

# Joint News Release

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## **BASF and ENGIE signed a long term Biomethane Purchase Agreement in Europe**

- **BASF and ENGIE signed a 7-year Biomethane Purchase Agreement (BPA)**
- **Biomethane is used as a substitute for fossil raw materials in chemical production at BASF's Ludwigshafen and Antwerp sites**
- **Further expansion of product portfolio with a reduced Product Carbon Footprint (PCF) for customers**

**July 4<sup>th</sup>, 2024** – BASF and ENGIE signed a 7-year Biomethane Purchase Agreement (BPA). Under the BPA, ENGIE will supply BASF with 2.7 to 3.0 terawatt hours of biomethane throughout the term of the agreement.

BASF uses certified biomethane at its Ludwigshafen/Germany and Antwerp/Belgium sites as a sustainable alternative to fossil raw materials in its manufacturing process. The approach supports the company's sustainable transformation by reducing its carbon footprint. The biomethane amount is allocated to the end product using a third-party, globally recognized certification scheme, known as the Biomass Balance approach.\*

With the purchase agreement and usage of biomethane, BASF further expands its product portfolio by offering products with lower or zero Product Carbon Footprints (PCF) to its customers across industries like automotive, packaging and detergents.

“BASF and ENGIE have been working together for many years. We are increasingly using alternative feedstocks such as biomethane at the beginning of our value chain, as part of our transition towards a circular economy. This agreement will ensure a long-term supply of biomethane at competitive prices. We are happy to have such a reliable partner in ENGIE”, said Matthias Dohrn, Head of Global Procurement at BASF.

Edouard Neviaski, CEO of ENGIE's Business Entity 'Global Energy Management & Sales' stated: “ENGIE and BASF is a story of green chemistry. After entering into the longest-term Power Purchase Agreement ever signed in the European chemical industry in 2021,

we are happy to accompany our partner again to take strides on the biomethane side. With a biomethane portfolio steadily growing, this new deal sets us on the right path to achieve our ambition to sell 30 terawatt hours of biomethane per year by 2030. With a strong growth potential, and Europe's ambition to produce 35 billion m<sup>3</sup> by 2030, we believe that BPAs will experience significant growth.”

Biomethane is a renewable gas produced through the fermentation of organic waste from households, agriculture, or industry. It significantly reduces greenhouse gas emissions compared to fossil resources.

[Biomass balance approach \(basf.com\)](https://www.basf.com)

[The Mass Balance Approach \(basf.com\)](https://www.basf.com)

\*An independent auditor confirms that for the biomass-balanced product, BASF has replaced the required quantities of fossil feedstock with renewable feedstock, according to the REDcert2 and ISCC PLUS certification requirements (1). These products not only contribute to reducing the use of fossil resources in the value chain, but also offer a lower PCF (2) than the conventional equivalent. (1) REDcert2 and ISCC PLUS are sustainability certification schemes for the use of sustainable biomass as raw material in the chemical industry. A certification according to these certification schemes confirms that the biomass used is sustainable and has been fed into the production system in the required amount. It also confirms that the sustainable biomass has been correctly attributed to the corresponding sales products. The certifications are awarded on the basis of on-site audits conducted by independent auditors. (2) BASF's product carbon footprint (PCF) calculations for conventional products follow the requirements and guidance given by ISO 14067:2018. A TÜV Rheinland methodology review has certified that the PCF methodology developed and used by BASF SE is based on scientific evidence, meets ISO 14067:2018 and the Together for Sustainability PCF policy, and reflects the state of the art (ID no. 0000080389: BASF SE – Certipedia). TÜV Rheinland also confirms that the biomass balance (BMB) PCF calculation method and the associated PCF reduction for BMB-certified products follow the conventional Life Cycle Assessment (LCA) method in accordance with ISO 14067 and the Together for Sustainability (TfS) policy.

## **About BASF**

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. Around 112,000 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 €68.9 billion in 2023. 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](https://www.basf.com)

## About ENGIE

ENGIE is a global reference in low-carbon energy and services. With its 97,000 employees, clients, partners and stakeholders, the Group strives every day to accelerate the transition towards a carbon-neutral economy, through reduced energy consumption and more environmentally friendly solutions. Inspired by its purpose (“raison d’être”), ENGIE reconciles economic performance with a positive impact on people and the planet, building on its key businesses (gas, renewable energy, services) to offer competitive solutions to its customers. Turnover in 2023: €82.6 billion. The Group is listed on the Paris and Brussels stock exchanges (ENGI) and is represented in the main financial indices (CAC 40, Euronext 100, FTSE Euro 100, MSCI Europe) and nonfinancial indices (DJSI World, Euronext Vigeo Eiris - Europe 120 / France 20, MSCI EMU ESG screened, MSCI EUROPE ESG Universal Select, Stoxx Europe 600 ESG-X).

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