



Joint News Release

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Project for responsible artisanal cobalt mining in Kolwezi, DR Congo: launching on-site activities

- **BMW Group, BASF SE, Samsung SDI and Samsung Electronics kick off “Cobalt for Development” to promote responsible artisanal cobalt mining in the Democratic Republic of Congo**
- **The pilot project intends to improve working conditions at a pilot mine site and living conditions in the surrounding communities**
- **Representatives from politics, civil society and financing companies attended the launch event**

Kolwezi, Democratic Republic of Congo – With the pilot project “Cobalt for Development”, the BMW Group, BASF SE, Samsung SDI and Samsung Electronics yesterday kicked off their cross-industrial initiative aimed at improving working conditions of the people working at an artisanal cobalt mine site in the Democratic Republic of Congo (DR Congo). Cobalt is a key component in the production of batteries for electronic devices and electrified vehicles. Most of the global cobalt reserves and production are located in the south of the DR Congo.

The companies from the electronics, automotive and chemical industries have therefore commissioned the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH to test within three years how living and working conditions in artisanal cobalt mining and in the surrounding communities can be improved. The commissioning companies will not operate the mine. Together with authorities in the province of Lualaba, the project has selected a legal artisanal mine site nearby Kolwezi to pilot the approach.

“Sustainability is an important aspect of our corporate strategy and plays a key role in expanding electro-mobility. We are fully aware of our responsibility: Cobalt and other

commodities must be extracted and processed under ethically responsible conditions,” emphasizes Dr. Andreas Wendt, Member of the Board of Management of BMW AG, Purchasing and Supplier Network. The company’s commitment to projects such as “Cobalt for Development” is fundamental to ensuring that suppliers also consistently comply with the BMW Group’s high social and environmental standards. “If the project is a success, these approaches can be transferred to other small, non-industrial mines over the long term,” said Dr. Wendt.

Dr. Hans-Ulrich Engel, Chief Financial Officer and Vice Chairman of the Board of Executive Directors of BASF SE said: “BASF is committed to a responsible and sustainable global supply chain for cobalt. Although BASF does not procure cobalt from artisanal mines, we actively support “Cobalt for Development” as it aims to look for new ways to improve the sustainability of the supply chain. This project also contributes to the goals of the Global Battery Alliance of which BASF is a founding member. Cooperation with partners along the value chain drives change and increases the impact at all stages in the production.”

During the upcoming months, the pilot project will focus on analyzing occupational and environmental risks to develop and implement responsible mining practices. Local partners such as the artisanal mining cooperative will participate from the beginning in developing and implementing these measures to strengthen local ownership and sustainability of the approach. In the nearby community, the focus will be to improve access to education, as well as financial literacy and alternative incomes for its residents.

At the official launch of “Cobalt for Development,” representatives of the financing companies met with the Governor of Lualaba Richard Muyej Mangeze Mans and Secretary General of the National Ministry of Mines Joseph Ikoli Yombo Y’Apeke. The event in Kolwezi was also attended by representatives of the civil society and private sector.

The progress of “Cobalt for Development” is regularly evaluated internally and by a committee of local representatives to continuously improve the project approach. These lessons learnt could then form the basis if project measures are extended to other mine sites.

The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH is a

federal enterprise with worldwide operations in the field of international cooperation for sustainable development. For the “Cobalt for Development” project, GIZ collaborates with IMPACT, an international non-governmental organization that specializes in improving natural resource governance, and Good Shepherd International Foundation / Bon Pasteur, an organization with longstanding community development experience in the area.

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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.

About BMW Group

With its four brands BMW, MINI, Rolls-Royce and BMW Motorrad, the BMW Group is the world's leading premium manufacturer of automobiles and motorcycles and also provides premium financial and mobility services. The BMW Group production network comprises 31 production and assembly facilities in 15 countries; the company has a global sales network in more than 140 countries. In 2018, the BMW Group sold over 2,490,000 passenger vehicles and more than 165,000 motorcycles worldwide. The profit before tax in the financial year 2018 was € 9.815 billion on revenues amounting to € 97.480 billion. As of 31 December 2018, the BMW Group had a workforce of 134,682 employees. The success of the BMW Group has always been based on long-term thinking and responsible action. The company has therefore established ecological and social sustainability throughout the value chain, comprehensive product responsibility and a clear commitment to conserving resources as an integral part of its strategy. Further information at www.bmwgroup.com