

## Evonik expands production of precipitated silica at US site in Charleston by 50 percent

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- Expansion meets high silica demand from tire, oral care and other industries in North America
- Investment strengthens supply chains of local customers and improves sustainability position
- Company invests mid-double-digit million Euro amount in new line scheduled to become operational in 2026

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**Charleston, USA.** Evonik, one of the world's leading silica producers, invests in a plant expansion for precipitated silica at its site in Charleston, USA. The new line in South Carolina is satisfying the high demand in particular from the tire industry in North America and makes the supply chains of Evonik partners in the region resilient by enabling local silica sourcing.

Silica is a key ingredient for fuel-efficient tires and other products like toothpaste or coatings. The group is investing a mid-double-digit million Euro amount. The construction of the new production line is scheduled to begin in mid-2024. Operations will start in early 2026.

"North America is an important strategic growth region for us," says Maike Schuh, Chief Financial Officer of Evonik and responsible for the Americas region. "With the investment in Charleston, we are strengthening our strategic customer-centric approach and improving our cost and sustainability position. Evonik is investing in innovative and green solutions and technologies that offer our customers superior sustainability benefits." With the new line in Charleston, the company will increase its production capacity for precipitated silica at the site by 50 percent.

"With this expansion, our state-of-the-art Charleston site becomes a major hub for precipitated and sustainable silica products in North America," says Lauren Kjeldsen, Head of the Smart Materials Division, which includes the silica business.

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Evonik has defined a clear roadmap towards carbon neutrality for its Charleston site. "The commercial and technical teams have worked intensely in the past years to develop a robust expansion concept, which we will now implement," says Emmanuel Auer, Head of the Silica Business Line. "The expansion will contribute to meet our sustainability targets by combining the positive handprint of Evonik's silica technologies with a low carbon footprint. It is underlining Evonik's commitment to the Science Based Targets initiative," says Auer.

The expansion in Charleston fulfills the need for local-to-local supply chains for tires. Moreover, the company plans to introduce circular raw materials to manufacture ULTRASIL® Silica to satisfy the sustainability targets of the tire industry.

Silica is a key ingredient for fuel-efficient tires, reducing fuel consumption by up to eight percent compared to conventional passenger car tires. In North America, the demand for tires with reduced rolling resistance and improved fuel efficiency is experiencing above-average growth.

Over the past years, Evonik has continuously invested in modern silica production updates and strategic acquisitions around the globe to further enhance the business. The Charleston facilities are part of a network of 18 precipitated silica production sites globally.

Evonik is a leading global manufacturer of silica. In addition to the precipitated silica brands ULTRASIL®, ZEODENT® and SIPERNAT®, the company also produces fumed silica under the brand name AEROSIL® and other products for various industries worldwide.

### **Company information**

Evonik is one of the world leaders in specialty chemicals. The company is active in more than 100 countries around the world and generated sales of €18.5 billion and an operating profit (adjusted EBITDA) of €2.49 billion in 2022. Evonik goes far beyond chemistry to create innovative, profitable, and sustainable solutions for customers. About 34,000 employees work together for a common purpose: We want to improve life today and tomorrow.

### **About Smart Materials**

The Smart Materials division includes businesses with innovative materials that enable resource-saving solutions and replace conventional materials. They are the smart answer to the major challenges of our time: environment, energy efficiency, urbanization, mobility, and health. The Smart Materials division generated sales of €4.83 billion in 2022 with about 7,900 employees.

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