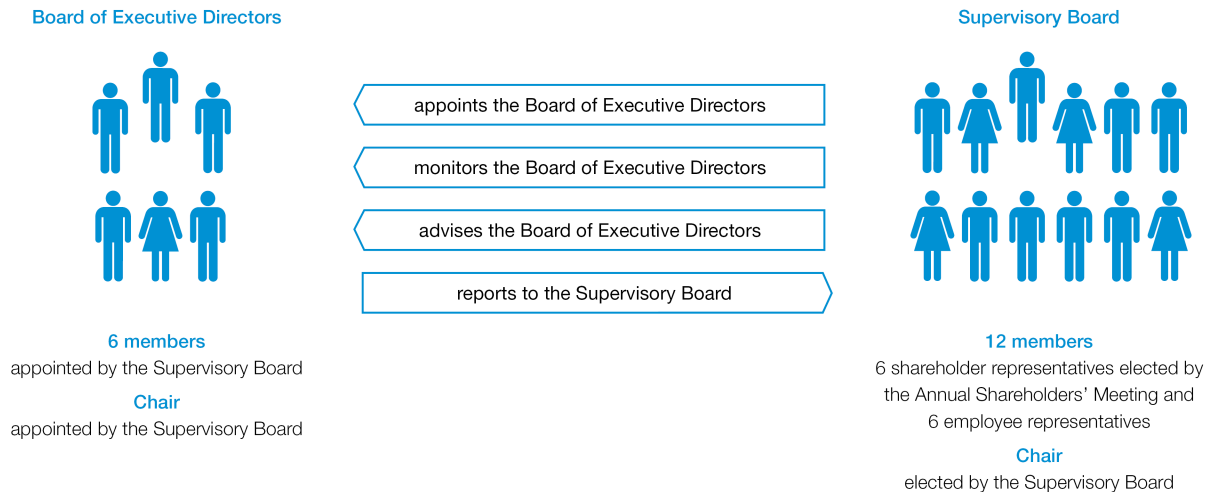
» Additional information on the compensation of the Board of Executive Directors can be found in the Compensation Report at [basf.com/compensationreport](https://basf.com/compensationreport).

» The Rules of Procedure for the Board of Executive Directors can be found at [basf.com/rules-of-procedure](https://basf.com/rules-of-procedure).

## Competence profile, diversity concept and succession planning for the Board of Executive Directors

The Supervisory Board works hand in hand with the Board of Executive Directors to ensure long-term succession planning for the composition of the Board of Executive Directors. BASF aims to fill most Board positions with leaders from within the company. It is the task of the Board of Executive Directors to propose a sufficient number of suitable individuals to the Supervisory Board.

### BASF SE's two-tier management system



Long-term succession planning is guided by the corporate strategy. It is based on systematic management development characterized by the following:

- Early identification of suitable leaders of different professional backgrounds, nationalities and genders
- Systematic development of leaders through the successful assumption of tasks with increasing responsibility, where possible in different business areas, regions and functions
- Desire to shape strategic and operational decisions and proven success in doing so, as well as leadership skills, especially under challenging business conditions
- Role model function in putting corporate values into practice

The aim of systematic management development is to enable the Supervisory Board to ensure a reasonable level of diversity with respect to education and professional experience, cultural background, international representation, gender and age when appointing members of the Board of Executive Directors. Irrespective of these individual criteria, a holistic approach will determine a person's suitability for appointment to the Board of Executive Directors of BASF SE. Both systematic succession planning and the selection process aim to ensure that the Board of Executive Directors as a whole has the following profile, which serves as a diversity concept:

- Many years of leadership experience in scientific, technical and commercial fields
- International experience based on background and/or professional experience
- At least one female Board member
- A balanced age distribution to ensure the continuity of the Board's work and enable seamless succession planning

The first appointment of members of the Board of Executive Directors is for a term of no more than three years. The standard age limit for members of the Board of Executive Directors is 63. The Supervisory Board determines the number of members on the Board of Executive Directors. It is guided by the concept of BASF as a company comprising core businesses and standalone businesses and is

determined by the needs arising from cooperation within the Board of Executive Directors. The Supervisory Board considers six to be an appropriate number of Board members given the current business composition, future development tasks and the fundamental organizational structure of the BASF Group.

### Implementation of the competence profile and the diversity concept for the Board of Executive Directors

The current composition of the Board of Executive Directors meets the competence profile and the requirements of the diversity concept in full. On account of the different educational backgrounds and management experience of its members – in scientific, technical and commercial fields – the Board of Executive Directors as a whole covers the required spectrum of specialist and management expertise and also possesses many years of international experience. In accordance with section 76 (3a) of the German Stock Corporation Act (AktG), one woman sits on the Board of Executive Directors, with suitable consideration of women forming an integral component of succession planning for the Board of Executive Directors. In its current composition, the Board of Executive Directors exhibits a balanced age structure and has an age range of seven years, meaning that sufficient continuity is assured in the work of the Board of Executive Directors. Likewise, no member of the Board of Executive Directors exceeds the standard age limit of 63 years.

For details, please see the matrix below:

#### Implementation of the competence profile and diversity concept of the Board of Executive Directors

	<b>Dr. Markus Kamieth</b>	<b>Dr. Dirk Elvermann</b>	<b>Michael Heinz</b>	<b>Anup Kothari</b>	<b>Dr. Stephan Kothrade</b>	<b>Dr. Katja Scharpwinkel</b>
Member of the Board of Executive Directors since	2017	2023	2011	2024	2023	2024
Position as of December 31, 2024	Chairman of the Board of Executive Directors, BASF SE, Ludwigshafen, Germany	Member of the Board of Executive Directors, Chief Financial Officer and Chief Digital Officer, BASF SE, Ludwigshafen, Germany	Member of the Board of Executive Directors, BASF SE, Chairman of BASF Corporation, located in Florham Park, New Jersey	Member of the Board of Executive Directors, BASF SE, Ludwigshafen, Germany	Member of the Board of Executive Directors, Chief Technology Officer, BASF SE, located in Ludwigshafen, Germany, and Singapore	Member of the Board of Executive Directors, Industrial Relations Director, Site Director of the Ludwigshafen site, BASF SE, Ludwigshafen, Germany
Duties and regional responsibilities (2024 business year)	Corporate Development; Corporate Legal, Compliance & Insurance; Corporate Human Resources; Corporate Communications & Government Relations; Corporate Investor Relations; Senior Project Net Zero Accelerator	Corporate Finance; Corporate Audit; Corporate Taxes & Duties; Global Business Services; Global Digital Services; Global Procurement; BASF Venture Capital	Agricultural Solutions; Nutrition & Health; Care Chemicals; North America region; South America region	Catalysts; Coatings; Dispersions & Resins; Performance Chemicals	Monomers; Performance Materials; Petrochemicals; Intermediates; Group Research; Greater China; South & East Asia, ASEAN & Australia/New Zealand; Mega Projects Asia	European Site & Verbund Management; Global Engineering Services; Corporate Environmental Protection, Health, Safety & Quality; Europe, Middle East, Africa region
At BASF since	1999	2003	1984	1999	1995	2010

## Implementation of the competence profile and diversity concept of the Board of Executive Directors

	Dr. Markus Kamieth	Dr. Dirk Elvermann	Michael Heinz	Anup Kothari	Dr. Stephan Kothrade	Dr. Katja Scharpwinkel
<b>Leadership experience within BASF</b>						
Scientific	✓				✓	
Technical			✓	✓	✓	✓
Commercial	✓	✓	✓	✓	✓	✓
<b>Diversity</b>						
Date of birth	November 25, 1970	August 13, 1971	February 18, 1964	January 8, 1968	March 13, 1967	September 10, 1969
Gender	Male	Male	Male	Male	Male	Female
Degree	Chemistry	Law	MBA	Chemical engineering, MBA	Chemistry	Chemistry
Nationality	German	German	German	American	German	German
<b>International experience</b>						
Europe	✓	✓	✓	✓	✓	✓
North/South/Central America	✓		✓	✓		
China	✓			✓	✓	
Asia Pacific	✓	✓		✓	✓	
<b>Experience relevant to the sectors, products, geographical locations and customer industries of BASF</b>						
Chemicals	Director, Business Mgmt. Acrylics & Superabsorbents North America & South America				President, Intermediates; Managing Director Nanjing Verbund site; SVP, BASF Antwerpen N.V./Plant Operations, Engineering & Infrastructure	VP, Distribution Business Europe & Managing Director, BTC Europe GmbH
Materials					SVP, BASF Antwerpen N.V./Plant Operations, Engineering & Infrastructure	
Industrial Solutions	SVP, Performance Chemicals North America; Director, Ciba Integration for Performance Chemicals Division		President, Global Integration Team Ciba and Chief Executive Officer Ciba	President, Performance Chemicals; SVP, Performance Chemicals North America	Operations Manager, Lutonal plant, Ludwigshafen, Germany	Head of Sales Lubricant Additives Central Europe, Ciba Specialty Chemicals
Surface Technologies	President, Coatings			VP, Business Mgmt. Mobile Emissions Catalysts Asia Pacific; VP, Strategy & Planning/New Business Development Catalysts		SVP, Automotive Refinish Coatings Solutions EMEA, BASF Coatings GmbH

