

# News Release

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## **BASF confirms final phase of MDI expansion at Geismar Verbund site**

- **Annual production capacity to be increased to 600,000 metric tons by the middle of the decade**
- **Total investment of \$780 million for the final expansion phase**

FLORHAM PARK, NJ and GEISMAR, LA – BASF is moving forward with the final phase of the expansion project for the methylene diphenyl diisocyanate (MDI) plant at its Verbund site in Geismar, Louisiana. With this third step of its multiphase capacity expansion, BASF will increase production capacity to 600,000 metric tons per year by the middle of the decade and support the ongoing growth of its North American MDI customers. The company kicked off the expansion project in 2018 with a staggered approach consisting of three investment phases. The investment in the final expansion phase from 2022 to 2025 amounts to \$780 million.

“This investment underlines our commitment to North America and strengthens BASF’s supply reliability and the competitiveness of our customers’ value chains in the region,” said Michael Heinz, Chairman and Chief Executive Officer, BASF Corporation. “As one of BASF’s Verbund sites, the Geismar location is ideally suited for the expansion of our MDI production thanks to its existing infrastructure, reliable raw material supply, skilled workforce and strong community support.”

Leveraging state-of-the-art technology, the expansion will showcase the highest safety standards combined with advanced digitalization in its operations. BASF is

now entering the final phase of the expansion, targeted for completion by the end of 2025.

“BASF is committed to growing and partnering with our North American MDI customers, be it in the construction and appliance, transportation, automotive, footwear or furniture sectors,” said Ramkumar Dhruva, President of BASF’s Monomers division. “With this integrated facility, we will continue to support our North American MDI customers by growing our capacity to meet their needs.”

The first phase of the expansion project involving the construction of a new MDI synthesis unit was put in operation in October of 2020. The second phase, which started operations in 2021, expanded several existing upstream units. With the third and final expansion phase, which includes several new upstream units and a splitter, the new overall MDI output of the Geismar complex will increase to 600,000 metric tons.

#### **About BASF**

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. Around 111,000 employees in the BASF Group contribute to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio comprises six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions. BASF generated sales of €78.6 billion in 2021. 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](http://www.basf.com).