

News Release

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BASF opens first phase of the new antioxidants manufacturing plant in Shanghai

- **World-scale plant with a capacity of 42,000 tons p.a.**
- **Chinese market offers significant growth opportunities**

Caojing, China – January 23, 2019 – BASF today inaugurated a new, world-scale antioxidants manufacturing plant at its Caojing site in Shanghai, China. With an annual capacity of 42,000 tons, the plant will produce antioxidants and associated forms and blends for the plastic additives market. The units for powder blending, liquid antioxidants and formgiving are now operational as part of the plant's first phase.

“With this investment, we strengthen our position as the leading global supplier of antioxidants,” said Dr. Markus Kamieth, Member of the Board of Directors, BASF SE. “Asia is the world’s largest antioxidants market and China accounts for almost 65% of the market in Asia. We expect the market will show attractive growth rates in the medium to long term.”

“BASF wants to be the leading chemicals supplier for our customers,” said Dr. Stephan Kothrade, President, Functions Asia Pacific, President and Chairman Greater China, BASF. “By investing in advanced production plants in China, we want to anticipate and fulfill our customers’ needs even better. We will combine our unique expertise in the chemical industry with our customers’ competencies, and jointly develop solutions that are both profitable and responsible.”

Located at BASF's Caojing site in the Shanghai Chemical Industry Park, the new plant will benefit from its proximity to BASF's regional research and development center in Shanghai; a hub that provides technical support to polymer producers across the region.

Importance of antioxidants

Antioxidants help prevent thermal oxidation reactions when plastics are processed at high temperatures. Oxidation can cause the loss of impact strength, elongation, surface cracks and discoloration of the material. Almost all polymer materials undergo oxidative degradation reactions at one or all of the manufacturing, processing and end-use stages.

BASF runs a global production network and is the only supplier of plastic additives with production sites in Asia, Europe, North America and the Middle East.

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About BASF Plastic Additives

BASF is a leading supplier, manufacturer and innovation partner of plastic additives. Its comprehensive and innovative product portfolio includes stabilizers which provide ease in processing, heat and light resistance to a variety of polymers and applications including molded articles, films, fibers, sheets and extruded profiles. More information about plastic additives: www.plasticadditives.basf.com.

BASF Plastic Additives is part of BASF's Performance Chemicals division. The division's portfolio also includes Fuel and Lubricant Solutions, Kaolin Minerals, Paper and Water Chemicals as well as Oilfield and Mining Solutions. Customers from a variety of industries including Chemical, Pulp & Paper, Plastic, Consumer Goods, Energy & Resources and Automotive & Transportation benefit from our innovative solutions. To learn more, visit www.performancechemicals.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 six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care 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.