



Welcome to the BASF Sponsored, Ann Arbor Ei Partner Tour

August 6 – 7, 2013

Antitrust Statement – Slide 1 of 2

■ **COMPETITION LAW GUIDELINES AND PRINCIPLES**

- The purpose of this meeting is to discuss and see first-hand the value chain and markets for the compostable materials business, as well as industry developments and perspectives. It is important to bear in mind that those in attendance may be competitors or potential competitors. Therefore, we must make it our highest priority to comply with all laws and requirements regarding fair and open competition during the course of this meeting or other activity today and tomorrow.
- Agreements among competitors to limit competition in any way are unlawful under various state and federal statutes. Violations are subject to criminal fines, incarceration, civil fines and penalties, including private treble-damage actions. Even a successful defense of antitrust litigation or an investigation can be costly and disruptive.

Antitrust Statement – Slide 2 of 2

- Examples of illegal competitor agreements include any attempt to fix or stabilize prices, to allocate territories or customers, to limit production or sales or to limit product quality and service competition. Accordingly, it is potentially illegal for competitors to discuss, under the auspices of this meeting or elsewhere, the subjects of pricing, pricing policies, terms and conditions of sale, individual company costs, commercial suitability of individual suppliers or customers or other factors that might adversely affect competition.
- Therefore, any discussion of sensitive anti-competitive subjects should be avoided at all times before, during and after this meeting or other activity.
- If at any time during the course of a meeting or other activity, member attendees are concerned that a sensitive or anti-competitive topic is being discussed, or is about to be discussed, we ask that you immediately voice your concern so that the issue can be promptly addressed and further discussion halted for the protection of all participants.



 **BASF**
The Chemical Company

BASF North America

Corporate Overview 2013

Our purpose

We create chemistry
for a sustainable future



Company overview

BASF – The Chemical Company



- The world's leading chemical company
- Serves all major industries
- 380 production facilities including six Verbund sites
- World-class, innovative, high-value products
- Intelligent, sustainable system solutions
- 2012 Sales: €72.1 Billion
- Employees: 110,000

BASF worldwide

North America



Asia Pacific



- ★ Global Headquarters
- ★ Regional Headquarters
- ⊙ Verbund Site
- Production Site