## Implementation of the competence profile and diversity concept of the Board of Executive Directors

	<b>Dr. Markus Kamieth</b>	<b>Dr. Dirk Elvermann</b>	<b>Michael Heinz</b>	<b>Anup Kothari</b>	<b>Dr. Stephan Kothrade</b>	<b>Dr. Katja Scharpwinkel</b>
Nutrition & Care			President, Global Integration Team Cognis; Product Manager PVP Polymers	President, Nutrition & Health; Global Marketing Manager & Business Manager, Care Chemicals	Production and research for water-soluble special polymers for cosmetics and pharmaceuticals	Head of Sales Formulation Technologies Europe, BASF Personal Care and Nutrition GmbH; Regional Sales Director Functional Products Europe, Cognis; Regional Marketing Director Care Chemicals North Europe, Cognis
Agricultural Solutions			President, Crop Protection; Group Vice President Global Strategic Marketing Agricultural Products			
Research & Development	Research of special and process chemicals				Production and research for water-soluble special polymers for cosmetics and pharmaceuticals	
Technology				Technology & Capital Program Manager, BASF Corporation	Managing Director, Nanjing Verbund site; SVP, BASF Antwerpen N.V./Plant Operations, Engineering & Infrastructure	
Corporate functions	Staff of member of the Board of Executive Directors	President, Corporate Finance; member of the Board, Wintershall Holding GmbH; SVP, Corporate M&A Projects; Managing Director, BASF Polska Sp. z.o.o.; Vice President, Legal and Tax Asia Pacific	Managing Director, BASF Mexicana S.A.		President, Greater China; President YPC Joint Venture, Nanjing; Corporate Strategy & Planning; Managing Director, BASF Hungária & Southeast Europe, Budapest, Hungary	President, Europe, Middle East and Africa
Sustainability-related specialist knowledge <sup>a</sup>	✓	✓	✓	✓	✓	✓
Automotive industry	✓			✓	✓	✓

## Implementation of the competence profile and diversity concept of the Board of Executive Directors

	Dr. Markus Kamieth	Dr. Dirk Elvermann	Michael Heinz	Anup Kothari	Dr. Stephan Kothrade	Dr. Katja Scharpwinkel
Construction industry	✓		✓	✓	✓	✓
Electronics industry				✓		
Agriculture			✓			
Packaging industry	✓		✓	✓	✓	
Energy industry	✓	✓		✓	✓	
Pharmaceutical and cosmetics industry	✓		✓	✓	✓	✓
Household and cleaning industry	✓		✓	✓	✓	✓

<sup>a</sup> In particular, taking into account the sustainability topics that are material for BASF, which were identified following the double materiality assessment. Details can be found in the section "Competence of the Board of Executive Directors and Supervisory Board in monitoring sustainability aspects" from page 133 onward.

## Proportions represented in the Board of Executive Directors according to the aspects of diversity taken into account (as of December 31, 2024)

Proportion of women <sup>a</sup>	16.7%
Proportion of members with international experience based on their background or professional experience	83.3%
Proportion of members with many years of leadership experience	
– in scientific fields	33.3%
– in technical fields	66.7%
– in commercial fields	100%
Proportion of members under 60 years of age	83.3%

<sup>a</sup> We do not currently record a third gender in the aspects of diversity represented in the Board of Executive Directors. We will regularly review the relevance of this category in external reporting.

## Supervisory Board

[ESRS 2 GOV-1](#) [ESRS 2 GOV-2](#)

### Supervision of company management by the Supervisory Board

The Supervisory Board appoints the members of the Board of Executive Directors. It supervises and advises the Board of Executive Directors on management issues and must also be involved in making decisions that are of key importance for the company. This also includes the Board of Executive Directors' consideration of sustainability issues with regard to corporate management. The Supervisory Board is also responsible for auditing BASF SE's and the BASF Group's Annual Financial Statements. As members of the Supervisory Board may not simultaneously be on the Board of Executive Directors, a high level of independence is already structurally ensured with regard to the supervision of the Board of Executive Directors.

In addition to the SE Regulation, the relevant legal basis for the size and composition of the Supervisory Board is provided by the Statutes of BASF SE and the Agreement Concerning the Involvement of Employees in BASF SE (Employee Participation Agreement). The latter also includes the regulations applicable to BASF for implementing the statutory gender quota for the Supervisory Board. The German Codetermination Act does not apply to BASF SE as a European stock corporation (*Societas Europaea*, SE).

The Supervisory Board of BASF SE comprises 12 members. Six members are elected by the shareholders at the Annual Shareholders' Meeting via a simple majority. Six members are elected by the BASF Europa Betriebsrat (BASF Works Council Europe), the European employee representation body of the BASF Group. Newly elected members of the Supervisory Board are appointed for a term of four years. This ensures that the maximum membership duration of 12 years up to which a Supervisory Board member can be classified as independent in accordance with the German Corporate Governance Code corresponds to a total of three election terms.

Meetings of the Supervisory Board and its four committees are called by their respective chairs and independently, at the request of one of their members or the Board of Executive Directors. The shareholder and employee representatives of the Supervisory Board prepare for Supervisory Board meetings in separate preliminary discussions. Resolutions of the Supervisory Board are passed by a simple majority vote of the participating Supervisory Board members. In the event of a tie, the vote of the chair of the Supervisory Board, who must always be a shareholder representative, gives the casting vote. This resolution process is also applicable for the appointment and dismissal of members of the Board of Executive Directors by the Supervisory Board. Resolutions can, as needed, also be made in writing or through electronic communication outside of the meetings, as long as no Supervisory Board member objects to this form of passing a resolution. The Supervisory Board meets regularly even without the Board of Executive Directors.

The Board of Executive Directors continually informs the Supervisory Board about matters such as the course of business and expected developments, the results of operations, net assets and financial position, material acquisition and divestiture projects, corporate planning, the implementation of the corporate strategy, including the sustainability strategy, business opportunities and risks as well as risk and compliance management and the internal control system. The Supervisory Board has embedded the main reporting requirements in an information policy. The chair of the Supervisory Board is in regular contact with the Board of Executive Directors, especially with its chair, outside of meetings as well.

A list of the members of BASF SE's Supervisory Board indicating which members are shareholder or employee representatives and their appointments to the supervisory bodies of other companies can be found from page [143](#) onward.

» For more information on the Supervisory Board's information policy, see [basf.com/rules-of-procedure](https://basf.com/rules-of-procedure)



- » Additional information on the compensation of the Supervisory Board can be found at [basf.com/compensationreport](https://www.basf.com/compensationreport).
- » The Statutes of BASF SE and the Employee Participation Agreement can be found at [basf.com/statutes](https://www.basf.com/statutes) and [basf.com/en/corporategovernance](https://www.basf.com/en/corporategovernance).

## Personnel Committee

### Members

Prof. Dr. Stefan Asenkerschbaumer<sup>2</sup> (Chairman)

Dr. Kurt Bock<sup>2</sup>

Prof. Dr. Thomas Carell<sup>2</sup>

Tatjana Diether<sup>2</sup>

Sinischa Horvat<sup>2</sup>

Michael Vassiliadis

### Duties

- Prepares the appointment of members to the Board of Executive Directors by the Supervisory Board as well as the service contracts to be entered into with members of the Board of Executive Directors
- When making recommendations for appointments to the Board of Executive Directors, considers professional qualifications, international experience and leadership skills as well as long-term succession planning, diversity, and especially the appropriate consideration of women
- Prepares the resolutions made by the Supervisory Board with regard to the system and amount of compensation paid to members of the Board of Executive Directors

## Audit Committee

### Members

Alessandra Genco<sup>2</sup> (Chairwoman)

Tatjana Diether<sup>2</sup>

Tamara Weinert<sup>2</sup>

Michael Vassiliadis

### Duties

- Prepares the negotiations and resolutions of the Supervisory Board for the approval of the Financial Statements, the Consolidated Financial Statements and the Management's Reports, including the Nonfinancial Statements and sustainability reporting and discusses the Quarterly Statements and the Half-Year Financial Report with the Board of Executive Directors prior to their publication
- Deals with monitoring the accounting process, the annual audit, including sustainability reporting and its audit, the appropriateness and effectiveness of the internal control system, the risk management system, the internal auditing system and compliance management system as well as compliance issues, including compliance with statutory regulations and internal environmental, health and safety regulations (EHS compliance)
- Is responsible for business relations with the company's auditor and the auditor of the company's sustainability report: prepares the Supervisory Board's proposal to the Annual Shareholders' Meeting regarding the selection of an auditor for the Annual and Consolidated Financial Statements and the audit review of the Half-Year Financial Report, monitors the auditor's independence, defines the focus areas of the audit together with the auditor, discusses the audit risk, audit strategy and audit plan with the auditor, negotiates auditing fees, evaluates the quality of the annual audit, and establishes the conditions for the provision of the auditor's nonaudit services; the chair of the Audit Committee regularly discusses this with the auditor outside of meetings as well and reports to the Committee on such discussions; the Audit Committee regularly consults with the auditor, even without the Chief Financial Officer or another member of the Board of Executive Directors.

