

News Release

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BASF breaks ground on polyethylene plant at Zhanjiang Verbund site in China

- **The new plant serves fast-growing demand in China**
- **World-scale production facility expected to start up in 2025**

Hong Kong SAR, China – BASF has broken ground on a polyethylene (PE) plant at its Verbund site in Zhanjiang, China. The new plant with a capacity of 500,000 metric tons of PE annually will serve the fast-growing demand in China. The plant is scheduled to start up in 2025.

“China's demand for PE has experienced rapid growth and is going to outpace the rest of the world,” said Bir Darbar Mehta, Senior Vice President of Petrochemicals Asia Pacific at BASF. “With the groundbreaking ceremony, BASF will enter the PE market in China via a competitive production footprint in its fully integrated production site in Zhanjiang, catering to our customers in the consumer goods, packaging, construction and transportation industries.”

“Strategically located close to our customers, the Zhanjiang Verbund site is fully backward integrated to provide them with high quality and reliable PE products for a wide range of durable applications, including pipes, specialty films and blow molded parts for household and industrial chemical containers, especially in the South China market,” said Bejoy Chandran, Vice President of Basic Business Management & China Sales Management, Petrochemicals Asia Pacific at BASF.

Polyethylene is a light, versatile thermoplastic polymer produced from ethylene. It is

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used in a wide range of applications from heavy-duty storage tanks and pipelines to flexible packaging and films.

About BASF's Petrochemicals division

The Petrochemicals division is the starting point for BASF's petrochemical-based value chains globally. We operate a highly competitive asset base with best-in-class technologies and set the benchmark in safety, sustainability, operational excellence and cost competitiveness. With six Verbund sites and several major production sites, we are close to our customers and present in the largest chemical markets worldwide. The division supplies various value chains across the company and a broad range of customer industries with high-quality chemicals, putting our customers in the center of everything we do and contributing to the organic volume growth of BASF. Our portfolio includes cracker products, industrial gases, acrylics, superabsorbent polymers, styrenic foams, alkylene oxides, glycols, alcohols, solvents and plasticizers. In 2022, the Petrochemicals division generated sales to third parties of about €10.6 billion. Further information is available online at <http://petrochemicals.basf.com>.

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. More than 111,000 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 €87.3 billion in 2022. 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.