

News Release

September 29, 2022

BASF in Korea celebrates 30th anniversary of its Yeosu site operations, 'a global key production base'

- **Yeosu site to consolidate its position through continued innovation, and producing & supplying of quality products for Korean and global customers**
- **A global key production base, site produces MDI, TDI, and CCD, which are essential raw materials in many value chains**
- **Only site equipped with its own environmental analysis facility in the Yeosu National Industrial Complex, continues its efforts for carbon neutrality**

September 29, 2022– BASF Korea held a ceremony on September 29th to commemorate 30 years of operations of its Yeosu site. The event looked back at the various milestones of the Yeosu site over the last 30 years and shared the vision for a sustainable future. The event was attended by Dr. Ramkumar Dhruva, President of BASF's Monomers Division along with executives of major customers and suppliers.

BASF in Korea Yeosu site was incorporated in 1988 and started its commercial production in 1992 with the completion of the MDI integrated production plant. As a result of expanding production facilities with continuous investments, its major products include Methylene Diphenyl Diisocyanate (MDI), Toluene Diisocyanate (TDI), Carbonyl Chloride Derivatives (CCD), Mononitrobenzene (MNB), Polyurethane Systems, Aniline, Ultrason[®], and Ultra-pure NH₄OH (electronic-grade ammonia water) for semiconductor. These products are widely used as raw

materials in various industries for daily life, such as automotive, marine, construction, furniture, home appliances, sports, textile, medicine, and agriculture.

BASF aims to achieve net zero CO2 emissions by 2050 globally. Towards this journey of climate neutrality, Yeosu site is contributing actively by establishing a world-class quality management system, including environment, energy, safety, and health management systems, to meet its global scale production capacity. It will also continuously revamp its facility to minimize greenhouse gas emissions.

“BASF in Korea Yeosu site is an important production base supplying essential raw materials, including MDI, TDI, and CCD, to customers representing major industries in the Korean and global markets,” said Dr. David Im, Representative Director of BASF Korea. “Notably, it is the only site equipped with its own environmental analysis facility in the Yeosu National Industrial Complex. With continued R&D and investment for carbon neutrality, we will enhance our competitiveness and provide sustainable raw materials to the supply chain.”

Yeosu site - first MDI and TDI production facility in Asia Pacific, supplying core raw materials of PU to Korea and overseas

BASF in Korea Yeosu site was the first BASF production site in Asia Pacific region that started commercial production of MDI in 1992. With efficient production processes established through a series of strategic investments and production expansion, its annual MDI production capacity, which started with an annual capacity of 40,000 tons, has now increased to 250,000 tons. The facility is equipped with an integrated production system that produces raw materials such as MNB and Aniline to MDI products. MDI, a core raw material of polyurethane for the chemical industry, it plays an integral role in many industries such as construction, transportation, home appliance, and clothing.

In addition, the Yeosu site started the commercial production of TDI for the first time in the Asia-Pacific region in 2003 and currently has an annual production capacity of 160,000 tons. Along with MDI, TDI is also a key raw material for polyurethane products. The MDI and TDI produced at the Yeosu site is being stably supplied to major Korean customers in the electrical and electronics (E&E) and automotive industries. The site addresses most of the demand in the Asia Pacific region.

Only CCD production plant aside from BASF Ludwigshafen Verbund site the headquarters in Germany

This year, the CCD plant at Yeosu site celebrated 20 years of safe and reliable production. Since its commercial production in 2002, the plant has achieved an accumulative production of more than 200,000 tons of CCD. This is a significant achievement, as production of chemical specialties is highly sophisticated. Producing CCD in Korea creates an improved supply reliability for customers in the region. CCD products are also exported from Korea to other countries. Aside from BASF headquarters in Germany, Yeosu is the only CCD production plant of BASF in the world.

BASF in Korea Yeosu site has proved to be a well-accepted CCD supplier offering versatile high-quality products to many value chains. Customers value CCD as essential raw materials to make organic peroxides to produce polymers. CCD is also important to produce pharmaceuticals and plant protection agents. Further applications include cosmetics, personal care, polymer additives and electroplating chemicals.

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From left to right:

Jens Liebermann, Vice President, Global Semiconductors Business, BASF

Dr. David Im, Representative Director, BASF Korea

Dr. Ramkumar Dhruva, President, Monomers Division, BASF

Byoung Yeon Kim, Vice President, Technology & Operation Monomers Asia Pacific, BASF

Dr. Dschun Song, Vice President, Automotive, Materials & Industrial Solutions, BASF Korea

Un Sin Lee, Site Director in Yeosu, BASF Korea

About BASF in Korea

BASF has been a committed partner to Korea since 1954. As a leading foreign investor in the chemical industry in Korea, BASF operates eight world-scale production sites in the country. The company also maintains the regional headquarters of its Electronic Materials business and the Electronic Materials R&D Center Asia Pacific in Suwon. In addition, one R&D center for advanced material solutions and three technical development centers are located across Korea. In 2021, BASF posted sales of approximately € 1.8 billion to customers in Korea and employed 1,221 employees as of the end of the year. Further information is available on www.basf.com/kr.

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.