

## Evonik strengthens its German sites

- More than EUR 400 million invested in 2015
- Further large-scale projects in the local market planned for 2016
- Engel, Chairman of the Executive Board: “By investing in growth and modernization in Germany, we are strengthening our foothold in important markets of the future”

Essen. New production plants, modernized infrastructure facilities, involvement in research and development (R&D): This year, Evonik once again demonstrated its considerable power to create at its German sites. According to a recent projection, the company invested more than EUR 400 million in its domestic production plants. The lion’s share of the funds (around two-thirds) was divided among Evonik’s five-largest sites in Germany: **Marl** (hundreds of millions of euros), **Hanau**, **Essen**, **Darmstadt**, and **Wesseling** (tens of millions of euros at each site).

“By investing in growth and modernization in Germany, we are strengthening our foothold in important markets of the future,” stressed Klaus Engel, Chairman of Evonik’s Executive Board. “Favorable conditions for investment are by no means a given. I would like to see greater understanding among policy-makers for the necessary competitiveness of our industry, entailing, for example, improvements in the transportation infrastructure, the transition to renewable energy sources, and the expansion of digital networks.”

Evonik is planning further large-scale projects in Germany. One of these is the construction of a new plant for production of specialty copolyesters in **Witten** by 2018 with an investment in the double-digit million euro range. As part of the global production initiative for specialty silicones, Evonik intends to invest in production for these products in **Essen** once again. A new silane research center is currently being built in **Rheinfelden** that is slated to be completed in 2016.

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In the 2014 financial year, EUR 2.8 billion or 22 percent of consolidated sales was generated in Germany. The company employs around 21,000 people in its home country. Investing in Germany gives Evonik the opportunity to recruit highly educated, motivated people in addition to the advantages of proximity to key customers, first-class research facilities, and existing integrated production networks at the sites.

In **Marl**, Evonik's largest site worldwide with a workforce of close to 7,000, a production facility for C4-based raw materials was completed in 2015. In **Essen**, the company put a new manufacturing plant for polymeric dispersants into operation and expanded a plant in which specialty silicones are produced.

#### **New bridges, warehouses, and plant entrances**

Many infrastructure projects were also completed at Evonik's German sites in 2015. In **Marl**, a new canal bridge for rail transportation was inaugurated, a state-of-the-art warehouse for hazardous materials was opened, and a new coal conveyor was put into operation. For next year, Evonik is planning the start-up of a new gas and steam turbine plant in Marl. This new power plant will replace an old coal-fired unit and go a long way toward reducing greenhouse gases.

In **Darmstadt**, among other things, a new control center with a situation center for the Darmstadt/Weiterstadt and Worms sites was opened on the factory premises. In **Wesseling**, the plant entrance and gate system at the **Bonn-Beuel** section of the plant were rehabilitated, creating more space for waiting trucks and reducing the traffic backlog. There are plans to renovate the workshops and upgrade the fire protection equipment in 2016. The expansion of the central warehouse in **Essen** through the addition of 1,300 square meters of space is also expected to be finished next year.

#### **Company information**

Evonik, the creative industrial group from Germany, is one of the world leaders in specialty chemicals. Profitable growth and a sustained increase in the value of the company form the heart of Evonik's corporate strategy. Its activities focus on the key megatrends health, nutrition, resource efficiency and globalization. Evonik benefits specifically from its innovative prowess and integrated technology platforms.

Evonik is active in over 100 countries around the world. In fiscal 2014 more than 33,000 employees generated sales of around €12.9 billion and an operating profit (adjusted EBITDA) of about €1.9 billion.

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