

News Release

P297/22e
July 26, 2022

BASF transforms market towards certified, sustainably sourced coconut oil

- **BASF first chemical company offering Rainforest Alliance Certified personal care ingredients based on coconut oil**
- **Production site in Cassina Rizzardi, Italy, certified according to Rainforest Alliance Mass Balance certification scheme**
- **Recent example of Care 360° - Solutions for Sustainable Life of BASF's Care Chemicals division**

With the certification of BASF's production site in Cassina Rizzardi, Italy, BASF is the first chemical company offering certified sustainable personal care ingredients based on coconut oil. The company was certified according to the Rainforest Alliance Mass Balance Coconut certification scheme. Mass balance (MB) is a supply chain model that fosters the physical flow of certified raw materials within the supply chains, while the farmers benefit from selling Rainforest Alliance Certified coconuts and copra.

“With the certification of our first production site and the offer of Rainforest Alliance Certified personal care ingredients to our customers, amongst palm and castor oil, we have established another supply chain based on renewables. We have thus taken an important step in transforming the market towards certified, sustainably sourced oleochemicals”, said Jutta Stute Sustainability Manager in BASF's Care Chemicals division.

Coconut oil is an important feedstock for the chemical industry. BASF uses coconut oil to produce ingredients for cosmetic products, detergents and cleaning agents as

well as foodstuff.

Certified sustainably sourced coconut oil is just one recent example of how BASF's Care Chemicals Division is addressing future challenges. Sustainability, digitalization, innovation and new approaches to working together are the key cornerstones to [*Care 360° – Solutions for Sustainable Life*](#).

The certification of coconut oil was made possible by a development partnership between BASF, Cargill, The Procter & Gamble Company (P&G) and the German government agency Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH with the strong support from the Rainforest Alliance and the Philippine Coconut Authority. The objective of the project was to increase the income and economic self-sufficiency of smallholder coconut farmers in the Philippines and Indonesia by promoting a sustainable certified coconut oil supply chain. Between November 2015 and October 2018 more than 4,100 coconut farmers were trained in good agricultural practice (GAP), good processing practice as well as farm management. About 1,600 farmers received additional training and have been certified according to the Rainforest Alliance Sustainable Agriculture Standard. Farmers who were trained and certified have, on average, a 47 percent higher income than farmers who did not participate in the program.

BASF has set itself the goal to creating chemistry for a sustainable future. As a worldwide acting company, BASF has a responsibility to manage its supply chain carefully. The company is deeply involved in a range of initiatives to increase the share of nature-based ingredients in its portfolio and to enhance the sustainability of farming practices and the wellbeing of farmers and workers. Examples include the Roundtable on Sustainable Palm Oil (RSPO) as well as SuCCESS (Sustainable Castor Association).

Visit <https://www.basf.com/global/en/who-we-are/sustainability/we-source-responsibly/sustainable-coconut-oil-production.html> for more details.

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.

About the Care Chemicals division at BASF

The BASF division Care Chemicals offers a broad range of ingredients for personal care, home care, industrial & institutional cleaning, and technical applications. We are a leading global supplier for the cosmetics industry as well as the detergents and cleaners industry, and support our customers with innovative and sustainable products, solutions and concepts. The division's high-performance product portfolio includes surfactants, emulsifiers, polymers, emollients, chelating agents, cosmetic active ingredients and UV filters. We have production and development sites in all regions and are expanding our presence in emerging markets. Further information is available online at www.care-chemicals.basf.com.