



Joint News Release

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BASF and SWISS KRONO pioneer the wood-based panel industry with the development of innovative products

- With Kaurit[®] ZERO and Kauramin[®] BALANCE, BASF offers biomassbalanced amino resins for the first time
- SWISS KRONO Group is the first manufacturer of wood-based materials to use Kauramin[®] BALANCE in the production of its new biocomposite product
- BASF customers in the wood-based panel industry can calculate the CO₂ footprint of their products

BASF SE (Ludwigshafen, Germany) and SWISS KRONO Group (Lucerne, Switzerland) are further expanding their long-term partnership with more sustainable solutions and processes. With the development of new products and the calculation of the product carbon footprint (PCF), both partners are working together on reducing the carbon footprint of the wood-based panel industry.

"Our customers are increasingly demanding sustainably manufactured products. We are happy to offer our entire portfolio of amino resins as biomass-balanced to replace fossil-based materials with renewable ones in BASF's raw material mix. This amount, which is used to produce the amino resins, is allocated to our end products using a mass balance process. This means, all our biomass-balanced amino resins have a significantly lower PCF than their conventional counterparts while maintaining the same product properties and qualities. BASF is the first and only

BASF SE Heike Scheurer Communications Monomers Phone: +49 621 60-55084 heike.scheurer@basf.com SWISS KRONO Group Christine Diener Head of Group Communications Phone: +49 151 503 83 534 christine.diener@swisskrono.com supplier of these glues and impregnating resins in the market," explains Wolfgang Gutting, Vice President Amino Resins & Nitrogen Based Chemicals at BASF.

Amino resins are the most important binder in the production of wood-based materials. BASF has been producing amino resins at its Ludwigshafen site for more than 90 years. Their groundbreaking development into a more sustainable product alternative is the focus of the new "Rethink – Recalculate – Reform" initiative. Since 2022, BASF has been calculating the PCF of its products using a standardized process, and now customers can in turn calculate their individual CO₂ emissions on this basis.

With the market launch of Kauramin[®] BALANCE, for whose production 50 percent CO₂ is saved, and Kaurit[®] ZERO, which has a PCF of 0, BASF has recently begun offering a portfolio with significantly lower PCFs compared to conventional fossil amino resins.

These products are just one example of the product portfolio transformation being pursued by the Monomers division as part of its <u>"Sustainability Roadmap"</u>. The portfolio of products with a lower carbon footprint will be expanded: By 2025, at least one circular alternative will be offered for all major product lines. At the same time, the operating division will prioritize technical optimization measures to further reduce CO₂ emissions in production.

SWISS KRONO Group is one of the world's leading manufacturers of wood-based materials in the fields of flooring, interior design and building materials and consistently relies on certified energy management, the use of renewable energies, raw materials from sustainable sources and a resource-conserving manufacturing process along its entire value chain. At the Group's integrated sites, over 90 percent of the thermal energy used is generated from renewable sources and recyclable raw materials are used wherever possible.

"Our 10 production sites in Europe and the United States enable us to source our resources regionally to minimize transport distances. We are continuously working on innovations and optimizations to make our products even more ecological in their entirety and to develop wood-based solutions for all areas of life and living that are

fit for the future," emphasizes Fabian Kölliker, Head of Group Marketing, SWISS KRONO Group.

With the use of BASF's Kauramin[®] BALANCE, SWISS KRONO is pioneering the production of an innovative design flooring: at BAU 2023, the world's leading trade fair for architecture and building materials currently taking place in Munich, SWISS KRONO Group is presenting its new biocomposite product with a core made of 80 percent wood, which has at least 30 percent lower PCF than the conventional product thanks to the use of BASF's Kauramin[®] BALANCE.

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. More than 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 €87.3 billion in 2022. BASF shares are traded on the stock exchange in Frankfurt (BAS) and as American Depositary Receipts (BASFY) in the United States. Further information at <u>www.basf.com</u>.

About SWISS KRONO

SWISS KRONO Group is one of the world's leading manufacturers of wood-based materials and stands for sustainable and innovative solutions in the business areas Flooring, Interiors, and Building Materials. SWISS KRONO focuses on recyclable materials for living and working environments. As a preferred partner, SWISS KRONO enables its customers to grow with green building materials. Founded in 1966 as a family business, the group now employs around 5,000 people at ten production sites in eight countries around the globe and generated sales of CHF 2.3 billion in fiscal year 2021/2022. Headquarter is Lucerne, Switzerland. www.swisskrono.com