

Evonik sells Lülsdorf site to ICIG—First step in the divestment of Performance Materials

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- Established chemical group plans to invest substantially in the site
- Extensive employment safeguards agreed
- Transfer to new owner planned for mid-2023

Jörg Wagner
Head of External Communications
Phone +49 201 177 3408
Mobile +49 152 563 86040
Joerg2.Wagner@evonik.com

Essen, Germany. Evonik is selling its site in Lülsdorf (Germany) and the associated cyanuric chloride business in Wesseling (Germany) to International Chemical Investors Group (ICIG, Luxembourg). The agreement was signed on Thursday. The parties have agreed not to disclose the purchase price. Lülsdorf is a substantial part of the Functional Solutions business line within Evonik's Performance Materials division. Transfer of ownership is scheduled for mid-2023. The closing of the transaction is subject to antitrust clearance and approval by the competent Evonik committees.

Stefanie Mielke
Site Communications
Phone +49 2236 76 2586
Mobile +49 173 156 4606
Stefanie.Mielke@evonik.com

ICIG is an established Luxembourg-based chemicals investor. The company has approximately 4,800 employees and generated sales of around €4 billion last year. It has extensive expertise in the development of sites and business units that no longer are part of the core business of other enterprises.

Christian Kullmann, Chairman of Evonik's Executive Board: "We wanted a reliable investor that is able and willing to leverage Lülsdorf's potential effectively, and that is what ICIG offers. For Evonik, that means: We are taking the first step in the planned disposal of the three businesses in our Performance Materials division. For the site, its employees, and the town of Niederkassel, the sale provides excellent options for future development."

ICIG is taking over the entire site in Niederkassel-Lülsdorf (near Cologne) and the associated cyanuric chloride business in neighboring Wesseling, including more than 600 employees and all production plants. ICIG already has subsidiaries operating in chlorine chemistry and specialty chemicals and wants to expand the businesses in Lülsdorf and Wesseling. Dr. Achim Riemann, Managing Director of ICIG: "We are delighted to be adding these

Evonik Industries AG
Rellinghauser Straße 1-11
45128 Essen
Germany
Phone +49 201 177-01
Fax +49 201 177-3475
www.evonik.com

Supervisory Board
Bernd Tönjes, Chairman
Executive Board
Christian Kullmann, Chairman
Dr. Harald Schwager, Deputy Chairman,
Maïke Schuh, Thomas Wessel

Registered Office is Essen
Register Court Essen Local Court
Commercial Registry B 19474

attractive sites to our portfolio and are planning extensive investments. The existing businesses are an excellent strategic fit with our focus.”

ICIG has given contractual assurances that the sale will not alter the rights of the employees at the sites. Thomas Wessel, Chief Human Resources Officer at Evonik: “It’s good that our employees in Lülldorf and the associated business in Wesseling will find themselves in established and experienced hands. That is, and always has been, our precondition in every divestment process.” For example, the agreement excludes dismissals for operational reasons following the transaction until 2032.

“We have closely monitored the divestment process and got a first-hand impression of the future owner,” says Martin Albers, Chairman of the General Works Council of Evonik. “It is common practice at Evonik to select investors who deal responsibly with employee rights. That also holds true in this case and will remain a prerequisite for the other parts of Performance Materials.”

In conjunction with the divestment of this site, Evonik is realigning the three businesses of the Functional Solutions business line. With this sale, Evonik will completely divest the production of potassium derivatives and cyanuric chloride, which takes place exclusively in Lülldorf and Wesseling. As planned, Evonik is retaining the business with alkoxides for biodiesel, which are produced at two further sites apart from Lülldorf. This business was integrated into the Catalysts business line in the Smart Materials division effective January 1, 2023. ICIG will produce alkoxides at the Lülldorf site exclusively for Evonik until 2027. In total, the businesses to be divested generated sales of around €260 million in 2022.

Evonik started preparing the sale of the Lülldorf site in fall 2021. The company is now realizing its preferred solution, selling the entire site to a new owner. Plans by another investor to produce ethylene oxide in Lülldorf had previously caused public concern. The sale to ICIG marks the definitive end of these plans. Instead, ICIG intends to invest in facilities for renewable energies in addition to strengthening the existing production in Lülldorf.

About Evonik

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 ICIG

International Chemical Investors is a privately owned industrial group with total sales of around €4 billion. ICIG is focusing on four main platforms: Fine Chemicals under the WeylChem brand, Chlorovinyls under the Vynova brand, Compounds under the Benvic brand and Enterprises which comprises specialized companies active in sodium metals, industrial drying and granulation services, fermentation products, viscose filament, activated carbon and wood protection chemicals. Today, ICIG companies employ approximately 4,800 employees and operate more than 20 manufacturing facilities in Europe and the United States. For further information please refer to www.ic-investors.com.

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