



Joint News Release

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Groundbreaking for cathode active materials production plant in Schwarzheide, Germany

- **Construction of the new plant already started with start-up scheduled for 2022 to supply around 400,000 full electric vehicles per year**
- **Peter Altmaier, Federal Minister for Economic Affairs and Energy: “Investment is major step for Germany and Schwarzheide”**

BASF has broken ground for its new cathode active materials production plant in Schwarzheide, Germany. In an online event, the company celebrated this milestone together with customers, politicians and partners. The new plant is part of BASF’s multi-step investment plan in the European battery materials market and will use precursors from the company’s previously announced plant in Harjavalta, Finland. Construction has already started in August in Schwarzheide and the plant is scheduled for a 2022 start-up.

This new plant for cathode active materials will be equipped with world leading process technology and enable the supply of around 400,000 full electric vehicles per year with BASF battery materials. BASF’s innovative cathode materials increase the performance of batteries, promoting the success of climate-friendly mobility.

“We support our customers and want to capture the growth opportunity in the fast-growing electric mobility market with our investments in battery materials in Europe,” said Dr. Martin Brudermüller, Chairman of the Board of Executive Directors of BASF SE. “Electromobility is one of the key solutions to unite the global desire for individual mobility and the need to significantly reduce local emissions. BASF is driving sustainable electromobility with innovative battery materials and state-of the art technology,” Brudermüller said.

Peter Altmaier, Federal Minister for Economic Affairs and Energy, said: “BASF’s groundbreaking ceremony today marks a further step in the right direction for Germany’s industrial sector and the establishment of a European value chain for electric mobility. We aim to produce the world’s best-quality and best-performing batteries in Germany and Europe. We are therefore backing the expansion of battery manufacturing which uses the latest and most environmentally friendly materials. Specifically, the Federal Government and the Land are providing approximately €175 million towards BASF’s project. I am delighted that BASF aims to set new standards in Schwarzheide and create forward-looking jobs which will contribute to successful structural change in the region.”

European Commission Vice President Maroš Šefčovič emphasized the importance of creating a competitive and sustainable battery cell manufacturing value chain in Europe: “The battery value chain is of strategic importance for Europe’s resilience, particularly with respect to clean, sustainable mobility. This is even more critical as we seek to jumpstart our economies, while accelerating the green transition. I am pleased that our focus on scaling up innovation under the European Battery Alliance is yielding strong industrial projects like the BASF investment. Building a competitive, innovative and sustainable battery ecosystem in Europe will also help protect millions of jobs in European industries in the face of tougher global competition.”

Dr. Dietmar Woidke, Minister President of the State of Brandenburg, said: “Industrial jobs, economic growth and climate protection: At BASF in Schwarzheide, these go together perfectly. The investment decision amidst severe structural transformation processes in the Lusatia region is nothing less than a milestone. The construction of the factory for battery materials is a further important step on Lusatia’s road towards an innovative industrial region. It will secure high-quality jobs and offer good prospects for young professionals. BASF is continuing to drive forward its investment projects with patience and perseverance, even in difficult times. The state government will gladly continue to support them in their endeavor.”

BASF is committed to provide a reliable and sustainable local supply of high-energy density cathode active materials to cell producers and automotive customers meeting their specific needs in Europe.

“The new plant together with the precursor plant in Harjavalta will use efficient manufacturing processes, a high share of renewable energy, upstream integration into the key raw materials like cobalt and nickel, and a short transportation route along the value chain. These measures will lead to a 30% lower CO₂ footprint compared to the conventional industry standard,” said Dr. Peter Schuhmacher, President, Catalysts division at BASF. He added: “With efforts on recycling, we aim to ‘close the loop’ while reducing the CO₂ footprint of our cathode active materials by up to 60% in total.”

“I am delighted that customers, politicians and partners can participate virtually in the groundbreaking event for the new battery materials plant at our site in Schwarzheide,” said Jürgen Fuchs, Managing Director of BASF Schwarzheide GmbH. “The new plant is already well under construction and will expand our product portfolio at the site, creating around 150 new jobs after its start-up in 2022. In this way, the investment is positively shaping the structural change in the Lusatia region. This is truly a moment to celebrate and remember.”

The investment in Schwarzheide reinforces BASF’s support of the European Commission’s agenda towards a European battery production value chain and is part of the “Important Project of Common European Interest (IPCEI)” approved by the European Commission on December 9, 2019, under the European Union State aid rules. The launch of innovative battery materials from the Schwarzheide plant and research to develop next-generation battery materials and process development, including battery recycling, is funded by the Federal Ministry of Economics and Energy on the basis of a resolution of the German Bundestag and by the Ministry of Economics, Labor and Energy of the State of Brandenburg on the basis of a resolution of the Brandenburg State Parliament as part of the IPCEI for Batteries: Funding codes 16BZF101A/B.

You will find more information about the event, the plant in Schwarzheide and latest photos [here](#).

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. More than 117,000 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 €59 billion in 2019. 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.

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