

News Release

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BASF joins the Renewable Direct Power Purchase pilot trade in China

- **Largest buyer of renewable electricity in the Yangtze River Delta region**
- **Sites in Shanghai to conduct the first commercial inter-provincial renewable electricity trade in China**

Shanghai, China – September 7, 2021 – Today, six BASF sites in Shanghai, Jiangsu and Guangdong provinces announced to join the Renewable Direct Power Purchase (R-DPP) pilot trade, following the official launch of the Implement Scheme of Renewable Electricity Pilot Trade approved by National Development and Reform Commission. Being the largest buyer in the Yangtze River Delta region and the second largest buyer in the Pearl River Delta region, BASF first will secure renewable electricity of around 440,000 MWh till 2025 from various power producers.

One of the sites in this pilot trade is BASF-YPC Co., Ltd., a Verbund site in Nanjing that is jointly operated by BASF and Sinopec (50:50). This integrated chemical production site will secure 107,000 MWh renewable electricity till the end of 2022 provided by solar photovoltaics fields in Jiangsu. In Shanghai, three BASF sites will conduct China's first commercial inter-provincial renewable electricity trade with a solar power producer in Ningxia autonomous region to cover 30% of their power demand until the end of 2022.

“We are very proud to be a pilot company to purchase renewable energy in such a big scale under the new policy,” said Dr. Stephan Kothrade, President and Chairman Greater China, BASF. “Across our sites in China, we aim to maximize the use of renewable electricity at economically competitive conditions. We are committed to edging towards our climate protection goals and contributing to the carbon reduction ambition in China.”

This March, BASF presented the roadmap to climate neutrality, setting itself even more ambitious goals to achieve net zero emissions by 2050. Increasing the use of renewable energy is one of the significant approaches to achieve the target. This June, BASF announced to have secured 100% renewable electricity for the first plants of its Zhanjiang Verbund site in Zhanjiang, Guangdong province under the pilot “Guangdong Renewable Energy Trading Rules”. At this pilot trade, the BASF Zhanjiang Verbund site concludes further renewable electricity purchase from CR Power to cover the power demand from 2022 to 2025 of these first plants.

The BASF sites that join this pilot trade include BASF Advanced Chemicals Co. Ltd., BASF Chemicals Co. Ltd., Shanghai BASF Polyurethane Co. Ltd., BASF Crop Protection (Jiangsu) Co. Ltd., BASF-YPC Co. Ltd. and BASF Integrated Site (Guangdong) Co. Ltd.

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, as well as a global and regional research and development hub in Shanghai, BASF is a major foreign investor in the country’s chemical industry. BASF posted sales of approximately €8.5 billion in 2020 to customers in Greater China and employed 8,948 people as of the end of the 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. More than 110,000 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 is organized into six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions. BASF generated sales of €59 billion in 2020. 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.