

Articles of Association

I. General Provisions

Section 1

Company Name and Corporate Seat

(1) The name of the company shall be

Evonik Industries AG.

(2) The corporate seat of the Company shall be Essen.

Section 2

Purpose of the Company

(1) The purpose of the Company shall be the conduction of activities in the Chemical field in Germany and abroad as well as in associated areas, including the provision of services associated with this.

(2) The Company shall be entitled to carry out all businesses and measures which are connected to the purpose of the Company and which are directly or indirectly suitable in serving this purpose.

(3) It may found, acquire or take interests in other companies or combine companies under its unified control, or restrict itself to the management of its holdings or transfer the investment or administration of the investment to a third party for the expense of the Compa-

ny, dispose of its holdings as well as conclude company agreements and establish branches. It may also transfer its business in full or partially to direct or indirect subsidiaries and restrict itself to the management of a company group which is active in the areas named in subsection 1.

Section 3
Announcements and Information

- (1) The announcements of the Company shall be made in the German Federal Gazette.
- (2) To the extent legally permitted, the company shall be entitled to transmit information to its stockholders via remote data transmission.

II. Capital Stock and Stocks

Section 4
Capital Stock

- (1) The Company's capital stock amounts to

EUR 466,000,000.00

(in words: four hundred and sixty six million Euros).

- (2) It is divided into 466,000,000.00 no-par stocks.
- (3) The stocks shall be registered stocks. For the entry into the stock register, the stockholders have to inform the Company of their name, postal address and date of birth

if they are natural persons and of the name of their company, their business address and their corporate seat if they are a legal person and in any case on the, if numbers of stocks held by them and their electronic postal address if they possess one. Furthermore, they have to report to what extent they actually own the stocks for which they want to be registered as the bearer in the stock register.

- (4) If, in case of an increase of the capital stock, the resolution on the increase does not determine whether the stocks issued are bearer or registered stocks, they shall be registered stocks.
- (5) In the event of an increase of the capital stock, the profit participation in new stocks can be determined differently from the way prescribed in section 60 subsection 2 AktG [German Company Law].
- (6) With the consent of the Supervisory Board, the Executive Board is entitled to increase the capital stock of the company by up to EUR 116,500,000.00 in the period until 1 May 2019 by issuing new registered stocks (authorized capital 2014). The authorization may be exercised for one or several partial amounts, limited to a total amount of EUR 116,500,000.00. New stocks can be issued in return for cash and/or contributions in kind. Unless subscription rights are excluded under the following provisions, the new stocks are to be offered to the shareholders for subscription. In this respect, an indirect subscription right in the meaning of Section 186, para. 5 AktG [Aktiengesetz = German Stock Corporation Act] is deemed sufficient. With the consent of the Supervisory Board, the Executive Board is entitled to exclude the statutory subscription right of shareholders in the following cas-

es when new stocks are issued:

- in the event of capital increases against contributions in kind in particular for the granting of stocks in return for mergers, for the purpose of acquiring companies, parts of companies, equity interests in companies or other assets in connection with such merger or acquisition (including third-party claims against the company or lower-tier affiliated companies in the meaning of Section 18 AktG),
- if the capital increase is effected in return for cash and the total pro-rata amount of the capital stock due for the stocks for which the subscription rights are excluded does not exceed 10 % of the capital stock and the issue price for the new stocks is - at the time of final determination of the issue price by the Executive Board - not significantly below the listed price of the stocks already listed of the same category and features in the meaning of Sections 203, para. 1 and 2, 186 para. 3, sentence 4 AktG; the capital stock on 20 May 2014, at the time of registration of the authorization in the trade register or upon issuance of the new stocks is relevant for the calculation of the 10% threshold, depending on at which of these times the amount of the capital stock is lowest; the volume limited to 10 % of the capital stock is reduced by the pro-rata amount of the capital stock applicable to stocks or to which conversion and/or option rights or obligations from bonds relate which

were issued or sold after 20 May 2014 without subscription rights in direct, analogous or mutatis mutandis application of Section 186, para. 3, sentence 4 AktG.

