



Joint News Release

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Boortmalt and BASF collaborate to promote climate-smart agriculture

- First-of-its-kind collaboration enables both companies to jointly reduce CO₂ emissions in barley production and also certify the reduction
- Collaboration is a first milestone of BASF's Global Carbon Farming Program and supports Boortmalt target to reduce its indirect emissions in the value chain
- Carbon certificates enable barley growers in Ireland to generate additional revenue streams

Limburgerhof, Germany; Athy, Ireland; July 19, 2022 – BASF Agricultural Solutions and Boortmalt, the world's leading malted barley provider, today announce their program to jointly reduce CO₂ emissions associated with barley production in Ireland. The pilot project, a world-first to involve the entire malting barley value chain, was initiated as part of the 2022 barley campaign with 50 selected Irish farmers.

Boortmalt and BASF are together providing the tools and platforms that support climate smart farming practices. The companies therefore enable Irish barley farmers to reduce CO₂ emissions and increase carbon sequestration to decarbonize agriculture and contribute to helping combate climate change.

Through its commercial activities with its farmers, Boortmalt will recommend innovative practices that farmers can implement as part of <u>BASF's Global Carbon Farming Program</u> and manage the related data. At the same time, BASF is developing a digital platform, powered by <u>xarvio® FIELD MANAGER</u>. This platform

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aims to bring together all necessary farm data in a way that can meet the requirements of the world's major carbon certification bodies, such as the Gold Standard. As such it will enable barley growers in Ireland to generate accredited carbon certificates, which can be freely traded, thus creating an additional revenue stream for their sustainable farming operations.

First results will be reported in the course of 2023 and will be used to explore similar opportunities with other farmers in Ireland and in more countries.

The pilot aims to help participating farmers generate carbon certificates as an additional economic incentive to reduce CO₂ emissions of farm operations. Boortmalt plans to purchase the generated certificates along with the low-CO₂ barley to reduce their CO₂ emissions along the value chain. The sustainably produced barley is later being malted and used by Waterford Distillery, a multi-award winning whiskey project based in the South East of Ireland, to produce whiskey with a reduced CO₂ footprint.

"With climate smart agriculture, like resilient farming practices or reducing carbon emissions in farm operations, we can mitigate negative effects of climate change," says Dirk Voeste, Senior Vice President Regulatory, Sustainainability & Public Affairs BASF. "Our collaboration with Boortmalt demonstrates that contributing to mitigate the negative effects of climate change and value generation for farming can go hand in hand. It is an important step forward in our recently announced Global Carbon Farming Program with more to follow."

"We are continuously working towards reducing our Scope 3 emissions¹ in the value chain, which can only be achieved with the right collaborations," says Inge de Winne, Chief Sustainability and Supply Chain Officer at Boortmalt. "With BASF, we have found an innovation partner who helps farmers to sustainably increase their yields, reduce their CO₂ emissions and improve the quality of their crops."

Both companies have set themselves ambitious targets to support growers in reducing CO₂ in farm operations. BASF Agricultural Solutions has committed to boost sustainable agriculture by 2030, with one of its targets to help farmers achieve a 30% reduction in CO₂ emissions per ton of crop produced. Boortmalt is committed

¹Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly impacts in its value chain. More information can be found here.

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to deliver a 30% reduction of its Scope 3 emissions from their agricultural supply chains by 2030.

About BASF's Agricultural Solutions division

Farming is fundamental to provide enough healthy and affordable food for a rapidly growing population while reducing environmental impacts. Working with partners and agricultural experts and by integrating sustainability criteria into all business decisions, we help farmers to create a positive impact on sustainable agriculture. That's why we invest in a strong R&D pipeline, connecting innovative thinking with practical action in the field. Our portfolio comprises seeds and specifically selected plant traits, chemical and biological crop protection, solutions for soil management, plant health, pest control and digital farming. With expert teams in the lab, field, office and in production, we strive to find the right balance for success − for farmers, agriculture, and future generations. In 2021, our division generated sales of €8.2 billion. For more information, please visit www.agriculture.basf.com or any of our social media channels.

About Boortmalt

Boortmalt is the world's leading malting company with a production capacity of 3 million tonnes. The group is present on 5 continents with 27 malting plants. Boortmalt's expertise is widely acknowledged by brewers, distillers, and food industries who rely on the supply of top-quality malted barley. Boortmalt has a strong vision on sustainability and in line with this they promote the continuous improvement of farming methodologies through local sourcing programs that are environmentally sound and beneficial to local communities. Boortmalt has committed to the Science-Based Targets inititiative (SBTi). Furthermore, the company has partnered with Waterford Distillery using a unique 'single farm origin' sourcing model. With all parties aiming to deliver increases in soil health, grain quality and climate resilience across the supply chain, from grain to glass. For more information, please visit www.boortmalt.com.

About xarvio® Digital Farming Solutions – a brand by BASF Digital Farming GmbH

xarvio® Digital Farming Solutions is at the forefront of the digital transformation of agriculture, optimizing crop production. xarvio® offers digital products, based on a global leading crop modelling platform. The technology delivers independent, field-zone-specific agronomic advice that enables farmers to produce their crops most efficiently and sustainably. The products - xarvio® SCOUTING, xarvio® FIELD MANAGER and xarvio® HEALTHY FIELDS are used by farmers in more than 100 countries worldwide. More than 90,000 farmers and consultants have signed-up for xarvio® FIELD MANAGER, setting-up a field area greater than 12 million hectares in 18 countries. xarvio® SCOUTING has been downloaded by more than 7 million users. For more information please visit www.xarvio.com or any of our social media channels.