

# News Release



## **BASF inaugurates new plant for emollients and waxes in China**

- **Meets rising demand in Asia Pacific personal care market**
- **Leverages research capabilities, marketing competence and high-quality production standards**
- **RSPO-certified site uses certified sustainable palm oil and palm kernel oil**

Shanghai, China – June 2, 2017 – BASF inaugurated a new plant for emollients and waxes today in Jinshan, Shanghai. The CNY 150 million project (approximately €20 million<sup>1</sup>) is BASF's largest investment in emollients production in Asia Pacific. It complements BASF's current production of wax esters, emulsifiers and primary surfactant in Jinshan, and will further enhance BASF's local production and better serve the growing personal care market in China and Asia Pacific.

China is the world's second largest personal care market, after the United States, and cosmetics retail is expanding rapidly with an annual growth rate of 13.5%<sup>2</sup>. "With more sophisticated consumers, thanks to fast and abundant information on social media, we expect greater demand for more technologically advanced, effective and sustainable personal care solutions. The inauguration of this new plant in Shanghai will help us better serve our customers locally with steady and timely supply of quality products to meet the growing

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<sup>1</sup> Exchange rate as of May 2017

<sup>2</sup> Source: National Statistics Bureau, from 2012-2016

market demand in China,” said Dr. Zheng Daqing, Senior Vice President, Business & Market Development, Greater China, BASF.

Sergey Andreev, Senior Vice President, Care Chemicals Asia Pacific, said, “Now we can combine the scientific research power of our Innovation Campus Asia Pacific in Shanghai with the capabilities of the new state-of-the-art multi-purpose production facility in Jinshan, for the benefit of our customers in China and also in all of Asia Pacific. By taking inspiration from real life in the local markets and using modern ingredients, we can enhance the sensory experience and improve texture and appearance of final products, thus creating smart solutions for the personal care market together with our clients.”

The new plant can cater for production requiring different levels of high temperature reactions, thus producing a wide variety of product types. Manufacturers of skin and hair care, sun protection, and other personal care products will benefit from the expanded capacity of these important ingredients.

### **RSPO-certified using the Mass Balance Module**

Today, Jinshan manufactures a variety of personal care raw materials including wax esters, emulsifiers and primary surfactants. The major applications of emollients and waxes are for skin care, hair care, sun protection, make-up, baby and child care, deodorants, and oral care as they are important in governing the tactile feeling and skin sensation of end products. CETIOL® CC and CUTINA® AGS, for example, are applications of wax and emollient respectively. Several products from this plant are derived from natural feedstock including palm kernel oil.

BASF offers its customers around the world the opportunity to change to RSPO-certified sustainable ingredients. The Jinshan production site is part of this global production network certified by the Roundtable on Sustainable Palm Oil (RSPO).

“Many companies in the personal care market are committed to implementing global sustainability principles. Producing RSPO-certified products is one of the key steps in meeting our customers’ sustainability needs, and as such an integral part of BASF’s strategy. We strive to implement global sustainability requirements while driving positive economic development. For example, we are committed to the use of sustainable raw materials to manufacture our products, including palm oil and palm kernel oil,” said Sergey Andreev.

#### **About BASF’s Care Chemicals Division**

The BASF division Care Chemicals Offers a broad range of ingredients for hygiene, personal care, home care, industrial and institutional cleaning, and technical applications. We are the 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, pigments and UV filters. Superabsorbent polymers developed for the full spectrum of hygiene applications complete the range. We have production and development sites in all regions and are expanding our presence in emerging markets. Further information is available on the Internet at [www.care-chemicals.basf.com](http://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. The approximately 114,000 employees in the BASF Group work on contributing to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio is organized into five segments: Chemicals, Performance Products, Functional Materials & Solutions, Agricultural Solutions and Oil & Gas. BASF generated sales of about €58 billion in 2016. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (BAS). Further information at [www.basf.com](http://www.basf.com).