

News Release

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BASF breaks ground on syngas plant at Zhanjiang Verbund site in China

- **Fully integrated into the Zhanjiang Verbund site**
- **Innovative process technologies significantly reduce direct CO₂ emissions**
- **World-scale syngas production facility expected to start up in 2025**

Hong Kong SAR, China – BASF has commenced construction of its syngas plant at the Verbund site in Zhanjiang, China. This world-scale syngas facility, fully integrated into the Verbund site, is scheduled to start up in 2025. BASF will adopt unique process concepts in the syngas plant to reduce carbon emissions compared to conventional syngas plants, contributing to BASF's sustainability goals.

The state-of-the-art facility will produce syngas and hydrogen for captive use within BASF's production Verbund. The production technologies deployed in the syngas plant will mainly utilize CO₂ off-gas, a by-product of the ethylene oxide process and excess fuel gas from steam cracker operations, to manufacture syngas. "The technical concept of this syngas plant is the first of its kind in China, underscoring our commitment to achieving climate neutrality by 2050. Compared to other technologies, these innovative process technologies help to reduce the Zhanjiang Verbund site's direct CO₂ emissions and particularly lower the carbon footprint of our oxo and ethylene oxide products," said Bir Darbar Mehta, Senior Vice President of Petrochemicals Asia Pacific at BASF.

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Besides the above-mentioned raw materials, the syngas plant can utilize further feedstocks, ensuring more reliable production. Electricity will be supplied by the site-wide grid which is expected to be powered with 100 % renewable energy by 2025.

Background information on BASF's Verbund site Zhanjiang

The Zhanjiang Verbund site will be BASF's largest investment with up to €10 billion upon completion. It will be operated under the sole responsibility of BASF and will be the company's third-largest Verbund site worldwide, following Ludwigshafen, Germany, and Antwerp, Belgium.

About BASF's Petrochemicals division

The Petrochemicals division is the starting point for BASF's petrochemical-based value chains globally. We operate a highly competitive asset base with best-in-class technologies and set the benchmark in safety, sustainability, operational excellence and cost competitiveness. With six Verbund sites and several major production sites, we are close to our customers and present in the largest chemical markets worldwide. The division supplies various value chains across the company and a broad range of customer industries with high-quality chemicals, putting our customers in the center of everything we do and contributing to the organic volume growth of BASF. Our portfolio includes cracker products, industrial gases, acrylics, superabsorbent polymers, styrenic foams, alkylene oxides, glycols, alcohols, solvents and plasticizers. In 2022, the Petrochemicals division generated sales to third parties of about €10.6 billion. Further information is available online at <http://petrochemicals.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.