

News Release

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BASF starts construction of new surface treatment site for its Chemetall brand in Pinghu, China

- **Expands production capacity to support growing demand across multiple segments in China**
- **Manufacturing start-up planned for Q1 2021**

Ludwigshafen, Germany / Hong Kong / Shanghai, China – September 3, 2019 – The Surface Treatment global business unit of the Coatings division of BASF, operating under the Chemetall brand, has started construction of its surface treatment site in the Dushan Port Economic Development Zone of Pinghu, Zhejiang province, China. The new site is expected to commence operation in the first quarter of 2021.

“Our growth and investment plans go hand in hand with our customers’ expansion plans. The new facility is the largest investment in Chemetall’s history. It will meet the growing needs of our customers in China for reliable, high-quality and sustainable surface treatment products and system solutions,” said Christophe Cazabeau, Senior Vice President, Surface Treatment, BASF.

The new site is designed in a highly energy-efficient and sustainable manner, offering the potential for future expansion and the flexibility to adapt to new production requirements in the years ahead. It houses production, administrative offices, a laboratory and a warehouse.

“With the completion of the new site, the ultramodern chemical plant will enable us to produce a comprehensive surface treatment portfolio such as Oxsilan[®], our eco-

friendly and multi-metal pretreatment process,” said Markus Wittig, Director, Global Supply Chain and Operations, Surface Treatment, BASF.

“Chemetall has been present in China since 1995. Today, we are serving customers from various market segments including but not limited to automotive OEM and components, coil, general industry, cold forming, aerospace, aluminum finishing and glass. The surface treatment site in Pinghu will provide a strong manufacturing base for our business to further strengthen our supply position in China,” added Hui Jin, Managing Director, Shanghai Chemetall Chemicals Co., Ltd.

About BASF’s Coatings division

The Coatings division of BASF is a global expert in the development, production and marketing of innovative and sustainable automotive OEM and refinish coatings, decorative paints as well as applied surface treatments for metal, plastic and glass substrates in a wide range of industries. The portfolio is completed by the “Innovation Beyond Paint” program which aims at developing new markets and businesses. We create advanced performance solutions and drive performance, design and new applications to meet our partners’ needs all over the world. BASF shares skills, knowledge and resources of interdisciplinary and global teams for the benefit of customers by operating a collaborative network of sites in Europe, North America, South America and Asia Pacific. In 2018, the Coatings division achieved global sales of about €3.86 billion.

Solutions beyond your imagination – Coatings by BASF. For more information about the Coatings division of BASF and its products, visit www.basf-coatings.com.

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The approximately 122,000 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 around €63 billion in 2018. 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.