- to exclude fractional amounts resulting from the subscription ratio,
- as far as necessary, in order to grant the bearers and/or creditors of convertible and/or option rights or the debtors of convertible and/or option obligations from bonds issued by the company or a lower-tier affiliate company a subscription right for new stocks in the extent to which they would be entitled upon exercise of the conversion and/or option rights or upon compliance with the conversion and/or option obligations,
- for the purpose of granting stocks to staff members of the company or lower-tier affiliated companies (employee stocks) if the total pro-rata amount of the capital stock due for the new stocks for which the subscription rights are excluded does not exceed 1 % of the capital stock;
- for the execution of a so-called scrip dividend for which shareholders are given the option of using all or part of their dividend claims for the subscription of new stocks of the company.

However, the total pro-rata amount of the capital stock due for the stocks for which the subscription rights are excluded and the pro-rata amount of the capital stock due for own stocks or to which con-

version and/or option rights or obligations from bonds sold or issued after 20 May 2014 without subscription rights may together not exceed 20 % of the capital stock; the capital stock on 20 May 2014, at the time of registration of the authorization in the trade register or upon issuance of the new stocks is relevant, depending on at which of these times the amount of the capital stock is lowest. It is also deemed exclusion of subscription rights when the sale or issuance is effected in analogous or mutatis mutandis application of Section 186, para. 3, sentence 4 AktG.

With the consent of the Supervisory Board, the Executive Board is entitled to determine the further details of implementation of capital increases from the Authorized Capital 2014.

- (7) The capital stock is contingently increased by another EUR 37,280,000.00 divided into up to 37,280,000 registered stocks (Contingent Capital 2014). The contingent capital increase is only implemented to the extent to which the bearers or creditors of option or convertible rights or the holders of warrant or conversion obligations arising from warrants or convertible bonds issued or guaranteed by Evonik Industries AG or a lower-tier affiliate company of Evonik Industries AG in the meaning of Section 18 AktG, on the basis of the authorization resolved by the general meeting of 20 May 2014, exercise their option or conversion rights or comply with their obligation to exercise option or conversion to the extent to which they have an obligation to exercise option or conversion and no other forms of performance are used. New

stocks shall be issued at the relevant option or conversion price determined in accordance with the above-specified authorization resolution. The new stocks are entitled to dividend as of the beginning of the fiscal year in which they come into being due to the exercise of option and/or conversion rights or the compliance with option and/or conversion obligations. With the consent of the Supervisory Board, the Executive Board is entitled to determine the further details of implementation of the contingent capital increase.

Section 5
Stock Certificates

- (1) The form and content of the stock certificates as well as the dividend and renewal coupons shall be determined by the Executive Board.
- (2) The stockholders' rights to have their stocks certificated shall be excluded unless certification is required under the rules applicable at a stock exchange where the stocks are admitted. Collective certificates may be issued.

III. Executive Board

Section 6 Composition

The Executive Board shall consist of at least two members. The determination of the number of members, their appointment and dismissal shall be carried out by the Supervisory Board.

Section 7 Representation

The Company shall be legally represented by two members of the Executive Board or by one member of the Executive Board together with a Prokurist [holder of a special power of attorney].

IV. Supervisory Board

Section 8 Composition, Term of Office

- (1) The Supervisory Board shall consist of twenty members, of these members of the Supervisory Board ten shall be stockholders and the other ten shall be employees.
- (2) Unless a shorter term of office is expressly stipulated during the General Meeting, the members of the Supervisory Board shall be elected for the period until end of the General Meeting which will decide upon the approval of the acts of the Supervisory Board members for the fourth

fiscal year after the beginning of the term of office whereas the fiscal year during which the term of office begins shall not be taken into account.

- (3) Substitute members may be elected at the same time as Supervisory Board members are elected by the General Meeting. The substitute members shall replace the respective prematurely departing Supervisory Board member for the remainder of their term of office in the Supervisory Board. The election of a substitute member for the Supervisory Board members of the employees shall be carried out in accordance with the provisions of the German Codetermination Act of 1976.
- (4) Each member of the Supervisory Board may resign from office by submitting a written statement addressed to the Chairperson of the Supervisory Board observing a notice period of one month. If for good cause, the resignation may take effect immediately.
- (5) In the event that a member of the Supervisory Board to be elected by the General Meeting resigns from the Supervisory Board before the end of their term and no elected substitute member is available, an election shall be held to determine a successor for the remainder of the term of the respective departing member unless a shorter term of office has been agreed.

