

News Release

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BASF publishes annual report in Greater China for 12th consecutive year

- **Economic performance in 2019 remains resilient amid market volatility**
- **Continued investment in production and R&D to support the growth of local customers**
- **Efficient and safe production with continuous improvement of processes and technologies**

Shanghai, China – May 18, 2020 – BASF's newly published [*BASF in Greater China Report 2019*](#) highlights the company's partnerships and projects that strengthen its production network as well as its research and development capabilities to fulfil market demands. It also outlines BASF's continuous measures to reduce its environmental impact, to enhance safety performance and to engage with local communities in Greater China.

“Despite the challenging macro environment in 2019, we showed resilience in fighting a strong headwind: our sales to customers in Greater China amounted to more than €7.3 billion (2018: €7.2 billion¹),” said Dr. Stephan Kothrade, President and Chairman of BASF Greater China. “We also managed to achieve better results in several key indicators of environmental protection as well as health and safety. This includes reduced emissions, less waste and water use, owing to process optimization and technological upgrades.”

¹The sales data from 2018 has been restated. Figures do not include the Construction Chemicals activities presented as discontinued operations.

Continued investments and enhanced R&D capabilities to support local customers

BASF has continuously expanded local production capacities and broadened its product portfolio to better meet China's growing market demand throughout 2019.

- Launched its new smart Verbund project in Zhanjiang, Guangdong province, and commenced building first plants to supply advanced products and solutions to customers in South China.
- Started several new plants across Greater China with increased production capacities to fulfil market demands.
- Inaugurated new R&D facilities at the Innovation Campus Shanghai, including the Asia Pacific Automotive Application Center and the Process Catalysis R&D Center.
- Launched a Creation Center in Shanghai, bringing customers and BASF experts together to transform conceptual ideas into creative solutions.

Through intensive collaboration with local customers and partners, BASF is better positioned to provide a broad range of chemistry-based innovative solutions, helping customers achieve sustainable business growth.

Minimized environmental impact and improved energy efficiency

Despite the expanding production footprint, the total energy consumption of BASF sites in Greater China remained stable in 2019 with less fuel consumption.

- Emissions of greenhouse gases from BASF's chemical operations in Greater China decreased to 1.109 million metric tons (2018: 1.129 million metric tons), thanks to the process optimization measures and advanced technologies employed at the sites.
- BASF managed to reduce its total water use by 6 percent to 8.0 million cubic meters of water (2018: 8.6 million cubic meters). The generated waste decreased to 81,136 metric tons in 2019 (2018: 87,352 metric tons).

BASF strives to take a leading role in supporting product stewardship, process safety, emergency response, security, occupational safety and health in Greater China.

- In 2019, the lost-time injury rate² per 200,000 working hours was 0.03 (2018: 0.06), and no fatality occurred in Greater China.
- In 2019, BASF received the Responsible Care Chairman Award from the Association of International Chemical Manufacturers (AICM) and the 2019 Responsible Care Best Organization Award from the China Petroleum and Chemical Industry Federation (CPCIF), recognizing its outstanding performance in Responsible Care and BASF's efforts in promoting sustainable growth of the chemical industry.

Promote social engagement and support neighboring communities

In 2019, BASF conducted a range of engagement programs, including open dialogue sessions, community activities, and open days to enhance mutual understanding and increase transparency with various key stakeholder groups in Greater China.

- Supported science education by cooperating with partners nationwide, developing diverse learning programs for a wide age group from elementary school students to university students.
- Partnered with local not-for-profit organizations and sponsored a variety of volunteering activities, encouraging employee participation to support physically challenged people, elderly residents and underprivileged families across the region.

BASF is one of the first multinational companies to publish integrated local annual reports, beginning in 2008, as a way to enhance transparent communication and engagement with various stakeholders.

About BASF in Greater China

BASF has been a committed partner to Greater China since 1885. With large 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.

² In 2018, BASF adapted its key performance indicator in the global reporting on lost-time injury rate, based on the number of occupational safety incidents per 200,000 working hours of BASF employees, leased personnel and contractors.

BASF posted sales of more than €7.3 billion in 2019 to customers in Greater China and employed 9,230 people as of the end of the year. For further information, please visit www.basf.com/cn/en.html.

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. More than 117,000 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 €59 billion in 2019. 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.