<sup>2</sup> Classified by the Supervisory Board as an "independent" member of the Supervisory Board (see page 122 for the criteria used to determine independence)

- Deals with post-audits of key acquisition and investment projects
- Is responsible for monitoring the internal process of identifying related party transactions and ensuring adherence to statutory approval and disclosure requirements; grants approval of related party transactions
- Is authorized to request any information that it deems necessary from the auditor or from the Board of Executive Directors and has a direct right to information from the heads of the units of the Corporate Center such as Corporate Audit or Corporate Compliance; can also view all of BASF's business documents and examine these and all other assets belonging to BASF. The Audit Committee can also engage experts such as auditors or lawyers to carry out these inspections.

### Special expertise in the areas of the annual audit and accounting

The Audit Committee includes two members with expertise (special knowledge and experience within the meaning of the German Corporate Governance Code) in the fields of accounting and auditing. The Chairwoman of the Audit Committee, Alessandra Genco, has deep expertise in accounting, including sustainability reporting, due to her studies in economics, her professional experience working for financial institutions and her current role as chief financial officer of a publicly listed international company based in the EU. Tamara Weinert has special expertise in the field of auditing, including the audit of sustainability reporting, and accounting expertise due to her former role as the Chief Financial Officer for EMEA at Outokumpu and her professional activities in the finance departments of various companies around the world. Both closely monitor current developments in sustainability reporting, particularly the European regulations of the Corporate Sustainability Reporting Directive (CSRD), and its auditing and actively contribute this expertise to the Supervisory Board and Audit Committee.

### Nomination Committee

#### Members

Dr. Kurt Bock<sup>3</sup> (Chairman)  
 Prof. Dr. Stefan Asenkerschbaumer<sup>3</sup>  
 Prof. Dr. Thomas Carell<sup>3</sup>  
 Liming Chen<sup>3</sup>  
 Alessandra Genco<sup>3</sup>  
 Tamara Weinert<sup>3</sup>

#### Duties

- Identifies suitable individuals for the Supervisory Board based on objectives for the composition decided on by the Supervisory Board
- Prepares the recommendations made by the Supervisory Board for the election of Supervisory Board members representing the shareholders by the Annual Shareholders' Meeting

<sup>3</sup> Classified by the Supervisory Board as an "independent" member of the Supervisory Board (see page 122 for the criteria used to determine independence)

## Strategy Committee

### Members

Dr. Kurt Bock<sup>4</sup> (Chairman)  
Prof. Dr. Stefan Asenkerschbaumer<sup>4</sup>  
Alessandra Genco<sup>4</sup>  
Sinischa Horvat<sup>4</sup>  
André Matta<sup>4</sup>  
Michael Vassiliadis

### Duties

- Handles the further development of the company's strategy
- Prepares resolutions of the Supervisory Board on the company's major acquisitions and divestitures

The Supervisory Board has not established a dedicated Sustainability Committee. Sustainability is a topic of such pivotal importance to BASF with its economic success, environment and social-related aspects that the entire Supervisory Board regularly discusses it in detail as a cross-cutting issue. This also applies to the significant issue of reducing CO<sub>2</sub> emissions and the targeted conversion of business activities to emission-free power supply and production processes with a lower emission rate.

### Meetings and meeting attendance

In the 2024 business year, meetings were held as follows:

- The Supervisory Board met six times.
- The Personnel Committee met three times.
- The Audit Committee met five times.
- The Nomination Committee did not meet.
- The Strategy Committee met three times.

All members attended all meetings of the Supervisory Board. The meetings of the Supervisory Board committees were attended by all respective committee members. During the 2024 business year, the meetings of the Supervisory Board and its committees were held almost entirely as general in-person meetings with the additional option of virtual attendance. Only the Audit Committee held one of its five meetings as a hybrid meeting.

For more information on the activities of the Supervisory Board and its committees in the 2024 business year, see the Report of the Supervisory Board from page [462](#) onward.

» For an overview of meeting attendance, see [basf.com/supervisoryboard/meetings](https://basf.com/supervisoryboard/meetings)

» The Rules of Procedure for the Supervisory Board and its committees can be found at [basf.com/rules-of-procedure](https://basf.com/rules-of-procedure).

### Competence profile, diversity concept, independence and further objectives for the composition of the Supervisory Board

One important concern of good corporate governance is to ensure that seats on the responsible corporate bodies, the Board of Executive Directors and the Supervisory Board are appropriately filled. In December 2017, the Supervisory Board agreed for the first time on objectives for the composition, the competence profile and the diversity concept of the Supervisory Board. These objectives and the competence profile have since been continuously updated in the implementation of legal requirements and further developed, taking into account the recommendations of the German Corporate Governance Code (GCGC). The guiding principle for the composition of the Supervisory Board is to ensure qualified supervision and guidance for the Board of Executive Directors of BASF SE. For the election of shareholder representatives to the Supervisory Board, individuals will only be nominated to the Annual

<sup>4</sup> Classified by the Supervisory Board as an "independent" member of the Supervisory Board (see page [122](#) for the criteria used to determine independence)

Shareholders' Meeting who can, based on their professional knowledge and experience, integrity, commitment, independence and character, successfully perform the work of a supervisory board member at an international chemical company.

### Competence profile

The following requirements and objectives (competence profile as amended in December 2022) are considered essential to the composition of the Supervisory Board as a collective body:

- Leadership experience in managing companies, associations and networks
- Members' collective knowledge of the chemical sector and the related value chains
- Appropriate knowledge within the body as a whole of finance, accounting, financial reporting, risk management, law and compliance
- Appropriate expertise within the body as a whole on sustainability issues relevant to BASF
- At least one member with special knowledge and experience (special expertise) in the field of accounting, including sustainability reporting
- At least one member with special knowledge and experience (special expertise) in the field of financial auditing, including the audit of sustainability reporting
- At least one member with in-depth experience in innovation, research and development, and technology
- At least one member with in-depth experience in the areas of digitalization, information technology, business models and startups
- At least one member with in-depth experience in the areas of human resources, society, communications and the media
- Specialist knowledge and experience in sectors outside of the chemical industry

### Diversity concept

The Supervisory Board strives to achieve a reasonable level of diversity with respect to character, gender, international representation, professional background, specialist knowledge and experience as well as age distribution. It takes the following composition criteria into account:

- At least 30% of members are women and 30% of members are men.
- At least 30% of members have international experience based on their background or professional experience.
- At least 50% of members have different educational backgrounds and professional experience.
- At least 30% of members are under the age of 60.

### Independence

To ensure the independent monitoring and consultation of the Board of Executive Directors, the Supervisory Board should have an appropriate number of independent members on the Board as a whole and an appropriate number of independent shareholder representatives. The Supervisory Board deems this to be the case if more than half of the shareholder representatives and at least eight members of the Supervisory Board as a whole can be considered independent. The Supervisory Board's assessment of independence is based on the assessment criteria in the current respective version of the German Corporate Governance Code.

According to these criteria, indicators of a lack of independence of a Supervisory Board member are:

- Membership of the Board of Executive Directors of the company in the two years prior to being appointed to the Supervisory Board
- Significant business relations with the company or an entity dependent on the company (such as a customer, supplier, lender or adviser), either currently or in the year prior to their appointment, either directly or as a shareholder of, or in a responsible position at, a third-party company
- Close family relations with a member of the Board of Executive Directors
- Membership of the Supervisory Board for more than 12 years

The Supervisory Board has additionally defined the following principles to clarify the meaning of independence:

- The independence of employee representatives is not compromised by their role as an employee representative or employment by BASF SE or a Group company.
- Prior membership of the Board of Executive Directors of BASF SE does not preclude independence following the expiry of the statutory cooling-off period of two years.
- Material transactions between a Supervisory Board member or a related party or undertaking of the Supervisory Board member on the one hand, and BASF SE or a BASF Group company on the other, exclude a member of the Supervisory Board from being qualified as independent. A material transaction is defined as one or more transactions in a single calendar year with a total volume of 1% or more of the sales of the companies involved in each case.
- If a Supervisory Board member or a related party or undertaking of a Supervisory Board member has a personal service or consulting agreement with BASF SE or one of its Group companies with an annual compensation of over 50% of the Supervisory Board compensation, they do not qualify as independent.
- Furthermore, if a Supervisory Board member or a related party of a Supervisory Board member holds more than 20% of the shares in a company in which BASF SE is indirectly or directly the majority shareholder, the necessary independence is also not met.

The assessment criteria for independence of the German Corporate Governance Code and the Supervisory Board's own principles to clarify the meaning of independence are significantly narrower than the new provisions of Delegated Regulation (EU) 2023/2772. As such, this ensures that the majority of Supervisory Board members do not have any interests, positions, associations or relations that, from the perspective of a reasonable and informed third party, are conducive to exerting undue influence on decision-making or to causing bias.

### Further objectives for the composition of the Supervisory Board

- Character and integrity: Members of the Supervisory Board must be personally reliable and have the knowledge and experience required to diligently and independently perform the work of a supervisory board member.
- Availability: Each member of the Supervisory Board ensures that they invest the time needed to properly perform their role as a member of the Supervisory Board of BASF SE. The statutory limits on appointments and the recommendations of the German Corporate Governance Code must be complied with when accepting further appointments.