Section 9

Chairperson

Following a General Meeting at which end the term of office of the Supervisory Board begins, it will elect a Chairperson

or one or more deputy Chairpersons from one of its members. In the event that during the course of an election period, the Chairperson or a deputy Chairperson leaves their office, the Supervisory Board shall immediately conduct a substitute election.

Section 10 **Convocation**

- (1) The convocation of the meetings of the Supervisory Board and the determination of the agenda shall be carried out by the Chairperson.
- (2) The Chairperson shall convene the meetings in writing with a notice period of fourteen days and shall determine the form of the meeting. With regard to the calculation of the deadline, the day when the invitations were posted and the day on which the meeting is held shall not be included. In urgent cases, the Chairperson may shorten the notice period and may convene the meeting orally, by telephone, fax or via electronic media. The invitation shall include the items of the agenda.
- (3) In addition to the ordinary meetings of the Supervisory Board, a meeting shall be immediately convened if this is necessary for business reasons or if one of the members of the Supervisory Board or the Executive Board submits a request for a meeting stating the purpose and reasons. In this case the meeting of the Supervisory Board must take place within fourteen days upon the posting of the invitations or any other convocation; the notice period for the convocation in accordance with subsection 2 first sentence shall be shortened accordingly.

Section 11

Quorum and Adoption of Resolutions

- (1) The Supervisory Board shall have a quorum if at least half of all members of which it has to comprise, participate in the adoption of a resolution. Insofar as the quorum of the Supervisory Board is concerned, a member participates in the adoption of a resolution even if they abstain from voting. Absent members may participate in the passing of a resolution if they submit a written voting through another member or by fax or another suitable method of electronic communication.

- (2) In general, resolutions of the Supervisory Board shall be adopted during meetings of the Supervisory Board. Resolutions regarding the items of the agenda which have not been announced in a timely manner may only be adopted if none of the members objects to the voting. In such an event, absent members must be given a reasonable period of time determined by the Chairperson to object to the adoption of this resolution. The resolution shall only become effective after none of the absent members objected within this period.

- (3) Upon request of the Chairperson, the adoption of a resolution by the Supervisory Board may be carried out on request of the Chairperson even outside of meetings by votes conveyed orally, by telephone, in writing, by fax or other electronic media. In this case there shall be no right to object to the form of the adoption of the resolution ordered by the Chairperson.

- (4) Unless the legal provisions explicitly state otherwise, resolutions shall be passed by a simple majority of the votes cast. Abstention from voting shall not be regarded as voting. In the event of a tie, the Chairman shall determine whether a new vote shall be carried out on the matter and whether that new vote should take place at this meeting or another meeting of the Supervisory Board unless the Supervisory Board decides on another procedure. If a new voting on the same matter results in a tie as well, the Chairperson shall have two votes. The second votes may also be cast in writing in accordance with subsection 1 sentence 3.
- (5) The Chairperson shall decide on the order in which the items of the agenda are discussed as well as on the type, form and order of the votings.
- (6) The Chairperson shall be authorized to make the declarations of intent necessary for the execution of the resolutions of the Supervisory Board and to accept statements of intent on behalf of the Supervisory Board. If the Chairperson is prevented from doing so, their deputy shall have this authority.
- (7) The Supervisory Board shall be authorized to adopt changes to the Articles of Association solely relating to the wording.

Section 12

Minutes

Minutes shall be drawn up of the meetings of the Supervisory Board and resolutions adopted outside of the meetings, which

shall be signed by the Chairperson.

Section 13

Making and Acceptance of Declarations

Declarations of the Supervisory Board will be made and accepted by the Chairperson on behalf of the Supervisory Board. If the Chairperson is prevented from doing so, their deputy shall have this authority.

Section 14

Rules of Procedure and Committees

- (1) The Supervisory Board shall adopt its own rules of procedure.
- (2) In addition to the committee to be set up according to law, the Supervisory Board may set up other committees from amongst its members. To the extent legally permissible, decision-making powers of the Supervisory Board may be delegated to the committees.
- (3) The composition, powers, and procedures of the committees will be determined by the Supervisory Board. Unless the Supervisory Board does not adopt any provisions, section 11 shall apply accordingly on the procedure of the committees.

