

News Release



BASF celebrates 10th anniversary of the Argan Program in Morocco

- 1,000 women from rural areas in Southern Morocco benefit from the program
- Since 2005, the sustainably sourced argan oil and its by-products are supplied to BASF under fair-trade conditions
- Argassential™: BASF's new anti-aging active ingredient based on argan pulp is plumping and densifying skin

Ludwigshafen, Germany – January 12, 2016 – BASF is celebrating the 10th anniversary of its Argan Program in Southern Morocco. Since 2005, three ingredients from the program have been commercialized: an organic and fair-trade certified oil (**Lipofructyl™ Argan**), a skin-tightening protein extract from oil cakes (**Argatensyl™**), and an anti-aging extract from the leaves of the argan tree that protects the skin from environmental factors (**Arganyl™**).

Argassential™ improves skin firmness

Now, BASF has added a further anti-aging active to this list: **Argassential™**. The new ingredient improves the skin firmness and increases the volume of the lips and cheeks, restoring facial proportions: Clinical studies have demonstrated that in a concentration of 2 percent Argassential™ has a plumping effect on the lips – with lip volume increasing by 8 percent. The same dose also significantly improved the skin's firmness and elasticity (both up 13 percent) compared to a placebo. Argassential™ is ECOCERT, COSMOS and IECIC approved, and China compliant.

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The Argan Program: Targanine network and social funds

Originally, the Argan Program was designed to study the argan tree and valorize the oil and its by-products, while diversifying the revenue of the cooperatives and fostering preservation of the argan forest by the local population. For this purpose, BASF partnered with Targanine – a network of six oil processing cooperatives from the region of Agadir. In 2005, the first products were commercialized. This marked the beginning of BASF's Argan Program. Since then, substantial sustainability improvements have been achieved. "We are very pleased with the results of the program" said Charlotte d'Erceville Dumond, the responsible R&D Manager at BASF. "Our local partners have consistently achieved greater levels of autonomy and sense of social responsibility. They are now sourcing high-quality argan oil. This in turn enables us to develop first-class ingredients for our customers and – ultimately – consumers, who are increasingly demanding products based on raw materials from renewable sources."

Significant economic development and social benefits

Between 2005 and 2015, the number of cooperative members involved in argan oil production has increased sixfold and group turnover has risen by 875 percent. Today, 1,000 women from rural areas are working in the cooperatives. They now market 16 different products in total, including by-products, botanical and essential oils, and bee products. The oil and its by-products are supplied to BASF under fair-trade conditions: These include a non-negotiated premium price, payment in advance, a fair trade premium for the oil, and long-term forecasts. Fifty percent of the price paid for oil cakes and pulp is allocated to social funds within the cooperatives; so far, this money has been spent on schemes such as literacy programs and health related initiatives.

Targanine network heads for operational excellence

Today, the Targanine network is on track for operational excellence: A quality management program – with guidelines, certifications and

qualified employees dedicated to quality management – has been implemented, leading to the results of no non-conformity registered since 2012. Procedures have been standardized and a special software application is being used to trace and improve product flow from fruit origin to the customer.

About BASF

At BASF, we create chemistry – and have been doing so for 150 years. Our portfolio ranges from chemicals, plastics, performance products and crop protection products to oil and gas. As the world's leading chemical company, we combine economic success with environmental protection and social responsibility. Through science and innovation, we enable our customers in nearly every industry to meet the current and future needs of society. Our products and solutions contribute to conserving resources, ensuring nutrition and improving quality of life. We have summed up this contribution in our corporate purpose: We create chemistry for a sustainable future. BASF had sales of over €74 billion in 2014 and around 113,000 employees as of the end of the year. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (AN). Further information on BASF is available on the Internet at www.basf.com.

About BASF's Care Chemicals division

The BASF division Care Chemicals offers a broad range of ingredients for hygiene, personal care, home care, industrial & institutional cleaning, and technical applications. We are the global leading supplier for the cosmetics industry as well as the detergents and cleaners industry and support our customers with innovative and sustainable products, solutions and concepts. The division's high-performance product portfolio includes surfactants, emulsifiers, polymers, emollients, chelating agents, cosmetic active ingredients, pigments and UV filters. Superabsorbent polymers developed for the full spectrum of hygiene applications complete the range. We have production and development sites in all regions and are expanding our presence in emerging markets. Further information is available on the Internet at www.care-chemicals.basf.com.