



Joint news release

July 31, 2023

BASF, Huntsman, Shanghai Hua Yi, Shanghai Chlor-Alkali Chemical Co. Ltd. and Sinopec Shanghai Gaoqiao Petrochemical Co. Ltd. to separate joint MDI production in Caojing, China

BASF and Huntsman together with their Chinese partner companies – Shanghai Hua Yi (Group Company), Sinopec Shanghai Gaoqiao Petrochemical Co., Ltd. and Shanghai Chlor-Alkali Chemical Co., Ltd. – announce the planned separation of their joint MDI (diphenylmethane diisocyanate) production at Shanghai Lianheng Isocyanate Co., Ltd. (SLIC). Going forward, the companies will operate the two MDI plants located at the site in Caojing, China independently. Huntsman together with Shanghai Chlor-Alkali Chemical Co., Ltd, and BASF together with Shanghai Hua Yi (Group Company) and Sinopec Shanghai Gaoqiao Petrochemical Co., Ltd will each take over one of the MDI plants.

“The SLIC joint venture has been an important partnership to establish MDI production in China as one of the pioneers at the Shanghai Chemical Park,” said Ramkumar Dhruva, President Monomers division at BASF. “The new organizational setup will allow BASF and our partners Shanghai Hua Yi and Sinopec Shanghai Gaoqiao Petrochemical Co., Ltd. to further develop our MDI operations in Shanghai while serving the demand of our customers in the region even more effectively.”

“Through the production of crude MDI in the SLIC joint venture over almost 20 years, Huntsman together with its partner, Shanghai Chlor-Alkali Chemical Co., Ltd, has

been able to successfully build its polyurethanes business in China. As we move to integrate these assets into our downstream operations, we will be even better positioned to meet the future innovation and growth needs of our customers,” said Tony Hankins, President of Huntsman Polyurethanes.

Huntsman, together with Shanghai Chlor-Alkali Chemical Co., Ltd, will own and operate the original MDI plant that started commercial production in 2006, along with a hydrogen chloride recycling unit for the production of chlorine, a precursor for MDI, that was added in 2018. BASF will own and operate the MDI plant that was added in 2018, including the manufacturing facilities for the precursors aniline and nitrobenzene. All employees currently employed in the Joint Venture will be transferred to the respective organizations.

The new operational setup is in preparation and is expected to become effective during the fourth quarter of 2023, and is subject to pending regulatory authority approvals, permits and other customary closing conditions.

In addition to the plant in Caojing, BASF operates MDI production sites in Chongqing, China as well as in Yeosu, South Korea; Antwerp, Belgium; and Geismar, Louisiana. Following the restructuring of the joint venture, BASF’s global production capacity for MDI will total around 1.9 million tons.

Huntsman operates world-scale MDI production and splitting facilities in Rotterdam, the Netherlands, and Geismar, Louisiana, in addition to its Caojing facilities.

MDI is an important precursor in the manufacture of polyurethanes – versatile polymers that are used in the automotive and construction industries, in appliances such as refrigerators, and in footwear.

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.

About Huntsman

Huntsman Corporation is a publicly traded global manufacturer and marketer of differentiated and specialty chemicals with 2022 revenues of approximately \$8 billion from our continuing operations. Our chemical products number in the thousands and are sold worldwide to manufacturers serving a broad and diverse range of consumer and industrial end markets. We operate more than 60 manufacturing, R&D and operations facilities in approximately 30 countries and employ approximately 7,000 associates within our continuing operations. For more information about Huntsman, please visit the company's website at www.huntsman.com.

Forward-looking statements

This release contains forward-looking statements. When used in this release, the words “expected,” “plans,” “intends,” or “believes,” or future or conditional verbs, such as “will,” “should,” “could,” or “may,” and variations of such words or similar expressions are intended to identify forward-looking statements. These statements are based on BASF’s and Huntsman’s estimates and projections as well as currently available information and they are based on assumptions that may not prove to be accurate. Forward-looking statements are not guarantees of the future developments outlined herein. These statements involve various risks and uncertainties that may affect anticipated outcomes. BASF and Huntsman do not assume any obligation to update the forward-looking statements contained in this release above and beyond applicable legal requirements.

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