

News Release

BASF Corporation enters class settlement with U.S. public water systems

FLORHAM PARK, NJ, May 21, 2024 – On May 20, 2024, BASF Corporation (“BASF”), the North American affiliate of BASF SE, agreed to a settlement with a nationwide class of public water systems that detected PFAS in their drinking water sources, which they allege to be associated with the use of Aqueous Film Forming Foam (“AFFF”) products. Some of the AFFF products at issue in the litigation were made using a surfactant produced by Ciba Specialty Chemicals (“Ciba”), which BASF acquired in 2009. In 2003, years before BASF acquired Ciba, Ciba sold that business line to another company. Under the terms of the agreement, BASF has agreed to contribute \$316.5 million (\$312.5 million to resolve the PFAS claims, plus \$4 million toward settlement administration costs). The settlement releases these claims against BASF, Ciba, and other related corporate entities. This settlement was entered in connection with the previously disclosed AFFF multi-district litigation (“MDL”) being overseen by the United States District Court for the District of South Carolina (the “MDL Court”).

BASF will pay \$4 million on or about July 15, 2024, and \$312.5 million on March 1, 2025. BASF has a significant amount of insurance through a number of insurers and is pursuing recovery of its settlement payment under those policies.

There are still several procedural and legal steps that must occur before the settlement is final and payments are made. The settlement is subject to approval by the MDL Court and other contingencies, and that process is expected to take several months.

The class of public water systems included in this settlement broadly includes any public water system (as defined in the settlement agreement) that detected PFAS in its drinking water sources as of May 15, 2024. The following systems are excluded from the settlement class: water systems owned and operated by a State or the United States government; systems that have not detected the presence of PFAS as of May 15, 2024; small transient water systems; and privately-owned drinking water wells. The settlement does not resolve claims of public water systems that request exclusion from the class (“opt out”) pursuant to the process to be established by the MDL Court, although it does provide BASF with the option of terminating the settlement if too many public water systems elect to opt out. It also does not resolve potential future claims of public water systems that detect PFAS in their water systems for the first time after May 15, 2024, or certain claims not related to drinking water, such as separate alleged claims relating to real property damage or stormwater or wastewater treatment. Finally, this settlement does not affect the other categories of cases that remain at issue in the AFFF MDL, such as personal injury cases, property damage cases, other types of class actions, claims brought by state or territory attorneys general, or other types of damages alleged to be related to the historic use of AFFF.

The settlement does not constitute an admission of liability or wrongdoing by BASF or Ciba. If the MDL Court does not approve the agreement or certain terms are not fulfilled, BASF will continue to defend itself in the litigation. BASF also intends to continue to defend itself in all remaining AFFF matters.

About BASF

BASF Corporation, headquartered in Florham Park, New Jersey, is the North American affiliate of BASF SE, Ludwigshafen, Germany. BASF has approximately 16,000 employees in North America and had sales of \$20.5 billion in 2023. For more information about BASF’s North American operations, visit www.basf.com/us.

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. Around 112,000 employees in the BASF Group contribute to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio comprises six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions. BASF generated sales of €68.9 billion in 2023. BASF shares are traded on the stock exchange in Frankfurt (BAS) and as American Depositary Receipts (BASFY) in the United States. Further information at www.basf.com.