

News Release

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BASF signs future-oriented partnership supporting Indonesian smallholders in sustainable palm cultivation

- Project partners join forces in the promotion of sustainable palm and palm kernel oil cultivation in Indonesia
- Program to involve 100 independent smallholders

BASF, alongside a leading company for natural cosmetics, has partnered with Indonesian non-profit organization Kaleka to support the sustainable management of palm and palm kernel oil production in Indonesia. The smallholder project will be implemented by Kaleka and will follow a jurisdictional approach. Over the next one and a half years, all three partners aim to promote sustainable land use in Selunuk Village in the Seruyan District in Central Kalimantan and to involve local authorities in the active management of the project.

Regenerative agriculture in smallholder oil palm farms

The project partners support the creation of policies and regulations to replicate and scale up regenerative agriculture and ensure living wages through legal certification. The aim is to certify 200 hectares of land to the Roundtable on Sustainable Palm Oil (RPSO) Smallholder Standard in the first and second years of the project, thereby supporting 100 farmers in the long term. These farmers will benefit not only from the technical know-how and improved framework conditions, but also from the social and economic benefits through ongoing training in the implementation and maintenance of sustainable palm oil practices.

"This partnership is an important step forward on our journey towards sustainable

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palm," said Jutta Stute, Sustainability Manager Personal Care, BASF. "If palm oil is produced in a sustainable and future-proof way, it can actually help solve serious challenges for farmers and the environment."

"We are delighted to be part of this unique partnership where BASF and its partner directly support smallholder farmers in the Seruyan District of Central Kalimantan to achieve sustainability", said Venticia Hukom, Managing Director of Kaleka. "For Kaleka, this partnership is an acknowledgment of the efforts that are put together by the district government of Seruyan to achieve sustainable palm oil."

The partnership with Kaleka is just one recent example of how the company'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.

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.

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 www.basf.com.