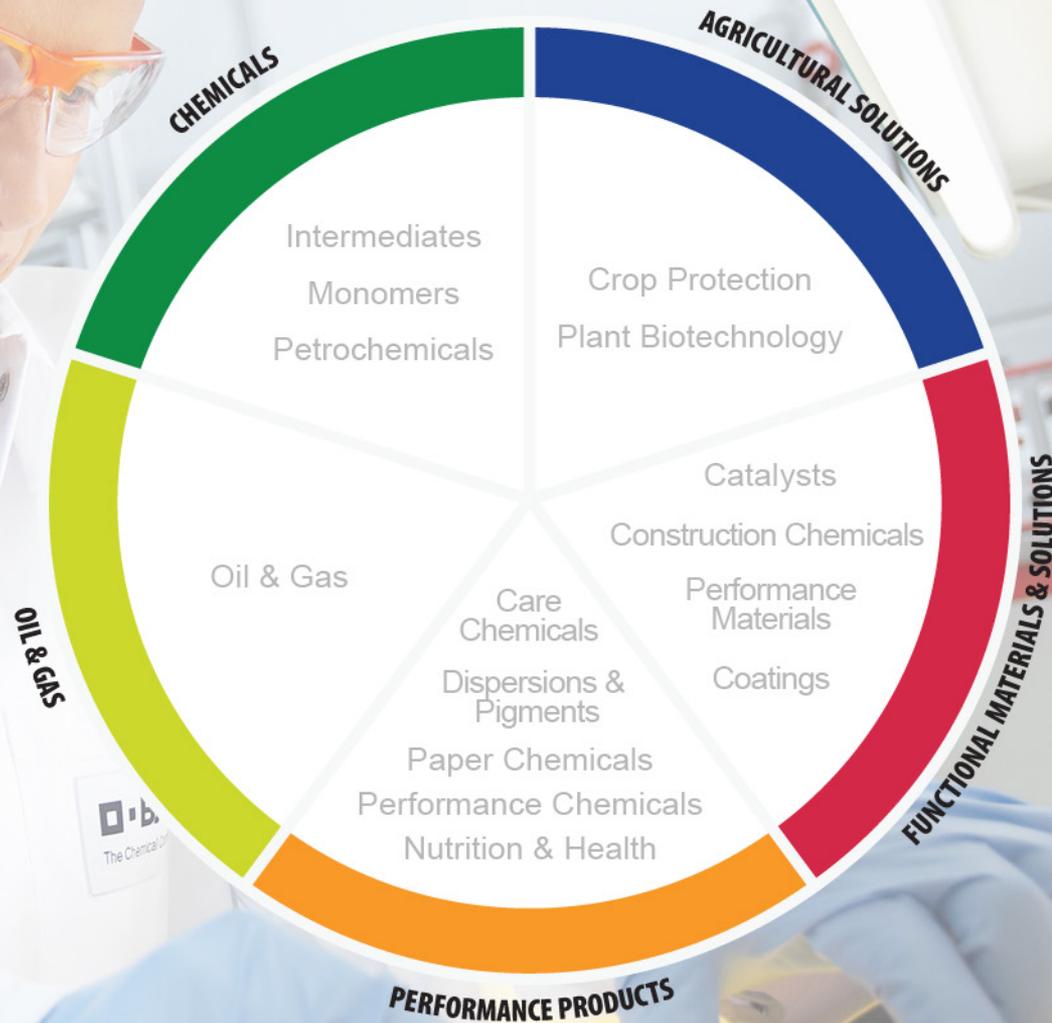
BASF North America

BASF Corp. (USA), BASF Canada, BASF Mexicana



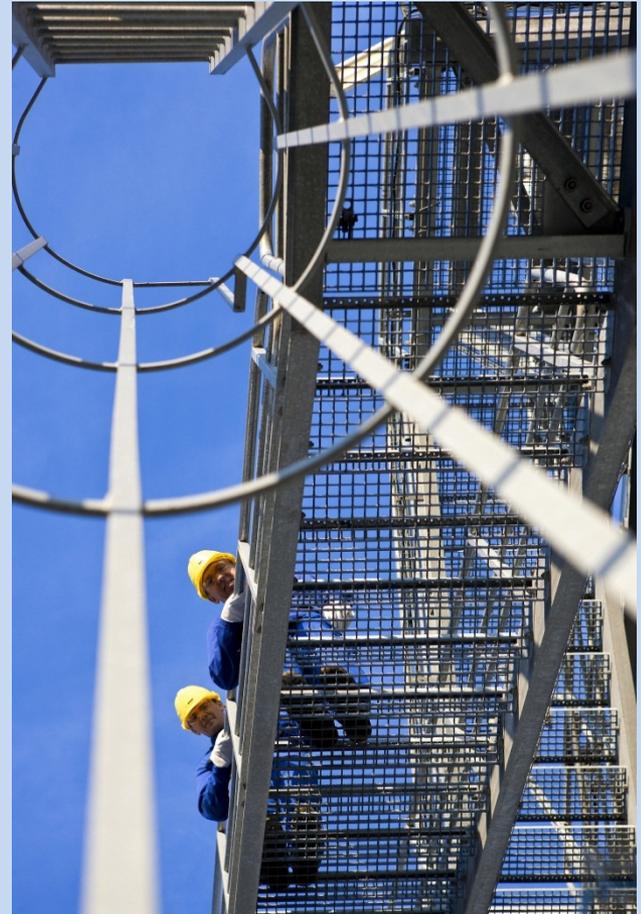
BASF's business segments

Products as diverse and varied as chemistry itself



Organization of the BASF Group

- Since January 1, 2013, five **business segments** contain 14 **divisions** and approximately 80 **strategic business units**
- Approximately 70 global and regional **operational units** responsible for production of products
- **Regional divisions** contribute to the local development of BASF's business, help to exploit market potential and are responsible for optimizing the infrastructure for our businesses
- Three **central divisions**, five **corporate departments** and eleven **Competence Centers** provide Group-wide services such as finance, investor relations, communications, human resources, research, engineering, site management or environment, health and safety



