







Joint News Release

BASF, The Estee Lauder Companies, Roundtable on Sustainable Palm Oil and Solidaridad partner for sustainable palm project

- Sustainability project in Lampung, Indonesia launched
- Program to encompass 1,000 independent Indonesian smallholder farmers

LAMPUNG, INDONESIA, MAY 23rd, 2019 – BASF, The Estée Lauder Companies and the Roundtable on Sustainable Palm Oil (RSPO) are partnering with the civil society organization Solidaridad to promote sustainable palm oil and palm derivatives production in the district of Waykanan, Lampung, Indonesia.

The project supports independent Indonesian smallholder farmers to improve their livelihoods and their sustainable production of palm oil and palm kernel oil. It offers continuous education and technical support on implementing and maintaining sustainable palm oil practices. The project's target is that a minimum of one-third of the supported smallholder farmers become certified according to the Smallholder Standard of RSPO at the end of three years.

The project partners are collaborating with the Indonesian government to foster a sustainable palm oil production supply chain in Lampung that is free from deforestation and competitive in the global market, while increasing the social and economic benefits for farmers.

"Most major European companies have committed to using sustainable palm oil exclusively," said Heske Verburg, Managing Director, Solidaridad Europe. "We are delighted that BASF and The Estée Lauder Companies are reaching beyond just purchasing sustainably, by providing direct support for sustainable palm oil projects. When palm oil is produced sustainably, and in a future-proof manner, it can actually contribute to resolving grave issues for both farmers and the environment."

"We are thrilled to partner with BASF and Solidaridad on this important initiative to support Indonesian smallholder farmers," said Greg Polcer, Executive Vice President, Global Supply Chain, at The Estée Lauder Companies. "So many livelihoods in this community are inextricably tied to the production and we support ensuring that it is produced sustainably – both for the long-term benefit to the environment and for the long-term benefit to the community itself."

"Approximately 40 percent of the world palm production comes from smallholder farmers who rely on it for their livelihoods," said Daniele Piergentili, Vice President, Home and Personal Care at BASF in North America. "The partnership with Estée Lauder, Solidaridad and RSPO enables us to support these farmers and at the same time increase the availability of sustainably produced palm oil."

"For sustainable production to become mainstream and fully inclusive, the RSPO believes it is imperative to support smallholders through a variety of different approaches, including the RSPO Smallholder Support Fund (RSSF)," said Ashwin Selvaraj, Head of Smallholder Unit in the RSPO Secretariat. "This collaborative project in Lampung is a great opportunity to scale up sustainable practices, protect natural resources and bring more smallholders under certification through RSPO Best Management Practices."

About BASF

BASF Corporation, headquartered in Florham Park, New Jersey, is the North American affiliate of BASF SE, Ludwigshafen, Germany. BASF has more than 20,000 employees in North America and had sales of \$19.7 billion in 2018.

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The approximately 122,000 employees in the BASF Group work on contributing to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio is organized into six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions. BASF generated sales of around €63 billion in 2018. BASF shares are traded on the stock exchange in Frankfurt (BAS) and as American Depositary Receipts (BASFY) in the U.S. Further information at www.basf.com.

About The Estee Lauder Companies Inc.

The Estée Lauder Companies Inc. is one of the world's leading manufacturers and marketers of quality skin care,

makeup, fragrance and hair care products. The company's products are sold in over 150 countries and territories

under brand names including: Estée Lauder, Aramis, Clinique, Prescriptives, Lab Series, Origins, Tommy Hilfiger,

M·A·C, Kiton, La Mer, Bobbi Brown, Donna Karan New York, DKNY, Aveda, Jo Malone London, Bumble and

bumble, Michael Kors, Darphin, Tom Ford, Smashbox, Ermenegildo Zegna, AERIN, Tory Burch, RODIN olio

lusso, Le Labo, Editions de Parfums Frédéric Malle, GLAMGLOW, By Kilian, BECCA and Too Faced.

About the Roundtable on Sustainable Palm Oil

RSPO, the Roundtable on Sustainable Palm Oil, is a not-for-profit that unites oil palm producers, processors or

traders, consumer goods manufacturers, retailers, banks/investors, and environmental and social non-

governmental organizations (NGOs), to develop and implement global standards for sustainable palm oil. The

RSPO has developed a set of environmental and social criteria which companies must comply with in order to

produce Certified Sustainable Palm Oil (CSPO). The RSPO has more than 4,000 members worldwide who

represent all links along the palm oil supply chain. These members have committed to produce, source and/or

use sustainable palm oil certified by the RSPO.

About Solidaridad

The Solidaridad Network is an international civil society organization founded in 1969. Its main objective is

facilitating the development of socially responsible, ecologically sound and profitable supply chains. It operates

through eight regional expertise centers in over 40 countries. Solidaridad seeks to transform production

practices to promote fair and profitable livelihoods and business opportunities, decent working conditions and a

fair living wage without depleting the landscapes where people live and thrive.

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