

News Release

P405/18e
December 13, 2018

BASF expands its production network for certified palm products

- **22 production sites globally certified according to RSPO Supply Chain Certification Standard**
- **Certification now includes active ingredients from Pulnoy site**
- **BASF drives sustainable palm with major portfolio switch**

Pulnoy, France – December 13, 2018 – BASF further strengthens its operations network for certified palm-based products: the company now manufactures certified ingredients at 22 locations around the world for the cosmetics, detergent and cleaning agent industries. The latest site to receive the Supply Chain Certificate of the Roundtable on Sustainable Palm Oil (RSPO) has been Pulnoy in France where BASF produces active ingredients for the cosmetics industry.

By receiving the RSPO certification for the Pulnoy site, BASF includes parts of its actives portfolio in its offer of certified palm-based products according to the “Mass Balance” supply chain model. Although the respective actives do not contain palm kernel oil themselves, their manufacturing process requires the use of palm-based auxiliaries that are now certified. The “Mass Balance” model fosters the physical flow of certified raw materials within the oleo-derivatives supply chain.

“With this new certification we took a bold step towards the implementation of the RSPO standard for a broader part of our actives portfolio. We thereby respond to the needs of our customers and help them make their products more sustainable to live up to the requirements of the end consumers,” said Xavier Susterac, Senior Vice President BASF Personal Care Europe.

BASF drives sustainable palm with major portfolio switch

As BASF announced in April, the company is shifting its Personal Care portfolio and will offer palm-based specialties for the cosmetics industry exclusively as certified sustainable. BASF has made a commitment to switch about 330 palm-based products to RSPO 'Mass Balance' certified in the course of 2018 globally. This is the latest move in BASF's initiative "Time for Change".

BASF produces palm-based ingredients for cosmetic products, detergents and cleaning agents as well as foodstuffs. The majority of oil palm products used by BASF are based on palm kernel oil and its derivatives, to a lesser extent on palm oil. In 2017, BASF processed 515,000 metric tons of palm-based raw materials. As palm cultivation is linked to deforestation, loss of biodiversity and social conflicts in the producing countries – mainly Indonesia and Malaysia – BASF has committed itself to source only RSPO-certified sustainable palm kernel oil by 2020. In 2017, BASF's share of RSPO-certified sustainable palm kernel oil amounted to approximately 51 percent.

About the Care Chemicals division at BASF

The BASF division Care Chemicals offers a broad range of ingredients for personal care, hygiene, home care, industrial & institutional cleaning, and technical applications. We are the leading global supplier for the cosmetics industry as well as the detergents and cleaners industry, and support our customers with innovative and sustainable products, solutions and concepts. The division's high-performance product portfolio includes surfactants, emulsifiers, polymers, emollients, chelating agents, cosmetic active ingredients and UV filters. Superabsorbent polymers developed for the full spectrum of hygiene applications complete the range. We have production and development sites in all regions and are expanding our presence in emerging markets. Further information is available online at www.care-chemicals.basf.com.

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The more than 115,000 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 four segments: Chemicals, Performance Products, Functional Materials & Solutions and Agricultural Solutions. BASF generated sales of more than €60 billion in 2017. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (BAS). Further information at www.basf.com.