

News Release

P127/20e
February 12, 2020

BASF further invests in Europe to strengthen global leadership position for battery materials for electric vehicles

- **BASF announces Schwarzheide, Germany, as location for cathode active material production in Europe**
- **Battery materials plants in Germany and Finland will utilize an industry leading energy mix lowering CO₂ emissions across the value chain**

BASF is announcing a new battery materials production site in Schwarzheide, Germany, as part of its multi-step investment plan to support the European electric vehicle (EV) value chain. This state-of-the art plant will produce cathode active materials (CAM) with an initial capacity enabling the supply of around 400,000 full electric vehicles per year with BASF battery materials. Innovative cathode materials by BASF increase the performance of batteries, promoting the success of climate-friendly mobility.

The Schwarzheide plant's modular design and infrastructure allows for the rapid scale-up of manufacturing capacities enabling BASF to meet increasing customer demand for the European EV market. The plant in Schwarzheide will use precursors (PCAM) from BASF's previously announced plant in Harjavalta, Finland. Startup of the two plants is planned for 2022.

"The plants in Finland and Germany will offer our customers reliable access to tailored high-nickel cathode active materials in proximity to their European manufacturing facilities," said Dr. Peter Schuhmacher, President, Catalysts division

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at BASF. With these investments in Finland and Germany, BASF will be the first CAM supplier with local production capacities in today's three major markets – Asia, the U.S. and Europe. BASF will become the leading supplier with a reliable, sustainable and European-based supply chain which will comprise base metal supply, particularly nickel and cobalt, precursor production, and cathode material production within one region.

The site in Schwarzheide uses an energy-efficient gas and steam turbine power plant that operates on the principle of combined heat and power generation. It is currently being modernized to further increase its eco-efficiency. Until the battery materials plant is commissioned, the integration of renewable energies is also planned. The Harjavalta plant will utilize renewable energy resources, including hydro, wind and biomass-based power. This advantageous energy mix will provide CAM material with a very low CO₂ footprint.

The investments in Harjavalta, Finland, and Schwarzheide, Germany, reinforce BASF's support of the European Commission's agenda towards a European battery production value chain and are part of the "Important Project of Common European Interest (IPCEI)" that was approved by the European Commission on December 9, 2019 under the European Union state aid rules.

To learn more about BASF Battery Materials and BASF's commitment to e-mobility, visit our website:

<https://catalysts.basf.com/products-and-industries/battery-materials>

You can find TV footage and additional photo material of BASF's battery material research and production sites in our [TV-service](#) and [photo pool](#) (please choose "battery" as search term).

About BASF's Catalysts division

BASF's Catalysts division is the world's leading supplier of environmental and process catalysts. The group offers exceptional expertise in the development of technologies that protect the air we breathe, produce the fuels that power our world and ensure efficient production of a wide variety of chemicals, plastics and other products, including advanced battery materials. By leveraging our industry-leading R&D platforms, passion for innovation and deep knowledge of precious and base metals, BASF's Catalysts division develops unique, proprietary solutions that drive customer success. Further information on BASF's Catalysts division is available on the Internet at www.catalysts.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.

About BASF Schwarzheide GmbH

BASF Schwarzheide GmbH, the production site based in Germany's Lausitz region, is part of BASF group. Its portfolio ranges from polyurethane based products and systems, crop-protection agents and water-based coatings, to engineering plastics, foams, dispersions and Laromer brands.

As a reliable partner, BASF Schwarzheide GmbH's intelligent system solutions and high-quality products help its customers to be successful. The production site offers its experience and expertise to companies looking to benefit from the multifaceted synergies of working together with an innovative chemical company. A dozen companies have already become co-siting partners with BASF. Complete service packages or even individual services are available.

BASF Schwarzheide GmbH sustainably promotes positive development in the region and assumes social responsibilities thereby contributing to various areas from vocational training to co-siting activities.

For more information, please visit www.basf-schwarzheide.de.