Section 15

Remuneration

- (1) In addition to the reimbursement of their expenditure, each member of the Supervisory Board shall annually re-

ceive a fixed remuneration. For the Chairperson of the Supervisory Board this remuneration shall amount to EUR 250,000, for the deputy chairperson EUR 175,000 and the remaining members each EUR 100,000. The chairpersons of the Executive Committee shall receive an additional compensation of EUR 60,000, the deputy chairperson each EUR 45,000 and the remaining members each EUR 35,000. The chairpersons the Auditing Committee shall receive an additional remuneration of each EUR 75,000, the deputy chairpersons each EUR 50,000 and the remaining members each EUR 40,000. The chairperson of the Finance and Investment Committee shall receive an additional remuneration of EUR 50,000, the deputy chairperson EUR 40,000 and the remaining members each EUR 30,000. The chairpersons of the Nomination Committee and Mediation Committee shall each receive an additional remuneration of EUR 20,000, the deputy chairpersons each EUR 10,000 and the remaining members each EUR 10,000. For the Mediation Committee, the entitlement to the additional remuneration shall only be given if the committee was actually convened during the fiscal year.

- (2) In addition, each member of the Supervisory Board shall receive for each meeting of the Supervisory Board and for each meeting of a committee of the Supervisory Board which they attended (even as a guest of the committee) a daily allowance in the amount of EUR 1,000. In the event of several meetings in one day, only one daily allowance will be paid.
- (3) The payment of the remuneration shall be plus the statutory turnover tax, if applicable. The remuneration in accordance with subsection 1 will be paid on a pro rata basis if a member of the Supervisory Board does not form

a part of the Supervisory Board and/or one of the committees during the whole fiscal year. The remuneration will be paid subsequently and shall be payable within five banking days in Essen after the approval of the group's financial statements regarding the respective fiscal year; deviating from this, only the attendance fee in accordance with subsection 2 shall be payable immediately after each meeting.

- (4) The members of the Supervisory Board will be included in a pecuniary damage liability insurance policy taken out by the Board with a suitable coverage in the interest of the company provided that such insurance has been taken out. The premiums for this will be paid by the company.

Section 16 **Special Competence**

- (1) For the execution of the following transactions and measures, the Executive Board requires the approval of the Supervisory Board:
- (a) Fundamental changes to the structure of the company and the group;
 - (b) Entering new business segments or discontinuation of business segments insofar as these measures are of material or fundamental importance for the company.
 - (c) Any other businesses, measures and agreements insofar as these are of material or fundamental importance for the company.

The Executive Board requires the approval of the Supervisory Board even if it participates in affiliated companies through instruction, approval, voting or in any other form in connection with the above mentioned businesses and measures.

- (2) The approval of the Supervisory Board necessary in accordance with subsection 1 may be granted in advance in form of a general authorization for a certain area of the businesses stated.
- (3) The Supervisory Board adopts in the context of rules of procedure a catalogue of further businesses and measures for which the Executive Board requires the approval of the Supervisory Board.

V. General Meeting

Section 17

Place and convocation of the General Meeting

- (1) The General Meeting shall take place at the corporate seat of the Company or in another city of the Federal Republic of Germany with more than 100,000 inhabitants.
- (2) The General Meeting shall be convened by the Executive Board unless other persons are authorized by law or the articles of association to do so as well. The General Meeting shall be convened by publication of a single announcement in the German Federal Gazette stating the information required by law, with a notice period of at least thirty days prior to the date of the General Meeting which notice period is to be extended by the number

of days of the application period pursuant to section 18 subsection 2 of the Articles of Association; the day on which the General Meeting is held and the day on which it is called shall not be included in the calculation of the relevant period.

Section 18
Attendance and Execution of the Voting Right

- (1) All stockholders who are registered in the stock register and who submitted an application in due time before the General Meeting shall be entitled to attend the General Meeting and to exercise their voting right.
- (2) The Application shall be made in text form in German or English and must be received by the Company at the address stated for such purpose in the convocation notice no later than six days prior to the date of the General Meeting, unless a shorter period of time has been stated, which is to be specified as a number of days. The day on which the General Meeting is held and the day on which the application is received shall not be included in the calculation of the relevant period. The applicability of any other application procedure available under mandatory law shall remain unaffected.
- (3) The voting right may be executed by proxies. The granting and withdrawal of proxies and the provision of evidence of authorization to the Company shall be made in writing. The invitation may stipulate a less strict formal requirement. Such less strict requirements may be limited to the granting of proxies to the proxies designated by the Company. The Company will provide at least one method of electronic communication for transmitting

proof. Section 135 AktG shall remain unaffected.