- No conflicts of interest: Persons who may be subject to a conflict of interest may not be nominated for election to the Supervisory Board. A conflict of interest is deemed to be any personal interest, or third-party interest relevant to the nominated person, that, on account of its duration or intensity, gives cause for concern that the business interests of BASF will be impaired or jeopardized.
- Age limit and period of membership: Persons who have reached the age of 72 on the day of election by the Annual Shareholders' Meeting should generally not be nominated for election. Membership on the Supervisory Board should generally not exceed three regular statutory periods in office, which corresponds to 12 years.

### Implementation status of the competence profile, diversity concept, independence requirements and further objectives for the composition of the Supervisory Board

According to the Supervisory Board's own assessment, its current composition meets all of the requirements of the competence profile: Every single area of competence is covered by multiple members of the Supervisory Board. In particular, the in-depth knowledge and experience of the chemical sector and the related value chains, which are crucial for understanding the business activities of BASF, are broadly represented. The Supervisory Board also has the essential knowledge of accounting, financial reporting and auditing, including sustainability reporting and its auditing, required for monitoring the management of the company.

According to the Supervisory Board's own assessment, its current composition also meets all of the independence requirements in full: Eleven of the 12 current members, of which six are shareholder representatives and five are employee representatives, are considered independent based on the above criteria. As such, the Supervisory Board's independence rate stands at 91.7%. Only the employee representative Michael Vassiliadis is no longer considered independent as he has been a member of the Supervisory Board since August 2004, and therefore for over 12 years.

Furthermore, the Supervisory Board meets the required composition criteria under the diversity concept in full: The share of women stands at 33.3%, the share of members with international experience stands at 50%, the share of different educational backgrounds and professional expertise stands at 66.7% and the share of members under 60 at 66.7%.

The implementation status of the competence profile, diversity concept, independence requirements and further objectives for the composition of the Supervisory Board is disclosed below in the form of a qualification matrix:

## Qualifications matrix of the shareholder representatives in the Supervisory Board

	<b>Dr. Kurt Bock</b>	<b>Prof. Dr. Stefan Asenkerschbaumer</b>	<b>Prof. Dr. Thomas Carell</b>	<b>Liming Chen</b>	<b>Alessandra Genco<sup>a</sup></b>	<b>Tamara Weinert<sup>b</sup></b>
<b>Membership of the Supervisory Board of BASF SE</b>						
Member since	June 18, 2020	April 29, 2022	May 3, 2019	October 8, 2020	April 29, 2022	April 25, 2024
Committee memberships	Nomination Committee (Chairman); Strategy Committee (Chairman); Personnel Committee	Nomination Committee; Strategy Committee; Personnel Committee (Chairman)	Nomination Committee; Personnel Committee	Nomination Committee	Audit Committee (Chairwoman); Nomination Committee; Strategy Committee	Audit Committee; Nomination Committee
<b>Personal suitability and availability</b>						
Independence in accordance with GCGC	✓	✓	✓	✓	✓	✓
Independence in accordance with Delegated Regulation (EU) 2023/2772	✓	✓	✓	✓	✓	✓
Memberships of other supervisory bodies	BMW AG <sup>c</sup> (Vice Chairman, Chairman of the Audit Committee, member of the Personnel and Nomination Committees)	Robert Bosch GmbH <sup>d</sup> (Chairman); Stadler Rail AG <sup>d</sup>	None	ACWA Power Company SJSC <sup>c</sup> (nonexecutive independent Board member since January 5, 2025)	Elettronica SpA <sup>d</sup> (controlled interest of Leonardo SpA)	None
No overboarding	✓	✓	✓	✓	✓	✓
Participation rate in Supervisory Board meetings and its committees (2024)	100%	100%	100%	100%	100%	100%
<b>Diversity</b>						
Date of birth	July 3, 1958	April 27, 1956	April 26, 1966	January 29, 1960	August 4, 1973	February 16, 1965
Gender	Male	Male	Male	Male	Female	Female
Vocational training	Business administration	Business education; business administration	Organic chemistry	Food science	Economics	Banking; finance; protected landscape management
Position held	Chairman of the Supervisory Board of BASF SE	Managing partner, Robert Bosch Industrietreuhand KG (RBIK), Chairman of the Supervisory Board of Robert Bosch GmbH	Professor of Organic Chemistry at Ludwig-Maximilians-University Munich	Nonexecutive independent Board member of ACWA Power Company SJSC	Chief Financial Officer of Leonardo SpA	President and Chief Executive Officer of the Business Area Americas, member of the Leadership Team of Outokumpu Corporation
Nationality	German	German	German	Singaporean	Italian	German

## Qualifications matrix of the shareholder representatives in the Supervisory Board

	Dr. Kurt Bock	Prof. Dr. Stefan Asenkerschbaumer	Prof. Dr. Thomas Carell	Liming Chen	Alessandra Genco <sup>a</sup>	Tamara Weinert <sup>b</sup>
<b>International experience</b>						
Europe	✓	✓	✓	✓	✓	✓
North/South/Central America	✓		✓	✓	✓	✓
China				✓		
Asia Pacific				✓		✓
<b>Professional knowledge and experience/competence profile<sup>e</sup></b>						
Leadership of companies, associations and networks	✓	✓	✓	✓	✓	✓
Chemical sector and related value chains	✓	✓	✓	✓		
Finance, accounting, financial reporting, risk management, law and compliance	✓	✓		✓	✓	✓
Sustainability <sup>f</sup>	✓	✓	✓	✓	✓	✓
Accounting and auditing, including sustainability reporting	✓	✓			✓	✓
Innovation, research and development and technology			✓	✓	✓	
Digitalization, IT, business models and startups	✓	✓	✓	✓	✓	✓
Human resources, society, communications and the media	✓	✓	✓	✓	✓	✓
Economic sectors others than the chemical industry	✓	✓	✓	✓	✓	✓

<sup>a</sup> Member with special knowledge of and experience in accounting, including sustainability reporting

<sup>b</sup> Member with special knowledge of and experience in auditing, including sustainability auditing

<sup>c</sup> Publicly listed

<sup>d</sup> Not publicly listed

<sup>e</sup> Based on a self-assessment by the Supervisory Board and taking into account the individual assessment of each of its members. A check mark signifies at least good knowledge in this area and thus the ability to understand relevant issues well and make informed decisions, either on the basis of existing qualifications or on the basis of knowledge acquired through the Supervisory Board activity and in further training measures.

<sup>f</sup> In particular, taking into account the sustainability topics that are material for BASF, which were identified following the double materiality assessment. Details can be found in the section "Competence of the Board of Executive Directors and Supervisory Board in monitoring sustainability aspects" from page 133 onward.



## Qualifications matrix of the employee representatives in the Supervisory Board

	<b>Sinischa Horvat</b>	<b>Tatjana Diether</b>	<b>André Matta</b>	<b>Natalie Mühlenfeld</b>	<b>Michael Vassiliadis</b>	<b>Peter Zaman</b>
<b>Membership of the Supervisory Board of BASF SE</b>						
Member since	May 12, 2017	May 4, 2018	April 29, 2022	April 29, 2022	August 1, 2004	April 29, 2022
Committee memberships	Personnel Committee; Strategy Committee	Audit Committee; Personnel Committee	Strategy Committee	None	Audit Committee; Personnel Committee; Strategy Committee	None
<b>Personal suitability and availability</b>						
Independence in accordance with GCGC	✓	✓	✓	✓		✓
Independence in accordance with Delegated Regulation (EU) 2023/2772	✓	✓	✓	✓	✓	✓
Memberships of other supervisory bodies	None	None	None	3M Deutschland GmbH <sup>a</sup> ; Solventum Germany GmbH <sup>a</sup>	Steag GmbH <sup>a</sup> ; Henkel AG & Co. KGaA <sup>b</sup> ; RAG Aktiengesellschaft <sup>a</sup> (Vice Chairman); Vivawest GmbH <sup>a</sup>	None
No overboarding	✓	✓	✓	✓	✓	✓
Participation rate in Supervisory Board meetings and its committees (2024)	100%	100%	100%	100%	100%	100%
<b>Diversity</b>						
Date of birth	January 30, 1976	April 4, 1975	June 30, 1970	August 13, 1980	March 13, 1964	November 25, 1968
Gender	Male	Female	Male	Female	Male	Male
Vocational training	Process control electronics; business administration	Technical drawing; commercial training	Machinist; chemical technician	Law	Chemical laboratory technician	Automotive mechanic; plant operator
Position held	Chairman of the Works Council of BASF SE, Ludwigshafen site, of the BASF Group Works Council, and of the BASF Works Council Europe	Deputy Chairwoman of the Works Council of BASF SE, Ludwigshafen site, and member of the BASF Group Works Council and of the BASF Works Council Europe	Member of the Works Council of BASF SE, Ludwigshafen site, of the BASF Group Works Council and of the BASF Works Council Europe	Board secretary of the Board Division 1 Politics/ Transformation, IGBCE	Chairman of the IGBCE	Secretary of the Works Council of BASF Antwerpen N.V.
Nationality	German	German	German	German	German	Belgian
<b>International experience</b>						
Europe	✓	✓	✓	✓	✓	✓
North/South/Central America						
China						
Asia Pacific						

## Qualifications matrix of the employee representatives in the Supervisory Board

	Sinischa Horvat	Tatjana Diether	André Matta	Natalie Mühlenfeld	Michael Vassiliadis	Peter Zaman
<b>Professional knowledge and experience/competence profile<sup>c</sup></b>						
Leadership of companies, associations and networks	✓	✓	✓	✓	✓	
Chemical sector and related value chains	✓	✓	✓	✓	✓	✓
Finance, accounting, financial reporting, risk management, law and compliance		✓		✓	✓	
Sustainability <sup>d</sup>	✓	✓	✓	✓	✓	✓
Accounting and auditing, including sustainability reporting		✓			✓	
Innovation, research and development and technology	✓	✓				
Digitalization, IT, business models and startups	✓		✓		✓	
Human resources, society, communications and the media	✓	✓	✓	✓	✓	✓
Economic sectors others than the chemical industry				✓	✓	✓

<sup>a</sup> Not publicly listed

<sup>b</sup> Publicly listed

<sup>c</sup> Based on a self-assessment by the Supervisory Board and taking into account the individual assessment of each of its members. A check mark signifies at least good knowledge in this area and thus the ability to understand relevant issues well and make informed decisions, either on the basis of existing qualifications or on the basis of knowledge acquired through the Supervisory Board activity and in further training measures.