BASF North America



2012 sales \$18.5 billion

Employees 16,665

Production sites 99

R&D sites 27

Key customer industries

- Agriculture
- Automotive
- Chemicals
- Coatings
- Construction
- Health & Beauty
- Packaging



North American Executive Committee

BASF's regional leadership



Hans Engel
Chairman and CEO
BASF Corporation

Beate Ehle
Executive VP

President, Market and Business Development, NA

- Chemicals
- Performance Products

Andre Becker
Executive VP

*Chief Financial Officer
President, Regional Functions*

- Crop Protection
- Care Chemicals
- Canada
- Mexico

Keith Ansbacher
Vice President

Acting General Counsel, Chief Compliance Officer

- Legal Affairs
- Compliance
- Govt. Relations

Kenneth Lane
Executive VP

President, Global Catalysts Division

- Worldwide Catalysts Division operations

Peter Eckes
Executive VP

President, Global Plant Science

- Worldwide Plant Science operations

BASF's strategic principles

A conscientious commitment to our investors, customers, employees and neighbors



We add value as one company.



We innovate to make our customers more successful.



We drive sustainable solutions.



We form the best team.



Innovation

Science to solve society's greatest challenges



- Nearly **€1.75 billion** invested annually on R&D
- Know-how Verbund with about **600** excellent universities, research institutions and companies
- Nearly **10,500** employees focused on R&D
- About **1,170** patents filed in 2012
- First place in the Patent Asset Index™ for the third year in a row. This method of comparing patent portfolios throughout the industry shows that BASF is the most innovative company in the global chemical industry.



Innovation at work

BASF Green Sense[®] concrete mix



BASF's Green Sense[®] concrete mix optimization is being used in the construction of One World Trade Center to build high-strength columns. Green Sense concrete provided significant environmental savings during the construction process:

- More than 155,000 gallons of fresh water
- Over 25.4 million kWh of energy
- In excess of 1.1 million pounds of fossil fuel
- Produced with 34.8 million less lbs. of CO₂ emissions

Innovation at work

The new BASF product: Infinergy™



With Infinergy™, BASF has developed the world's first expanded thermoplastic polyurethane. Sports equipment manufacturer Adidas is using the new product in its innovative "Energy Boost®" running shoe, which was recently launched on the market.

Infinergy is a closed-cell elastic particle foam consisting of individual bead particles between five and ten millimeters in size. The particles are pressed and fused against one another in the manufacture of the sole of the shoe.



As elastic as a rubber ball, as light as a shuttlecock

"You must imagine each little bead as being like a ball: The more air is in it, the better it bounces," says polyurethane researcher Frank Prissok, Ph.D., in explaining the principle. The individual "little beads" deliver extremely good bounce properties, and are very elastic, tensile and stretchy. These properties are retained during foaming and they ensure the outstanding resilience and particularly high long-term durability of Infinergy. As a foam, the material is also particularly lightweight.



The chemistry between innovation & sustainability

We create chemistry to help power, move, house and feed a growing world population:

- Wind and solar power
- Biotechnology
- Energy-efficiency
- Sustainable construction
- Water treatment
- Fuel cell technology

About €400 million of BASF's annual research expenditures go into energy efficiency, climate protection, and resource conservation



Sustainability is not just “being green”



