



## **BASF and SINOPEC expand production capacity for Neopentylglycol in Nanjing, China**

- **Annual capacity to double, to 80,000 metric tons per year**
- **Meets demand for low VOC powder coating application**

Ludwigshafen, Germany and Nanjing, China – December 20, 2017 – BASF and SINOPEC will expand the production capacity of Neopentylglycol (NPG) at the state-of-the-art Verbund site, BASF-YPC Co., Ltd., a 50-50 joint venture in Nanjing, China. The plant was established in 2015 with an annual capacity of 40,000 metric tons. Following the expansion, the annual capacity will be doubled to 80,000 metric tons. The expanded capacity will come on stream in 2020.

“With this increased capacity, we will support the fast-growing customer demand for high-quality NPG in China and the Asia Pacific region. The expansion is also in line with the trend towards environmentally friendly powder coatings with low volatile organic compounds, or VOCs,” said Narayan Krishnamohan, Senior Vice President, BASF Intermediates Asia Pacific. “As a globally leading supplier of NPG, we have decades of experience in manufacturing and supplying NPG to our customers across a broad range of industries. Customers will benefit from our regional presence, innovation strength, flexibility and reliability of supply.”

“The investment further strengthens strategic success between SINOPEC and BASF as we both support the trend of sustainable development. Both SINOPEC and BASF have confidence in Nanjing, Jiangsu, and its future prospects, as an ideal investment destination,” Mr Li Cheng Feng, Chairman of Sinopec Yangzi Petrochemical Company Limited and BASF-YPC Company Limited.

NPG is a unique polyalcohol offering superior performance in many end-use applications such as powder coatings, textiles and construction due to its high chemical and thermal stability. It is mainly used as a building block in polyester resins for

coatings, unsaturated polyester and alkyd resins, lubricants and plasticizers. As the global market leader, BASF has NPG production facilities in Ludwigshafen, Germany; Freeport, Texas, United States and Jilin, China.

#### **About BASF-YPC**

BASF-YPC Co., Ltd. ("BASF-YPC") is a 50-50 joint venture between BASF and Sinopec, founded in 2000, with a total investment of \$5.2 billion. The integrated petrochemical site produces three million tons of high-quality chemicals and polymers for the Chinese market annually. The products serve the rapid-growing demand in multiple industries including agriculture, construction, electronics, pharmaceutical, hygiene, automotive and chemical manufacturing. All BASF-YPC plants are interconnected in order to use products, by-products and energy in the most efficient way, to save cost and minimize environmental impact. BASF-YPC posted sales of approximately RMB17.3 billion in 2016 and employed 1,880 people as of the end of that year. More information on BASF-YPC is available on the Internet at [www.basf-ypc.com.cn](http://www.basf-ypc.com.cn)

#### **About BASF**

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The approximately 114,000 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 five segments: Chemicals, Performance Products, Functional Materials & Solutions, Agricultural Solutions and Oil & Gas. BASF generated sales of about €58 billion in 2016. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (BAS). Further information at [www.basf.com](http://www.basf.com).

#### **About SINOPEC / YPC**

SINOPEC is one of the largest integrated energy and chemical companies with upstream, midstream and downstream operations in China. Its principal operations include: the exploration and production, pipeline transportation and sales of petroleum and natural gas; the sales, storage and transportation of petroleum products, petrochemical products, synthetic fiber, fertilizer and other chemical products; and the research, development and application of technologies and information. SINOPEC implements strategies of resources, markets, integration, internationalisation, differentiation and green low-carbon development with a view to realize its vision of building a world first class energy and chemical company. Sinopec generates sales of 1.97 trillion Yuan RMB in 2016. More information on SINOPEC is available on the Internet at [www.sinopec.com](http://www.sinopec.com)

YPC is one of Sinopec's largest integrated sites of refinery and petrochemical operation with sales of 54.7 billion Yuan RMB in 2016. Located in Nanjing, Jiangsu, China, it implements shareholder's management over BYC on behalf of Sinopec. More information on YPC is available on the Internet at [www.ypc.com.cn](http://www.ypc.com.cn)

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