

Joint News Release

February 11, 2022

BASF and Heraeus to form a joint venture offering world-class precious metal recycling solutions in China

- **The joint venture will enable a circular economy solution through recycling of spent catalysts for high-tech industries in China that use precious metals**
- **Customers benefit from access to best-in-class technology for recovery of precious metals**

Ludwigshafen and Hanau, Germany – BASF and Heraeus have agreed to form a joint venture (BASF: 50%; Heraeus: 50%) to recover precious metals from spent automotive catalysts. The new company named **BASF HERAEUS (China) Metal Resource Co., Ltd** will be set up in Pinghu, China. The founding of the legal entity is targeted in Q1 2022, following the approval of the relevant authorities. Construction is planned to begin in 2022, with start of operations in 2023.

China has limited natural resources in Platinum Group Metals (PGMs) consisting predominately of platinum, palladium and rhodium and strongly relies on imports. Recycling scrap materials, such as spent automotive catalytic converters, to recover PGMs, enable a circular economy. The precious metals are used to make new products for the automotive, chemical, electronics and green hydrogen industries. Recycled precious metals are furthermore very environmentally friendly and have as much as a 90 percent lower CO₂ footprint than primary metals from a mine. Ensuring a local supply of recycled precious metals for China is an enabler for a sustainable future.

“Through the partnership with Heraeus, we will bring best-in-class pyrometallurgy technology for the recovery of precious metals from spent automotive catalysts in China and help improve resource utilization for high-tech and other companies that use precious metals,” said Tim Ingle, Vice President, BASF Precious Metals Refining, Chemicals & Battery Recycling. “BASF’s leading position in automotive catalysts recycling and our combined expertise in precious metals will provide customers with a world-class circular economy solution to re-use precious metals in China.”

Marius Vignier, Vice President Business Line Chemicals at Heraeus Precious Metals, added: “This JV builds on our already strong presence in China within the wet-chemical recycling industry. Recycled precious metals minimize emissions and will enable our customers to reduce their CO₂ footprint. This will support China in the development of its circular economy and contribute significantly to the stability of local precious metal supplies.”

The new factory will contribute to the advancement of the local economy through the creation of 100 new jobs.

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About BASF’s Catalysts Division

BASF’s Catalysts division is the world’s leading supplier of environmental and process catalysts. The group offers exceptional expertise in the development of technologies that protect the air we breathe, produce the fuels that power our world, and ensure efficient production of a wide variety of chemicals, plastics and other products, including advanced battery materials. By leveraging our industry-leading R&D platforms, passion for innovation and deep knowledge of precious and base metals, BASF’s Catalysts division develops unique, proprietary solutions that drive customer success. Further information on BASF’s Catalysts division is available on the Internet at www.catalysts.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 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.

About Heraeus Precious Metals

Heraeus Precious Metals is a leading provider of precious metals services and products. We combine all activities related to our comprehensive expertise in the precious metals loop – from trading to precious metals products to recycling. We are one of the world's largest refiners of platinum group metals (PGMs) and a leading name in industrial precious metals trading. Our precious metals products are used in a wide variety of industries, including the chemical, pharmaceutical, glass, electronics and automotive industries. We offer top quality solutions and products based on many years of experience and technical expertise. We are a reliable development partner for our customers and find the best solutions for their requirements.

About Heraeus

Heraeus, the technology group headquartered in Hanau, Germany, is a leading international family-owned portfolio company. The company's roots go back to a family pharmacy started in 1660. Today, the Heraeus group includes businesses in the environmental, electronics, health and industrial applications sectors. Customers benefit from innovative technologies and solutions based on broad materials expertise and technological leadership.

In the 2020 financial year, Heraeus generated revenues of €31.5 billion with approximately 14,800 employees in 40 countries. Heraeus is now one of the top 10 family-owned companies in Germany and holds a leading position in its global markets.