

News Release

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BASF strengthens local cooperation in automotive and agriculture industries in Jilin Province

- **BASF and FAW enter strategic cooperation on lighter-weight, lower-emission and safer vehicles that offer driver and passengers a comfort ride**
- **Supports sustainable development of Jilin's agriculture with technical know-how and expertise**

Shanghai, China – August 16, 2019 – BASF will work with local partners in Jilin Province to promote innovative solutions in the automotive and agriculture sectors. As a major milestone, BASF and China FAW Group CO., Ltd. (FAW) today signed the strategic cooperation agreement on the FAW HongQi platform witnessed by Jing Junhai, Deputy Party Secretary and Governor of Jilin Province, and senior representatives from the Jilin provincial government.

“BASF is an important partner for Jilin,” said Jing Junhai, Deputy Party Secretary and Governor of Jilin Province. “We have been proactively expanding the strategic industries, such as new energy and intelligent connected automobiles, high-end equipment manufacturing and fine chemicals, as well as building new production bases for automotive parts, revitalizing the economy of Jilin. We hope to see more collaborations with BASF in the future.”

According to the agreement, BASF and FAW will jointly develop more vehicles fitted with lighter but more rigid body frames, lower emissions, and attractive paints that are designed to meet the needs of Chinese car owners in search for a safer, lighter vehicle that offer them a comfort ride. It covers areas including coating solutions, lightweight

body materials, and emission reduction catalysts for exhaust. The agreement also established a framework for the strategic and operational team cooperation between the two companies.

“Today’s consumers in China want more than a good car. They want it to be stylish and environmentally friendly,” said Xi Guohua, General Manager of FAW. “Collaboration between FAW HongQi platform with BASF allows us to build lighter and greener vehicles without compromising performance and design flexibility.”

Headquartered in Changchun, Jilin, FAW is one of the oldest and largest passenger car, bus, coach, and commercial truck manufacturers in China with annual production and sales of 3 million vehicles.

“We have been doing business in Jilin since the beginning of the reform era in the late 1970s, In 2016, BASF and the municipal government of Jilin City, the second largest city in Jilin Province, entered into a strategic cooperation framework agreement in promoting sustainable city and industry development in the city.” said Dr. Stephan Kothrade, President Functions Asia Pacific, President and Chairman Greater China, BASF. “As a next step Today’s meeting brings the collaboration between BASF and our local partners to a new level that will contribute to the sustainable development of many key industries in the province.”

In addition to partnerships in the automotive sector in Jilin, BASF collaborates with the National Agro-tech Extension and Service Center (NATESC) to bring technical know-how and expertise to benefit local growers in the province. BASF’s agricultural business in Jilin, mainly focusing on rice, corn and specialty crops, has grown 42% year on year since 2017. BASF contributes to sustainable agriculture in the region by, for example, helping growers reduce the use of pesticides and fertilizers and bring digital farming systems to farmers in Jilin.

About BASF in Greater China

BASF has been a committed partner to Greater China since 1885. With larger production sites in Shanghai, Nanjing, and Chongqing, BASF is a major foreign investor in the country’s chemical industry, and operates the Innovation Campus Shanghai, a global and regional research and development hub.

BASF posted sales of over €7.3 billion in 2018 to customers in Greater China, and employed 9,317 people as of the end of that year. For further information, please visit www.basf.com/cn/en

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The approximately 122,000 employees in the BASF Group work on contributing to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio is organized into six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions. BASF generated sales of around €63 billion in 2018. BASF shares are traded on the stock exchange in Frankfurt (BAS) and as American Depositary Receipts (BASFY) in the U.S. Further information at www.basf.com.