<sup>d</sup> In particular, taking into account the sustainability topics that are material for BASF, which were identified following the double materiality assessment. Details can be found in the section "Competence of the Board of Executive Directors and Supervisory Board in monitoring sustainability aspects" from page 133 onward.

## Proportions represented in the Supervisory Board according to the aspects of diversity and independence taken into account (as of December 31, 2024)

Proportion of women <sup>a</sup>	33.3%
Proportion of members with international experience based on their background or professional experience	50%
Proportion of members with different educational backgrounds and professional experience	66.7%
Proportion of members under 60 years of age	66.7%
Proportion of independent members in accordance with GCGC	91.7%
Proportion of independent members in accordance with Delegated Regulation (EU) 2023/2772	100%

<sup>a</sup> We do not currently record a third gender in the aspects of diversity represented in the Supervisory Board. We will regularly review the relevance of this category in external reporting.

For more information on the statutory minimum quotas for the number of women and men on the Supervisory Board, see the section "Commitments to promote the participation of women in leadership positions at BASF SE" on page 135.

» For more information on the Supervisory Board's competence profile, see [basf.com/competence-profile/supervisoryboard](https://basf.com/competence-profile/supervisoryboard)

## The Board of Executive Directors' and the Supervisory Board's handling of sustainability topics

[ESRS 2 GOV-1](#) [ESRS 2 GOV-2](#)

### Organization and responsibilities for monitoring sustainability-related impacts, risks and opportunities

Sustainability aspects are systematically incorporated within the strategy, operations and assessment, steering and compensation systems of BASF.

Sustainability-related opportunities and risks are systematically recorded as part of opportunity and risk management. Sustainability-related impacts are analyzed and evaluated by the Corporate Sustainability unit. Decisions regarding investments, acquisitions and divestitures take into account comprehensive assessments of sustainability impacts. Sustainability topics and the related risk management as well as the internal control system are the responsibility of the entire Board of Executive Directors. It defines the basic requirements and processes as well as the organization of the risk management system. The Board of Executive Directors also determines the processes for approving investments, acquisitions and divestitures. In this regard, it is also supported by the units of the Corporate Center and the Risk Committee, which reviews the Group-wide risk profile and any necessary adjustments to measures at least twice a year.

The supervisory and advisory activities of the entire Supervisory Board also include the Board of Executive Directors' consideration of sustainability topics with regard to corporate management and strategy development, including the impacts of the company's activities. Supervision of the risk management system and the internal control system, the internal auditing system, the appropriateness and effectiveness of the compliance management system, and compliance with statutory provisions and internal health, safety and environmental regulations falls within the responsibility of the Audit Committee. The Audit Committee also deals with follow-up assessments of key acquisition and investment projects. The Audit Committee also monitors sustainability reporting and its auditing as part of its supervision of accounting and auditing. For additional information on organization and responsibilities in connection with the management of opportunities and risks, see page [87](#) onward.

As part of the development of the new corporate strategy, which was communicated both internally and externally in September 2024, the Board of Executive Directors identified the transformation toward a more sustainable portfolio as a strategic lever to enable the green transformation of BASF's customers as their preferred chemical company. The Strategy Committee of the Supervisory Board was involved in developing the new strategy and in the decision-making process; furthermore, the Supervisory Board as a whole was regularly informed of the current status.

Together with specialists from operating divisions and service units, the Corporate Center is responsible for integrating sustainability into decision-making processes and for steering and reporting processes regarding sustainability topics. The Corporate Strategy & Sustainability unit is also responsible for the global steering of climate-related matters. Group-wide risk and opportunity management is the responsibility of the Corporate Center unit Corporate Finance, which reports to the Chief Financial Officer. The Corporate Strategy & Sustainability unit reports to the Chairman of the Board of Executive Directors.

Sustainability topics are discussed regularly and managed collectively by the Board of Executive Directors. When making its decisions, the Board of Executive Directors considers the results and recommendations from sustainability evaluations of business processes. It makes decisions with strategic relevance for the Group and monitors the implementation of strategic plans and their target achievement. The Supervisory Board is regularly briefed on the development of individual sustainability

topics, on sustainability targets and the status of target achievement, by the Board of Executive Directors.

The Chief Human Rights Officer is responsible for further embedding human rights aspects in decision-making processes. He reports directly to the Chairman of the Board of Executive Directors.

The systematic evaluation of sustainability criteria, including the impacts of climate change, is an integral part of decisions on investments, acquisitions and divestitures in property, plant and equipment and financial assets. In this way, not only are economic dimensions assessed, but also the potential impacts on areas such as the environment, human rights or the local community, with the assessment taking both the potential impacts of company activities and the impacts on the company into account.

If potential negative impacts are identified, for example, in planned investments, these are presented transparently in the internal decision-making process together with possible mitigation measures. In the business year under review, the Board of Executive Directors therefore again took appropriate account of compromises developed in connection with the impacts, risks and opportunities of significant transactions and the risk management process, and discussed these compromises with the Supervisory Board.

Pursuant to the Statutes of the company and the Rules of Procedure of the Supervisory Board, investment, acquisition and divestiture decisions of the Board of Executive Directors and the commencement of new business areas as well as the discontinuation of existing ones require the consent of the Supervisory Board insofar as they are of material significance for the Group as a whole. The Supervisory Board is thus always involved comprehensively and at an early stage in the aforementioned evaluation of sustainability criteria in connection with strategic decisions of the Board of Executive Directors.

In order to implement the climate protection targets and the measures contributing to them, appropriate organizational structures have been put into place: The Corporate Center unit Corporate Environmental Protection, Health, Safety & Quality, which reports to a member of the Board of Executive Directors, develops Group-wide requirements and guidelines for collecting emissions and energy data and for energy management. It conducts regular audits to monitor the implementation of and compliance with internal and legal requirements by the BASF sites and Group companies. The Corporate Center unit Corporate Strategy & Sustainability develops the BASF Group's climate targets and emission reduction levers for achieving them. The Net Zero Accelerator unit played a key role in driving the achievement of our climate protection targets forward in the business year under review by accelerating and implementing projects related to low-emission production technologies, circular economy and renewable energy.<sup>5</sup> The Global Procurement unit, together with Corporate Strategy & Sustainability, is responsible for purchasing processes and procurement requirements with regard to our raw materials-related targets. Global Procurement reports to the Chief Financial Officer; Corporate Strategy & Sustainability and Net Zero Accelerator report to the Chairman of the Board of Executive Directors. Once a year, the Board of Executive Directors reports in detail to the Supervisory Board on the sustainability targets and the status of target achievement. Group-wide Scope 1 and Scope 2 emissions have also been anchored in the BASF Group's steering and compensation systems as the most important nonfinancial key performance indicators since 2020 (see also page [134](#)).

### Information of the Board of Executive Directors and the Supervisory Board on sustainability topics

The Board of Executive Directors and the Supervisory Board are regularly briefed on sustainability aspects. In the business year under review, these also included the process of the double materiality assessment and its findings. The Audit Committee was also provided with details of significant impacts,

<sup>5</sup> In accordance with the new corporate strategy, the Net Zero Accelerator unit was dissolved as of January 1, 2025, and its responsibilities embedded within Global Procurement, Petrochemicals, Monomers, European Site & Verbund Management, Corporate Development, Group Research and Ressort I.

risks and opportunities. Corporate Finance provides information twice a year on the aggregated opportunity/risk exposure of the BASF Group. A direct reporting obligation applies for new individual risks with an impact of €10 million or more on earnings, as well as for risks with significant impacts on the sustainability targets and reputation of BASF. The Supervisory Board's Audit Committee is informed annually about short-term operational opportunities and risks as well as the risk management system and its further development, and reports on these matters to the entire Supervisory Board. The Corporate Development unit addresses strategic opportunities and risks annually to the Board of Executive Directors and Supervisory Board. Furthermore, the Board of Executive Directors reports to the Supervisory Board once a year on the implementation status of the sustainability targets and the effectiveness of the strategies, measures and parameters decided upon.

Risk-specific monitoring and control systems, some of which are decentralized, have been set up for each area identified in the risk portfolio. The results of the monitoring processes are incorporated into regular risk reporting to the Risk Committee and the Board of Executive Directors.

