

News Release

P336/19e
September 30, 2019

BASF to expand integrated ethylene oxide and derivatives complex at its Verbund site in Antwerp

- **Investment exceeds €500 million and adds 400,000 metric tons per year of production capacity**
- **Supporting customers' growing demand for alkoxyates in the home and personal care industries as well as industrial applications**
- **Expanding BASF's leading position as ethylene oxide and derivatives producer in Europe**
- **Sequential start-up of new capacities beginning in 2022**

In line with its customer-focused corporate strategy, BASF will expand the capacity of ethylene oxide and ethylene oxide derivatives at its Verbund site in Antwerp, Belgium. The total investment adds about 400,000 metric tons per year to BASF's production capacity for the corresponding products with an expected investment amount exceeding €500 million. "This significant capacity expansion will enable BASF to support the continuous growth of customers in Europe," says Hartwig Michels, President Petrochemicals, BASF. The sequential start-up is expected to begin in 2022. The expansion comprises an investment in a second world-scale ethylene oxide line, including capacity for purified ethylene oxide.

Additional investments in several ethylene oxide derivatives plants are part of the project and will be pursued in line with the ethylene oxide expansion. These derivatives include non-ionic surfactants, glycol ethers for automotive applications, and various other downstream alkoxyates. "This expansion will benefit our customers by significantly enhancing the supply of our industry leading portfolio of

alkoxylates,” says Ralph Schweens, President Care Chemicals, BASF. “The increase of our methyl triglycol capacity enables us to support the growing demand for high-performance brake fluids in Europe and Asia. The increasing number of automated cars, relying on systems such as cruise and distance control, requires brake fluids that perform well – even under tough conditions,” explains Anup Kothari, President Performance Chemicals, BASF.

In Europe, BASF currently operates ethylene oxide plants in Antwerp and Ludwigshafen with a combined capacity of 845,000 metric tons per year. The company is the largest producer of ethylene oxide derivatives in the region. Major ethylene oxide derivatives are non-ionic surfactants, ethanol amines, glycol ethers, polyether polyols and other specialty products used in a wide range of industries such as home and personal care, industrial applications and the automotive industry.

About BASF's Petrochemicals division

The Petrochemicals division is the starting point for BASF's petrochemical-based value chains globally. We operate a highly competitive asset base with best-in-class technologies and focus on safety and operational excellence. With six Verbund sites and several major production sites, we are close to our customers and present in the largest chemical markets worldwide. The division supplies various value chains across the company and a broad range of customer industries with high-quality chemicals, contributing to the organic volume growth of BASF. Our portfolio includes cracker products, industrial gases, acrylics, superabsorbent polymers, styrenic foams, alkylene oxides, glycols, alcohols, solvents and plasticizers. In 2018, the Petrochemicals division generated sales to third parties of about €6.9 billion. Further information is available online at <http://petrochemicals.basf.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.