- (4) The Executive Board shall be authorized to provide that stockholders may participate in the General Meeting of Stockholders without being physically present at the place where the General Meeting is held or being represented by a proxy and exercise all or certain of their rights in full or in part through electronic communication. The Executive Board shall also be authorized to determine provisions concerning the scope and the procedure of the participation and the exercise of rights according to the first sentence. Any utilization of this procedure and the provisions established for them are to be announced with the convocation of the General Meeting.
- (5) The Executive Board shall be authorized to provide that stockholders may cast their votes in writing or by means of electronic communication (postal voting) even without attending the General Meeting. The Executive Board shall also be authorized to determine provisions concerning the scope and the procedure of the postal voting. Any utilization of this procedure and the provisions established for them are to be announced with the convocation of the General Meeting.

Section 19
Chairman of the General Meeting

- (1) The General Meeting shall be presided over as the Chair of the Meeting by the Chairman of the Supervisory Board or, in case they are prevented from doing so, by another stockholder's member of the Supervisory Board designated by the Supervisory Board.

- (2) The Chair of the Meeting shall lead the negotiations and stipulate the order in which the items on the agenda are discussed as well as the type, form and sequence of voting procedure. They may permit the full or partial video or audio transmission of the General Meeting. The transmission can also take place in a form which gives the public unrestricted access.
- (3) The Chair of the Meeting may reasonably restrict the time allocated to questions and speeches by stockholders and, in particular, already at the start of or during the General Meeting, the Chair may reasonably stipulate the time for the entire duration of the General Meeting and the time allocated to discussing individual agenda items and individual questions and speaking time.

Section 20

Adoption of Resolutions and Election

- (1) In the General Meeting, each stock shall grant one vote.
- (2) Unless mandatory legal provisions require otherwise, the resolutions of the General Meeting shall be adopted with a simple majority of the votes cast and, unless a majority of the capital besides the majority of the votes is required by law, with a simple majority of the capital stock represented during the adoption of the resolution.
- (3) In elections where there are several candidates in one ballot and none of the candidates receives the majority of votes, a second ballot shall be conducted between the two candidates who received the largest number of

votes. If the second ballot is tied as well, the election shall be determined by drawing lots.

**VI. Fiscal Year, Financial Statements, Profit Appropriation,
Place of Jurisdiction**

Section 21

Fiscal Year

The fiscal year shall be the calendar year.

Section 22

Financial Statements and Profit Appropriation

- (1) The General Meeting which is held each year within the legal time period of 8 months to accept the determined annual financial statements and the consolidated financial statement approved by the Supervisory Board or the General Meetings held for the cases provided by law regarding the determination of the financial statements as well as the passing of resolution on the appropriation of profits shall also decide on the approval of the actions of the Executive Board and the Supervisory Board as well as the election of the Auditor (ordinary General Meeting).

(2) During the adoption of a resolution on the appropriation of profits, the General Meeting may also decide a distribution in kind instead of or in addition to a distribution in cash.

Section 23

Formation Expenses

The costs of the formation, i.e. the notarization costs for the notarization of the conversion resolution and the application to the commercial register, the court fees for the registration of the change of the legal form in the commercial register, the publication costs and the costs for the conversion audit by the court-appointed auditor shall be borne by the Company up to a maximum amount of EUR 40,000.00; any formation costs in excess shall be borne by the partner.

Section 24

Place of Jurisdiction

(1) The exclusive place of jurisdiction for all disputes between the stockholders on the one hand and the Company and/or its bodies on the other hand shall be the location of the Company's corporate office, unless mandatory provisions stipulate otherwise. The stockholder agrees to this through the acquisition and subscription of stocks or interim certificates. The first sentence shall also apply to these disputes between the stockholders and the company which arise from the acquisition, holding or surrender of a participation by the stockholder. Furthermore, the first sentence shall also apply for disputes for damages based on incorrect, misleading or omitted

capital market information. Foreign courts shall have no jurisdiction with respect to such disputes.

- (2) Subsection 1 shall also apply for disputes between creditor and/or debtors of financial instruments relating to the stocks of the Company on the one hand and the Company and/or its bodies on the other hand subject to the provision that the creditor/debtor of these financial instruments agrees to this through the acquisition or subscription.