The Corporate Audit unit is responsible for regularly auditing the effectiveness and appropriateness of the risk management system, internal control system and the compliance management system. It reports on these matters twice a year to the Audit Committee. The Audit Committee addresses the effectiveness and appropriateness of these systems as part of its monitoring activities.

In order to implement due diligence, the Board of Executive Directors and the Supervisory Board receive regular reports. The Corporate Center unit Corporate Environmental Protection, Health, Safety & Quality reports to the Board of Executive Directors at the beginning of each business year on the Responsible Care audits conducted in the previous year, as well as on the audit planning for the current year. In meeting its due diligence obligation, the Board of Executive Directors also approved and implemented a revised risk matrix in 2024 as part of its Process Safety Excellence Senior Project, the aim being to improve process safety. Once a year, the Chief Financial Officer reports to the Supervisory Board's Audit Committee on the EHS audits conducted in the previous business year, as well as on the audit planning for the current year.

The Board of Executive Directors and Supervisory Board dealt with the following significant impacts, risks and opportunities of BASF during the reporting period:

## List of significant impacts, risks and opportunities with which the management, control and supervisory bodies, or their responsible committees, dealt with during the reporting period

Material effects, risks, opportunities	Handled by the Board of Executive Directors	Handled by the Supervisory Board	Handled by the Audit Committee of the Supervisory Board
Mitigating climate change	CATch update – standard evaluation methodology for CO <sub>2</sub> reduction measures at BASF; Net Zero Accelerator Senior Project – further development of the organization; Compensation strategy to safeguard climate targets for 2030 and future obligations in European emissions trading	Reduction of CO <sub>2</sub> emissions (Scope 1 & 2, Scope 3.1)	Reduction of CO <sub>2</sub> emissions (Scope 1 & 2, Scope 3.1)
Energy	Acquisition of a 49% stake in German offshore wind farms N-6.6 and N-7.2 from Vattenfall; Purchase of renewable energy; Hydrogen technology	Geothermal energy as a heat source for steam generation for the Ludwigshafen site	
Water pollution	Aqueous film-forming foam (AFFF) – class settlement with drinking water suppliers in the United States		AFFF – class settlement with drinking water suppliers in the United States
Resource inflows including resource utilization	Technologies for recyclability and recycle content; Gasification; Renewable carbon; Renewable raw materials in the BASF Verbund	Renewable raw materials in the BASF Verbund	
Waste	Use of recycled feedstocks	Use of recycled feedstocks	
Occupational safety and health protection (S1)	Responsible Care audits; Process Safety Excellence Senior Project		EHS audits
Health and safety (S2)	Human Rights Report 2023		Case reporting on human rights
Child labor (S2)	Human Rights Report 2023		
Other social and economic rights (S3)	Human Rights Report 2023		
Free, prior and informed consent (S3)	Human Rights Report 2023		
Corporate culture	Compliance Report 2023; Employee Voices results; Political Relations and Advocacy policy		Compliance in the BASF Group
Protection of whistleblowers	Compliance Report 2023		Compliance in the BASF Group
Corruption and bribery (for example, prevention and detection including training, incidents)	Compliance Report 2023		Compliance in the BASF Group
<b>Cross-thematic issues and other sustainability and risk management-related topics</b>			
	Sustainability-related targets of the divisions	Update on BASF's sustainability targets	
	BASF Sustainability Award 2024		
	Corporate strategy: sustainable transformation; green transformation; corporate goals; capital allocation framework; green transformation narrative, updated sustainability setup		

Material effects, risks, opportunities	Handled by the Board of Executive Directors	Handled by the Supervisory Board	Handled by the Audit Committee of the Supervisory Board
	Double materiality assessment in connection with ESRS implementation	Double materiality assessment in connection with ESRS implementation; CSRD/ESRS: Legal requirements for the Supervisory Board; ESRS implementation at BASF	Material effects, risks and opportunities for BASF; CSRD/ESRS reporting requirements
			Sustainable finance
			Sales revenue with Sustainable-Future Solutions
			Risk management at BASF
	Corporate Audit Activity Report 2023, Audit Planning 2024		Report on the work of Corporate Audit
			Internal control system (ICS) of financial reporting

For more details on information processes, see Opportunities and Risks from page [87](#) onward.

### Competence of the Board of Executive Directors and Supervisory Board in monitoring sustainability aspects

Sustainable and responsible activities are firmly enshrined in BASF's corporate purpose, strategy, objectives and business operations. For instance, BASF's innovations, products and technologies help to use natural resources more efficiently, meet the demand for food, enable climate-smart mobility, reduce emissions and waste, or increase the efficiency of renewable energy. At the same time, BASF causes CO<sub>2</sub> emissions, uses water and sources raw materials from suppliers, which may involve a potential risk of violating environmental, labor or social standards. Sustainability thus represents a material topic that cuts across operating divisions and segments – and is dealt with by each member of the Board of Executive Directors within their respective area of divisional responsibility. Therefore, sustainability-related expertise is broadly anchored within the Board of Executive Directors.

In particular, the Board of Executive Directors possesses in-depth knowledge on the material topics of climate protection and energy, and circular economy and resource use. Dr. Markus Kamieth, Dr. Michael Heinz, Dr. Stephan Kothrade and Dr. Katja Scharpwinkel were directly involved in the Net Zero Accelerator Senior Project, which focused on the provision of renewable energy, avoiding and managing CO<sub>2</sub> and safeguarding access to renewable raw materials. On account of his former position as a member of the Executive Board of Wintershall Holding GmbH and his current role on the Board of Harbour Energy plc, Dr. Dirk Elvermann possesses in-depth expertise in the energy sector. As Chief Financial Officer, he also deals intensively with sustainability reporting in accordance with CSRD requirements and is familiar with sustainable finance. On account of his many years of experience as the Site Director of the Nanjing Verbund site, Dr. Stephan Kothrade is familiar with climate-related topics at Verbund sites, as well as with the material sustainability topics of air and water pollution. Based on his career in the Catalysts division, Anup Kothari also holds expertise in air pollution in addition to battery recycling and the responsible sourcing of raw materials. Thanks to Dr. Markus Kamieth and Industrial Relations Director Dr. Katja Scharpwinkel, the Board of Executive Directors has broad knowledge of health and safety at its disposal, both in relation to the company's own workforce and the workforce in the value chain. By virtue of their many years of leadership experience within BASF, all members of the Board of Executive Directors are fully conversant with corporate governance, culture and policy, and in particular with the Code of Conduct.

The Supervisory Board as a whole possesses a broad spectrum of sustainability-related expertise, which also, and in particular, encompasses the material sustainability topics for BASF identified as part of the double materiality assessment. By dint of their decades of management experience, Dr. Kurt Bock and Prof. Dr. Stefan Asenkerschbaumer have in-depth knowledge of corporate governance and corporate policy. Thanks to his research activities in the field of organic chemistry, Prof. Dr. Thomas Carell is fully versed in the topic of substances of concern and substances of very high concern. Due to his former role in the chemical industry, Liming Chen possesses expertise in the areas of air and water pollution. On account of her position as chief financial officer of a publicly listed international company based in the EU, the Chairwoman of the Audit Committee, Alessandra Genco, is fully conversant with sustainability reporting and regularly deals with the new CSRD requirements as part of her duties. She also boasts expertise in the circular economy and recycling processes. In terms of the monitoring of sustainability aspects, Tamara Weinert contributes relevant expertise from her former management positions in the energy sector, which is important for BASF, and her operational and strategic management experience in the areas of water withdrawals and consumption, water discharges and circular solutions. As part of their respective activities, all shareholder representatives on the Supervisory Board regularly deal with climate protection matters. Sinischa Horvat, Natalie Mühlenfeld and Michael Vassiliadis possess broad expertise in the field of health and safety, both in relation to the company's own workforce and the workforce in the value chain. As part of their trade union and works council activities, all employee representatives on the Supervisory Board have been dealing intensively with the topic of adequate wages for many years. In-depth expertise on the topic of training and skills development is available among both the shareholder representatives and employee representatives.

In addition, all members of the Supervisory Board attended an information event held by the company in 2024 concerning the reporting requirements pursuant to the CSRD and the process and results of the double materiality assessment conducted at BASF. At this event, the identified material sustainability topics for BASF were explained in detail. Further internal and external training events on sustainability topics are planned for 2025. Where necessary, the members of the Supervisory Board also have the option of consulting external experts on specific topics.

## Compensation of the Board of Executive Directors and the Supervisory Board

### ESRS 2 GOV-3

Compensation of the Board of Executive Directors is based on the size, complexity and economic position of the company. The structure of this compensation is designed to contribute to sustainable business success and the achievement of strategic corporate goals. The amount of the variable compensation is derived both from the achievement of short- and long-term financial and sustainability-related targets and from the development of the share price and dividend per share (total shareholder return). Since the 2024 business year, the short-term incentive (STI) has accounted for 25% and the long-term incentive (LTI) for 41% of the total target compensation for a business year.

