

Joint News Release

BASF and ARCUS sign agreement on the production and procurement of pyrolysis oil from mixed plastic waste

- **ARCUS plans to start up first commercial pyrolysis plant for mixed plastic waste in Germany**
- **Supply of pyrolysis oil from mixed plastic waste enables further expansion of BASF's ChemCycling™ business**
- **Agreement foresees take-up of up to 100,000 tons of pyrolysis oil per year**

Ludwigshafen and Ludwigsburg, Germany, September 5, 2022 – BASF SE has concluded a framework agreement for the purchase of pyrolysis oil from mixed plastic waste with ARCUS Greencycling Technologies GmbH, a technology company based in Ludwigsburg, Germany. The two companies want to contribute their respective know-how to the value chain in order to return plastic waste that is not recycled mechanically in the sense of a circular economy and reduce CO₂ emissions. ARCUS will supply BASF with pyrolysis oil and expand its capacities in the coming years. BASF will use the oil in its production plants as a raw material for the production of Ccycled™ products.

The ARCUS process demonstration unit built in Frankfurt is the first of its kind on a commercial scale in Germany and produces pyrolysis oil from mixed plastic waste that is not recycled mechanically. “With the guaranteed purchase of the oil produced, ARCUS can build further plants with higher capacity and thus make a significant contribution to closing material cycles together with BASF,” said Daniel Odenthal, Chief Operating Officer of ARCUS Greencycling Technologies. The agreement foresees the take-up to be increased to up to 100,000 tons of pyrolysis oil per year.

“The collaboration with ARCUS underscores BASF's commitment to conserving resources by using recycled raw materials in the chemical industry and to drive the transition to a circular economy,” said Christoph Gahn, Vice President Chemical Recycling Business & Technologies at BASF. “Partnerships with agile, innovative

companies are key to achieving these goals. We are pleased to have found such a partner in Germany in ARCUS, who will be able to supply us with commercial quantities of pyrolysis oil for the production of Ccycled™ products in the future. In this way, we support our customers in achieving their sustainability goals.”

The agreement is another building block in the expansion of BASF's ChemCycling™ business, which focuses on the chemical recycling of non-recycled post-consumer plastic waste on an industrial scale. BASF will feed the pyrolysis oil supplied by ARCUS into its production network in Ludwigshafen, replacing fossil resources. The proportion of recycled raw material is allocated to products manufactured in the Verbund using a mass balance approach. The attribution is checked by an independent auditor. The products that bear the name suffix “Cycled™” have exactly the same properties as conventionally manufactured products. Customers can therefore process them in the same way and also use them in applications that place high demands on quality and performance, such as automotive parts. Commercial products have been on the market since 2020.

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 [see www.basf.com](http://www.basf.com).

About ARCUS

ARCUS is a greentech start-up company founded in 2016. By means of its technology, it aims to use its technology to sustainably recycle plastic waste that cannot or only with difficulty be recycled in the carbon cycle and thus to use fewer fossil raw materials on the one hand and to master the global challenge of plastic waste on the other. ARCUS Greencycling Technologies GmbH is based in Ludwigsburg. For more information, see www.arcus-greencycling.com.

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