

News Release

BASF to invest in anode binder production assets for the lithium-ion battery industry

- **Two production plants will be modified to produce a wide range of high-performance Licity[®] and Basonal Power[®] anode binders for lithium-ion batteries**
- **Modifications will enable capacity of more than 100,000 metric tons per year to support a stable supply of anode binders from mid-2023 onwards, to support growth in the EV market**

Hong Kong SAR, China – May 11, 2023 – BASF has announced an investment in the production of water-based anode binders to support the lithium-ion battery industry. The new binders will be produced at two existing dispersion plants in Jiangsu and Guangdong, China. In addition to their existing product portfolios, the two plants will produce two innovative anode binders: Licity[®] and Basonal Power[®] based on modified styrene-butadiene rubber (SBR). The new range of products is expected to come on stream from mid-2023.

Anode binders are small but important components that greatly impact battery performance and stability. BASF's water-based anode binders offer customers a sustainable option with high-quality and stable performance. The innovative BASF binders increase battery capacity, improve cycle stability and reduce battery charging time. The investment is driven by growing demand for the lithium-ion battery market including the electric vehicle (EV) segment.

The investment will enable the production of a wide range of high-performance

Licity® and Basonal Power® anode binders, making a strong addition to existing product portfolios. "Our customers are looking for stable supplies of high-quality products at a competitive cost," said Mirian Tiemi Zanchetta-Sbragia, Vice President of Business Management in Dispersions in BASF Asia Pacific. "Our growing range of innovative products and our local testing facilities will give our customers the competitive edge they need in the market."

Andreas Fechtenkoetter, Senior Vice President of Dispersions in BASF Asia Pacific, commented, "We are pleased to support the rapid growth of our customers in energy storage and the EV space. This will further strengthen BASF's position as one of the most reliable suppliers in the region."

BASF's binders are specifically designed to overcome different limitations of lithium-ion batteries, e.g., performance at low temperatures. They are waterborne binders with high colloidal stability that are very compatible with co-binders such as Carboxymethyl Cellulose (CMC). BASF's binders are characterized by excellent processability and superior coatings behavior. Furthermore, they have outstanding mechanical and electrochemical properties.

The BASF dispersions business unit operates three production plants in China. The dispersions sites in Jiangsu and Guangdong started operations in 2002 and 2012 respectively.

For more information on Licity® battery binders, please visit

https://www.basf.com/hk/en/products/dispersions-resins/battery_binders.html

BASF's Dispersions & Resins division

The Dispersions & Resins division of BASF develops, produces and markets a range of high-quality polymer dispersions, resins, additives and electronic materials worldwide. These raw materials are used in formulations for a number of industries, including coatings, construction, adhesives, printing and packaging, electronics and paper. With its comprehensive product portfolio and its extensive knowledge of the industry, the Dispersions & Resins division offers its customers innovative and sustainable solutions and helps them advance their formulations. For further information about the Dispersions & Resins division, please visit www.dispersions-resins.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.