

News Release

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Agricultural applications to benefit from the expansion of BASF's plastic additives portfolio in Pontecchio Marconi, Italy

- Expanded novel NOR[®] technology platform capacity strengthens BASF's leading position in light stabilization
- Building on the well-established infrastructure at the site
- Supporting the growing demand for sustainable farming practices

BASF today announced the technical completion of the newly constructed plant for the plastic additives business at its site located in Pontecchio Marconi, Italy. The state-of-the-art facility will deliver a wider range of NOR[®] solutions to support BASF's leading position in the strategically important and growing agriculture industry.

Plasticulture, the use of plastic materials in agricultural applications, plays an important role in helping farmers enhance crop productivity and food quality in an increasingly difficult environment. Agricultural plastics must be capable of protecting the crops enduring exposure to harsher ultraviolet and heat radiation and be impervious to the chemicals used by farmers to treat plants' diseases and for disinfection practices. The demand for such reinforced plastics continues to increase rapidly. The novel BASF NOR[®] technology platform consists of a range of outstanding light and thermal stabilizers that are especially effective in *plasticulture* applications such as greenhouse covers, macro and small tunnels, nettings and substrate bags.

The BASF Pontecchio site has already been a major production unit for hindered amine light stabilizers HALS and NOR[®] HALS product ranges. It is also home to the global testing hub for agricultural applications and the regional weathering center. The expansion makes use of the existing infrastructure and generates new opportunities to serve the growing customer demand.

The new plant, which is equipped with a recently developed digital technology platform, will provide innovative solutions that accelerate the site's progression towards industry 4.0. The new communication platform, for example, allows maintenance, troubleshooting and configuration of instruments to be done remotely over industrial ethernet which provides more security and stability. The design of the plant also incorporates the latest technology to increase energy efficiency, while decreasing CO₂ and noise emissions. The production line includes motors with the highest International Energy efficiency class IE4. The building walls are also insulated with sound absorption panels that reduces the noise emission compared to industry standard. Thanks to these state-of-the-art technologies, the new plant contributes to the company's sustainability targets.

"With the expanded capacity in Pontecchio Marconi, we are well positioned to better serve the growing *plasticulture* market with a broader range of NOR[®] technology. Farmers are the foundation of the agricultural system. With the NOR[®] technology platform and the knowhow of our experts, we take the responsibility to optimize the level of performance of agricultural plastics applications and support the farmers' move towards a more sustainable farming system. They can focus on their core business of cultivating crops," said Dr. Achim Sties, Senior Vice President, Performance Chemicals Europe, BASF.

Greenhouses, for instance, with covers made with the NOR[®] stabilized films create a favorable environment with the optimum light for growing fruits, vegetables and flowers and for pollinators such as auxiliary insects, bumblebees, thereby enhancing biodiversity. This is both an economic and environmental benefit for food producers who can improve their yield and better contribute to sustainable agricultural practices.

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About BASF Plastic Additives

BASF is a leading supplier, manufacturer and innovation partner of plastic additives. Its comprehensive and innovative product portfolio includes stabilizers which provide ease in processing, heat and light resistance to a variety of polymers and applications including molded articles, films, fibers, sheets and extruded profiles. More information about plastic additives: www.plasticadditives.basf.com.

BASF Plastic Additives is part of BASF's Performance Chemicals division. The division's portfolio also includes Fuel and Lubricant Solutions, Kaolin Minerals, as well as Oilfield and Mining Solutions. Customers from a variety of industries including Chemicals, Plastics, Consumer Goods, Energy & Resources and Automotive & Transportation benefit from our innovative solutions. To learn more, visit http://www.performancechemicals.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 \in 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 <u>www.basf.com</u>.