

Joint News Release

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CPGC and BASF accelerate onboard CO₂ capture system development

- **CPGC is developing an advanced onboard CO₂ capture system based on BASF's OASE[®] blue gas treatment technology**
- **BASF's technology contributing to sustainability and cost savings for CO₂ capture in maritime exhaust gas application**
- **Cooperation to address challenges of energy efficiency improvement and emissions reduction in the maritime sector for a more sustainable shipping industry**

Shanghai, China – CSSC Power (Group) Co., Ltd. (CPGC) and BASF have formed a solid cooperation to expedite the progress of onboard carbon capture (CO₂ capture) system for commercial maritime applications. CPGC has always been committed to providing green, low carbon solutions for the shipping industry. Combining CPGC's leading capabilities in research and development, manufacturing and supply of marine engines and power systems with BASF's gas treatment expertise, this cooperation helps to achieve sustainable developments in the global shipping industry. Both parties signed a Memorandum of Understanding (MoU) during the 2023 Shanghai International Carbon Neutrality Expo in Technologies, Products and Achievements to commemorate the partnership.

The cooperation aims to address the challenges of energy efficiency improvement and emission reduction in the maritime sector to meet the growing demand for decarbonization of vessels. The companies will conduct tests against different types of marine fuel and engines to accelerate the development of onboard carbon capture system using BASF's OASE[®] blue gas treatment technology.

OASE[®] blue is BASF's gas treatment technology with low energy consumption, low

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solvent losses, and an exceptionally flexible operating range. It is developed to tackle unique challenges posed by the contaminants in flue gas sources from fossil power generation plants, steam reformers, waste incinerators, and cement industry.

“Under the guidance of the ‘achieving peak carbon emissions and carbon neutrality’ goal and the trend of ‘green and low-carbon’ transformation in the shipping industry, CPGC is focusing on the development of low-carbon and zero-carbon marine power, energy-saving and environmental protection devices. The cooperation with BASF will help CPGC promote differentiated layout in the low-carbon and green shipping industry and gain an edge.” said Shao Yu, General Manager, CPGC.

Vasilios Galanos, Senior Vice President, Intermediates Asia Pacific, BASF, said, “Interest in carbon capture solutions has evolved rapidly around the world, and we are proud to offer an excellent suite of gas treating solutions under OASE® to meet the growing demand. Through our cooperation with CPGC, we are cruising towards a sustainable maritime industry by bringing onboard our extensive experience in gas treatment, as well as our innovation and dedication to sustainability.”

About CPGC

CSSC Power (Group) Co., Ltd. (CPGC) is an enterprise under China State Shipbuilding Corporation (CSSC), a Fortune 500 company, focusing on research and development, manufacturing and services in power equipment for marine application. Headquartered in Shanghai, China. CPGC core business covers low, medium and high-speed marine engines, as well as application products and services in engine spare parts, power and air pollution control systems. The company's business spans nearly 120 countries around the world. CPGC provides customers technical solutions and consulting services for the entire life cycle of related products. Website: www.cpgc.net.cn.

About OASE®

With more than 50 years of experience, BASF offers its customers efficient gas treating solutions for a variety of applications such as natural gas, synthesis gas, flue gas and biogas. Worldwide, these solutions have been proven and demonstrated in about 500 reference plants. BASF markets its range of gas treating technologies, the corresponding solvents and complete technical services including the digital platform OASE® connect under the brand OASE® – Gas Treating Excellence by BASF. The OASE® products are part of the system solutions that make a significant contribution to sustainability in the value chain. Compared to conventional technologies, OASE® offers high efficiency in gas treatment and thus makes important contributions to conserving resources and reducing emissions by saving energy. For more information, please visit www.oase.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.