In addition to three financial targets, which account for a total of 75% of the STI, the STI for the 2024 business year also defines the following targets<sup>6</sup>: employee engagement and satisfaction (employee engagement index), occupational and process safety and strategic projects. Of these, the first two are sustainability-related. All three of these targets are equally weighted in the STI and together account for 25% of the total STI formula. This means that 16.7% of the entire STI formula is sustainability-related.

<sup>6</sup> These targets are referred to as "nonfinancial targets" in the Compensation Report (available at [basf.com/compensationreport](https://www.basf.com/compensationreport)) and account for 25% of the STI formula.



The LTI includes the reduction of CO<sub>2</sub> emissions (Scope 1 and 2) of the BASF Group as one of three equally weighted (33.3%<sup>7</sup>) strategic goals. These have been anchored as the most important nonfinancial key performance indicator in the BASF Group's steering and compensation systems since 2020.

The sustainability-related performance of the BASF Group is thus included in the compensation of the Board of Executive Directors.

The compensation of the Supervisory Board does not include any variable components and is therefore not tied to the achievement of targets.

The structure and amount of compensation for the Board of Executive Directors are set by the Supervisory Board at the recommendation of the Personnel Committee. In the event of significant changes, but at least every four years, the compensation system determined by the Supervisory Board is submitted to the Annual Shareholders' Meeting for approval. Compensation for Supervisory Board members is governed by the Statutes of BASF SE, which are decided upon by the Annual Shareholders' Meeting (legally required by sections 87 and 87a AktG for the Board of Executive Directors and section 113 AktG for the Supervisory Board).

The Compensation Report in accordance with section 162 of the German Stock Corporation Act (AktG) together with the assurance statement of the substantive and formal audit issued by the auditor and the compensation system for the Board of Executive Directors are publicly available on the BASF website.

» The Compensation Report is available at [basf.com/compensationreport](https://www.basf.com/compensationreport).

» For more information on the compensation system for the Board of Executive Directors, see [basf.com/compensation-system](https://www.basf.com/compensation-system)

## Commitments to promote the participation of women in leadership positions at BASF SE

### ESRS 2 GOV-1

The supervisory board of a publicly listed European stock corporation (SE) that is composed of the same number of shareholder and employee representatives must, according to section 17(2) of the SE Implementation Act, consist of at least 30% women and 30% men. Since the 2018 Annual Shareholders' Meeting, the Supervisory Board of BASF SE comprises four women, of whom two are shareholder representatives and two are employee representatives, and eight men. The Supervisory Board's composition meets the statutory requirements.

Following the entry into force of the Act to Supplement and Amend the Regulations on Equal Participation of Women and Men in Management Positions in the Private and Public Sector (FüPoG) on August 12, 2021, if the management board of a listed company consists of more than three persons, at least one woman and one man must be members of the management board (section 76 (3a) AktG). BASF met this requirement in the reporting year. With Dr. Katja Scharpwinkel, there was one female Board member. With six members of the Board of Executive Directors, this corresponds to a 16.7 percentage of women.

In compliance with legal requirements of the FüPoG, the Board of Executive Directors decided on target figures for the proportion of women at the two management levels below the Board of Executive Directors of BASF SE. For the target-attainment period from January 1, 2022, to December 31, 2026, the Board of Executive Directors resolved as targets the quotas achieved as of December 31, 2021: 20.0% for the proportion of women in the management level directly below the Board and 23.2% for the level below that.

<sup>7</sup> The exact percentage influence on compensation depends on the target achievement. For more information, see the Compensation Report at [basf.com/compensationreport](https://www.basf.com/compensationreport).

For more information on women in leadership positions in the BASF Group and on the inclusion of diversity, including promotion of women, see page [276](#) onward.

- » For more information on women in leadership positions in the BASF Group in Germany, see [basf.com/diversity\\_and\\_inclusion](https://basf.com/diversity_and_inclusion)
- » The November 2015 Employee Participation Agreement relevant to the composition of the Supervisory Board is available at [basf.com/en/corporategovernance](https://basf.com/en/corporategovernance).

## 〈Shareholders' rights〉

Shareholders exercise their rights of coadministration and supervision at the Annual Shareholders' Meeting, which usually takes place within the first five months of the business year. The Annual Shareholders' Meeting elects half of the members of the Supervisory Board (shareholder representatives) and, in particular, resolves on the formal discharge of the Board of Executive Directors and the Supervisory Board, the distribution of profits, capital measures, the authorization of share buybacks, changes to the Statutes and the selection of the auditor.

Each BASF SE share represents one vote. All of BASF SE's shares are registered shares. Shareholders are obliged to have themselves entered with their shares into the company share register and to provide the information necessary for registration in the share register according to the German Stock Corporation Act (AktG). There are no registration restrictions and there is no limit to the number of shares that can be registered to one shareholder. Only the persons listed in the share register are entitled to vote as shareholders. Listed shareholders may exercise their voting rights at the Annual Shareholders' Meeting either personally, through a representative of their choice or through a company-appointed proxy authorized by the shareholders to vote according to their instructions. Individual instructions are only forwarded to the company on the morning of the day of the Annual Shareholders' Meeting. Until the Annual Shareholders' Meeting 2024, voting rights could be exercised according to shareholders' instructions by company-appointed proxies until the beginning of the voting process. There are neither voting caps to limit the number of votes a shareholder may cast nor special voting rights. BASF has fully implemented the principle of "one share, one vote." All shareholders entered in the share register are entitled to participate in the Annual Shareholders' Meetings, to have their say concerning any item on the agenda and to request information about company issues insofar as this is necessary to make an informed judgment about the item on the agenda under discussion. Registered shareholders are also entitled to file motions pertaining to proposals for resolutions made by the Board of Executive Directors and Supervisory Board at the Annual Shareholders' Meeting and to contest resolutions of the meeting and have them evaluated for their lawfulness in court. Shareholders who hold at least €500,000 of the company's share capital, a quota corresponding to 390,625 shares, are furthermore entitled to request that additional items be added to the agenda of the Annual Shareholders' Meeting.

The 2023 Annual Shareholders' Meeting resolved a series of **amendments to the Statutes** in connection with the format of the Annual Shareholders' Meeting and the participation options. Accordingly, the Board of Executive Directors is authorized to hold the Annual Shareholders' Meeting or an Extraordinary Shareholders' Meeting as a virtual meeting without the physical presence of shareholders or their proxies at the venue of the meeting. This authorization for a period of two years is valid until May 8, 2025.

Like the 2023 Annual Shareholders' Meeting, the 2024 Annual Shareholders' Meeting was held as an in-person meeting with the shareholders physically present at the meeting venue.

- » The current Statutes of BASF can be found at [basf.com/en/corporategovernance](https://basf.com/en/corporategovernance).

## Implementation of the German Corporate Governance Code (GCGC)

BASF advocates responsible corporate governance that focuses on sustainably increasing the value of the company. BASF SE follows all of the recommendations of the German Corporate Governance Code in the version dated April 28, 2022 (Code 2022), the version in force at the time of submitting the Declaration of Conformity on December 19, 2024. In the same manner, BASF follows almost all of the nonobligatory suggestions of the German Corporate Governance Code. Only suggestion A.7, whereby the duration of the Annual Shareholders' Meeting should not exceed six hours, was not complied with by BASF in 2024 due to the large number of questions asked at the Annual Shareholders' Meeting.

The joint Declaration of Conformity 2024 by the Board of Executive Directors and Supervisory Board of BASF SE is rendered on page [145](#).

» For more information on the Declaration of Conformity 2024, the implementation of the Code's suggestions and the German Corporate Governance Code, see [basf.com/en/corporategovernance](https://basf.com/en/corporategovernance)

## Disclosures according to sections 289a and 315a of the German Commercial Code (HGB) and explanatory report of the Board of Executive Directors according to section 176(1) sentence 1 of the German Stock Corporation Act (AktG)

### Share capital and shares

As of December 31, 2024, the subscribed capital of BASF SE stood at €1,142,428,369.92, divided into 892,522,164 registered no-par-value shares. Each share entitles the holder to one vote at the Annual Shareholders' Meeting. Restrictions on the right to vote or transfer shares do not exist. The same rights and duties apply to all shares. According to the Statutes, shareholders are not entitled to receive share certificates (issuance of share certificates). There are neither different classes of shares nor shares with preferential voting rights.

### Appointment and dismissal of members of the Board of Executive Directors

The appointment and dismissal of members of the Board of Executive Directors is legally governed by the regulations in Article 39 of the SE Council Regulation, section 16 of the SE Implementation Act and sections 84 and 85 AktG as well as Article 7 of the Statutes of BASF SE. Accordingly, the Supervisory Board determines the number of members of the Board of Executive Directors (at least two), appoints the members of the Board of Executive Directors and can nominate a chair as well as one or more vice chairs. The members of the Board of Executive Directors are appointed for a maximum of five years. The maximum initial term of appointment is three years. Reappointments are permissible. The Supervisory Board can dismiss a member of the Board of Executive Directors if there is serious cause to do so. Serious cause includes, in particular, a gross breach of the duties pertaining to the Board of Executive Directors and a vote of no confidence by the Annual Shareholders' Meeting. The Supervisory Board decides on appointments and dismissals according to its own best judgment.

