

# **Countermotions and Electoral Proposals by Shareholders**

**Countermotions and Electoral Proposals by Shareholders  
to the Annual Shareholders' Meeting of BASF SE on April 29, 2016**

The English version of the following text is only a convenience translation of the German original. Consequently, in case of any deviations, only the German version shall be decisive.

**April 14, 2016**

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Below you find all shareholder proposals (countermotions and electoral proposals by shareholders in accordance with Section 126 and Section 127 of the German Stock Corporation Act) concerning items on the Agenda of the Annual Shareholders' Meeting 2016 which are required to be disclosed. In each case, the shareholder proposals and their supporting statements represent the views of the shareholders submitting them. Proposals including statements of facts have also been published on the Internet unchanged and unchecked by us to the extent that they are required to be disclosed.

At the Annual Shareholders' Meeting you may assent to these shareholder proposals by voting "no" to the relevant item of the Agenda, i.e. against the management's proposal. Shareholder proposals that aim not only to reject a proposal put forward by the management but also to bring about an alternative resolution have been marked with a capital letter. Insofar as a separate vote takes place in respect of such shareholder proposals, you can support or object to them by casting your vote for or against the proposal, or you can abstain from voting. If you have authorized either the proxies appointed by BASF SE or someone else to vote on your behalf, please ensure that you provide them with appropriate instructions or adjust your previous instructions accordingly.

**Counter motions from *Dachverband der Kritischen Aktionärinnen und Aktionäre* for the Annual Shareholders' Meeting of BASF SE on April 29, 2015**

**A Counter motion to agenda item 2,  
Adoption of a resolution on the appropriation of profit**

The *Dachverband der Kritischen Aktionärinnen und Aktionäre* petitions for a change in the use of the corporate profits as proposed by the Board of Executive Directors and the Supervisory Board of BASF SE.

Reason:

While the Board of Executive Directors and the Supervisory Board propose a dividend of €2.90 per qualifying share from the 2015 profit retained by BASF SE in 2015 in the amount of €2,663,588,212.60, the *Dachverband der Kritischen Aktionärinnen und Aktionäre* demands that €8 million be deducted as provisions from the profit retained and that the dividend be reduced accordingly.

The provisions are needed to make payments into a compensation fund for the surviving dependents of the massacre of Marikana. Further details on this are provided in the explanations to the counter motion to agenda item 4.

**Counter motion to agenda item 4,  
Adoption of a resolution giving formal approval to the actions of the members of the Board of Executive Directors**

The *Dachverband der Kritischen Aktionärinnen und Aktionäre* petitions to not give formal approval to the actions of the members of the Board of Executive Directors for the financial year 2015.

Reason:

The Board of Executive Directors continues to not meet its obligation of due diligence in the supply chain with regard to the British mining company Lonmin, of which BASF is its main customer for platinum.

Already last year, the hearing of evidence as part of the official government commission of inquiry initiated after the massacre of Marikana/South Africa provided a large amount of evidence that Lonmin was partly responsible for the deaths of 44 persons during the strike in August 2012. It also showed that Lonmin decision-makers were guilty of fundamental misconduct and failure to meet their social and legal obligations.

During his speech at the BASF Annual Shareholders' Meeting of April 30, 2015, Bishop Johannes Seoka, representative of the mineworkers of Marikana, demanded that BASF meet its self-appointed obligation for its supply chain and quickly help improve the lives of the workers and to pay into a compensation fund.

Despite the overwhelming evidence, the Chairman of the Board of Executive Directors of BASF SE, Kurt Bock, responded that it was "difficult to assess the situation from a distance" and said that the final report from the commission of inquiry must be awaited.

This report has been available since June 2015. Not surprisingly, it confirms and endorses the partial responsibility of Lonmin for the massacre. In concrete terms, there are four levels to be addressed:

1. Lonmin is responsible for the unacceptable, partially undignified living, working, and environmental conditions the workers and their families have faced for decades; the majority live in slums without running water, sewerage, power or community services. Lonmin has repeatedly breached its legal obligations to the workers and the local population. Of the 5,500 new houses promised since 1999, not more than six have been built – and this during times of a booming platinum industry. These are Lonmin's empty promises that led to the strike.
2. Lonmin consistently refused to communicate with the strikers and instead took part politically, logistically and infrastructurally in a highly militarized police operation that ultimately – and was evidently foreseeable by Lonmin – led to the murders on August 16.
3. Lonmin forced its workers, under threat of dismissal, to break the strike, well-knowing that this could lead to clashes, which in the end cost human lives.
4. Lonmin security staff were responsible for the first escalation of violence and shots into the group of strikers, which the heads of the hearing of evidence deemed unjustified.

More than three-and-a-half years after this largest massacre of the civil population in South Africa since the end of Apartheid, Lonmin has not met its obligation to the families of the killed and injured mineworkers or to the citizens of Marikana.

All of these proven offenses by Lonmin violate the basic principles of corporate governance for which BASF stands as a founding member of the UN Global Compact. BASF promises to also require these basic principles, such as human rights, labor standards, social sustainability, environmental safety, from its suppliers.

In order not to lose its credibility, BASF, as the main customer of Lonmin, should stand by its word and support Lonmin strongly and with financial backing to pay reparations to the families of the 44 people killed in August 2012, as well as support the injured and to sustainably improve the local infrastructure. This has not happened up to now.

BASF commissioned an audit of Lonmin, which found deficiencies in environmental and safety management (site fire department) but that Lonmin had already taken care of other deficiencies. In view of the current situation of the workers as well as the surviving dependents, this assessment is wrong.

BASF SE should accept the invitation from Bishop Johannes Seoka to see the area for themselves and what the living, working and environmental conditions are around the Marikana platinum mine. As a first sign of the consistent realization of its promises and plans in the context of its "responsibility in the supply chain," BASF should establish a fund with 3 million rand for each of the 44 people killed in August 2012 and give this to those directly affected (in total €8 million). This is a small amount compared to BASF purchases from Lonmin (€450 million in the crisis year of 2014). For more information on this topic, see: <http://kritischeaktionare.de> and [www.basflonmin.com](http://www.basflonmin.com)

## **Administration's position on the counter motions**

We believe that the counter motions are without merit and recommend a vote against them.