Three pillars of sustainable development

How BASF is contributing to sustainability in North America



- Seattle Mariners debut 100% compostable snack packaging produced with BASF's ecovio® biodegradable polymers
- BASF's Bishop, TX, plant celebrates 20 years of manufacturing ibuprofen utilizing environmentally-friendly production
- BASF included in Dow Jones Sustainability World Index, and the Carbon Performance and Carbon Disclosure Leadership Indices
- BASF North American headquarters is first NJ construction to achieve LEED® double Platinum certification
- BASF opens new battery materials plant in Elyria, OH, to manufacture cathode materials for lithium-ion batteries for next generation hybrids



Global leadership in sustainability



* Founding Member



* Listed 2011



World Business Council for Sustainable Development



* FINALIST Sustainability Award 2012



* World's Most Admired Company Chemical Industry, 2012



* Included 4th Consecutive Year, 2010



* Honored for sustainable construction



CARBON DISCLOSURE PROJECT

- * Carbon Disclosure Leadership Index (CDLI)2012
- * Carbon Performance Leadership Index (CPLI)2012



* Sustainable Supplied Award 2012



* One of America's Safest Companies



* 9 of 11 years Motors Supplier of the Year Award



* Bottom Line Award



OUR VISION

At BASF Corporation, we value the differences in our workforce and see them as key to the success of our business and to the achievement of our status as an employer and partner of choice.

"Diversity is about more than merely recognizing the legitimacy of differences; it is about relying on those differences for a competitive advantage. We support an environment of cooperation and communication that encourages colleagues to value and express their ideas and viewpoints. Diversity + Inclusion is not just important; it is necessary to forming the best team and staying on top."

Creating value through diversity



We create chemistry
that makes challenges love diverse perspectives

2012 READERS' CHOICE
A TOP 50 EMPLOYER
MINORITY ENGINEER MAGAZINE

Engineers, marketers, shift supervisors ... everyone has an opinion. Diverse perspectives help us solve some of the world's toughest challenges. We believe that when you invest in the talents of unique and creative individuals, you engineer great ideas. That's how we've built the world's most successful and responsible chemical company – one person and one colorful personality at a time. At BASF, we create chemistry. Find out more and apply today. diversity.basf.us/nsbe

engineers love rainbows
So do scientists, marketers, controllers and shift supervisors ...
At BASF, we believe that when you invest in the talents of unique and creative individuals, great ideas can blossom. That's how we've built the world's most successful and responsible chemical company – one person and one colorful personality at a time. At BASF, we create chemistry. diversity.basf.us/swe

2011 DIVERSITY INC
TOP 50 COMPANIES FOR DIVERSITY

2012 READERS' CHOICE
A TOP 50 EMPLOYER
MINORITY ENGINEER MAGAZINE

DiversityInc

2012 TOP 50

COMPANIES FOR DIVERSITY®

25 NOTEWORTHY COMPANIES

2012 READERS' CHOICE

A TOP 50 EMPLOYER

MINORITY ENGINEER MAGAZINE

I ADD VALUE TO THE COMPANY

Theresa Cudjov is anything but flexible when it comes to safety.
Senior Production Technician, Freeport

Everyone wants diversity + inclusion made to last.
everyonecounts.basf.net

I ADD VALUE TO THE COMPANY

Michael T. Ross, brings a smile to everyone's face just by being there.
Shift Supervisor, Geismar

Everyone wants diversity + inclusion made to last.
everyonecounts.basf.net

Science education

As *The Chemical Company*, BASF focuses on science education realizing that today's students will be the thinkers, innovators and leaders of the future. In 2011, BASF's science education initiatives engaged more than 5,000 students across the U.S., Canada and Mexico, encouraging them to enjoy and pursue their interest in science and explore career possibilities in the field.

- **Kids' Lab** – hands on chemistry for students ages 6 - 12
- **Science Academy** – two week college-level summer science program for rising high school seniors
- **Kids X-Press Magazine** – science literacy magazine written entirely by kids for children ages 6 – 18
- **Science Education Grants** – to support education programs in local schools
- **Student Scholarships** – for graduating high school seniors



Pyramid Award for Special Programs
Pyramid Award for "Best in Show"

2012 Educational Outreach Award





The Chemical Company