### Amendments to the Statutes

According to Article 59(1) of the SE Council Regulation, amendments to the Statutes of BASF SE require a resolution of the Annual Shareholders' Meeting adopted with at least a two-thirds majority of the votes cast, provided that the legal provisions applicable to German stock corporations under the German Stock Corporation Act (AktG) do not stipulate or allow for larger majority requirements. In the case of amendments to the Statutes, section 179(2) AktG requires a majority of at least three-quarters of the subscribed capital represented. Pursuant to Article 12(6) of the Statutes of BASF SE, the Supervisory Board is authorized to resolve on amendments to the Statutes that merely concern their wording. This applies in particular to the adjustment of the share capital and the number of shares after the redemption of repurchased BASF shares and after an issue of shares from authorized capital.

## Authorized capital

By way of a resolution of the Annual Shareholders' Meeting on April 25, 2024, the Board of Executive Directors of BASF SE is authorized, with the consent of the Supervisory Board, to increase, until April 24, 2029, on a one-off basis or in portions on a number of occasions, the company's share capital by a total of up to €300 million by issuing new shares against contributions in cash or in kind (authorized capital 2024). A right to subscribe to the new shares is to be granted to shareholders. This can also be achieved by a credit institution acquiring the new shares with the obligation to offer these to shareholders (indirect subscription right). The Board of Executive Directors is authorized to exclude the statutory subscription right of shareholders to a maximum amount of a total of 10% of share capital in certain exceptional cases that are defined in Article 5(8) of the BASF SE Statutes. This applies in particular if, for capital increases in return for cash contributions, the issue price of the new shares is not substantially lower than the stock market price of BASF shares and the total number of shares issued under this authorization does not exceed 10% of the shares currently in issue or, in eligible individual cases, to acquire companies or shareholdings in companies in exchange for surrendering BASF shares.

## Conditional capital

By way of a resolution of the Annual Shareholders' Meeting on April 29, 2022, the share capital was increased conditionally by up to €117,565,184 by issuing up to 91,847,800 new shares. The contingent capital increase serves to grant shares to the holders of convertible bonds or warrants attached to bonds with warrants of BASF SE or a subsidiary, which the Board of Executive Directors is authorized to issue up to April 28, 2027, by way of a resolution of the Annual Shareholders' Meeting on April 29, 2022. A right to subscribe to the bonds is to be granted to shareholders. The Board of Executive Directors is authorized to exclude the shareholders' subscription right in certain exceptional cases – as defined in Article 5(9) of the BASF SE Statutes.

## Authorization of share buybacks

At the Annual Shareholders' Meeting on April 29, 2022, the Board of Executive Directors was authorized to purchase up to 10% of the BASF shares in issue at the time of the resolution (10% of the company's share capital) until April 28, 2027. At the discretion of the Board of Executive Directors, the shares can be bought back via the stock exchange, via a public purchase offer addressed to all shareholders, via a public request to shareholders for the submission of offers to sell or by other means in accordance with section 53a AktG. The Board of Executive Directors is authorized to sell the repurchased company shares again: (a) on a stock exchange; (b) through an offer directed to all shareholders; (c) with the approval of the Supervisory Board, to third parties by means other than via the stock exchange or through an offer addressed to all shareholders in return for cash payment at a price that is not significantly lower than the stock exchange price of a BASF share at the time of the sale; or (d) with the approval of the Supervisory Board, to third parties for contributions in kind, particularly in connection with the acquisition of companies, parts of companies or shares in companies (including increases in shareholdings) or within the scope of corporate mergers. In the cases specified under (c) and (d), the shareholders' subscription right is excluded. The Board of Executive Directors is furthermore authorized to retire the shares bought back and to reduce the share capital by the proportion of the share capital accounted for by the retired shares.

## Rights during a change of control

Bonds issued by BASF SE and its subsidiaries grant the bearer the right to request early repayment of the bonds at nominal value if, after the date of issue of the bond, one person – or several persons acting together – hold or acquire a volume of BASF SE shares that corresponds to more than 50% of the voting rights (change of control as a result of a takeover bid) and one of the rating agencies named in the bond's terms and conditions withdraws its rating of BASF SE or the bond or reduces it to a noninvestment grade rating within 120 days of the change of control event.

The compensation system for the Board of Executive Directors, which was approved by the Annual Shareholders' Meeting on April 25, 2024, provides for the following in the event of a change of control: A change of control is assumed when a shareholder informs BASF SE of a shareholding of at least 25% of the BASF shares or the increase of such a holding. If the appointment to the Board of Executive Directors is revoked by the Supervisory Board within one year of a change of control, the member of the Board of Executive Directors will receive the compensation outstanding until the end of the regular term as a one-off payment; however, the value of two annual compensations may not be exceeded. The compensation system, on the other hand, does not provide for any special indemnity related to a change of control should a member of the Board of Executive Directors unilaterally terminate the contract prematurely in such a case.

Employees of BASF SE and its subsidiaries who are classed as senior executives of the BASF Group will receive a severance payment if their contract of employment is terminated by the company within 18 months of a change of control event, unless the employees have given cause for the termination by culpable conduct on their part. The employees whose service contracts have been terminated in such a case will receive a maximum severance payment of 1.5 times the annual salary (fixed component) depending on the number of months that have passed since the change of control event. The remaining specifications stipulated in sections 289a and 315a HGB refer to situations that are not applicable to BASF SE.

» For more information on bonds issued by BASF SE, see [basf.com/bonds](https://www.basf.com/bonds)

### ⟨Directors' and officers' liability insurance⟩

BASF SE has taken out liability insurance that covers the activities of members of the Board of Executive Directors and the Supervisory Board (directors' and officers' liability insurance). This insurance policy provides for the level of deductibles of 10% of damages up to 1.5 times the fixed annual compensation for the Board of Executive Directors as prescribed by section 93(2) sentence 3 AktG.

### ⟨Share ownership by members of the Board of Executive Directors and the Supervisory Board⟩

No member of the Board of Executive Directors or the Supervisory Board owns shares in BASF SE and related options or other derivatives that account for 1% or more of the share capital. Furthermore, the total volume of BASF SE shares and related financial instruments held by all members of the Board of Executive Directors and the Supervisory Board accounts for less than 1% of the shares issued by the company.

» For more information on share dealings of members of the Board of Executive Directors and the Supervisory Board, see [basf.com/en/directorsdealings](https://www.basf.com/en/directorsdealings)

### ⟨Share dealings of the Board of Executive Directors and Supervisory Board⟩

#### (Directors' dealings to be notified and publicly disclosed under Article 19(1) of the EU Market Abuse Regulation 596/2014 (MAR))

As legally stipulated by Article 19(1) MAR, all members of the Board of Executive Directors and the Supervisory Board as well as close family relatives are required to disclose the purchase or sale of financial instruments of BASF SE (for example, shares, bonds, options, forward contracts, swaps) to the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) and to the company if transactions within the calendar year exceed the threshold of €20,000. In 2024, a total of 16 purchases by members of the Board of Executive Directors and the Supervisory Board of BASF SE and members of their families subject to disclosure were reported as directors' dealings, involving between 1,032 and 21,279 BASF shares or BASF ADRs (American Depositary Receipts). The price per

share was between €42.61 and €48.57. The volume of the individual transactions was between €49,965.93 and €999,666.13. The disclosed securities transactions are published on BASF SE's website.

» For more information on securities transactions reported in 2024, see [basf.com/en/directorsdealings](https://basf.com/en/directorsdealings)

### ⟨ Information on the auditor ⟩

BASF SE's Supervisory Board, acting on the recommendation of the Audit Committee and after conducting a tendering process in line with the EU Statutory Audit Regulation (Regulation [EU] no. 537/2014 of the European Parliament and of the Council of April 16, 2014), resolved to propose to the Annual Shareholders' Meeting in 2024 that Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Germany, be elected as auditor for BASF SE's Financial Statements and the BASF Group's Consolidated Financial Statements for the 2024 business year, as well as for the auditor's review of the Half-Year Financial Report 2024. It was legally required to change the auditor starting from the 2024 business year, as the previous auditor KPMG had reached the maximum period for annual audits shortened by the Financial Market Integrity Strengthening Act when auditing the 2023 Financial Statements. The selection process pursuant to the EU Statutory Audit Regulation was conducted at an early stage in order to give the new auditor enough time to complete nonaudit services, in this way ensuring its independence and a seamless transition.

The Annual Shareholders' Meeting on April 25, 2024, accepted the proposal of the Supervisory Board by electing Deloitte GmbH Wirtschaftsprüfungsgesellschaft as the auditor of the BASF Group Consolidated Financial Statements and Individual Financial Statements of BASF SE for the 2024 business year, as well as the Combined Management's Report and the auditor's review of the Half-Year Financial Report 2024. The Supervisory Board's Audit Committee also engaged Deloitte GmbH Wirtschaftsprüfungsgesellschaft to carry out the voluntary audit of the Nonfinancial Statement for 2024. Deloitte member firms also audit the majority of BASF Group companies included in the Consolidated Financial Statements. The auditor responsible for the Consolidated Financial Statements is Michael Mehren. Auditor Stefan Dorissen is responsible for the Individual Financial Statements. Information on the total fee paid to Deloitte and auditing firms of the Deloitte group by BASF SE and other BASF Group companies for nonaudit services, in addition to the auditing fee, can be found in Note 31 to the Consolidated Financial Statements on page [442](#).