



Evonik is expanding its business with environment-friendly oxidation agents

Hydrogen peroxide and peracetic acid are two of the most versatile and environment-friendly oxidation agents on the market. Evonik is acquiring PeroxyChem to strengthen its activities in this field.

PeroxyChem is a manufacturer of hydrogen peroxide (H_2O_2) and peracetic acid (PAA) and is well-positioned in high-margin specialty applications, for example, in the environmental, food processing, and electronics sectors where cyclical activity is low. The company is headquartered in Philadelphia (Pennsylvania, USA) and employs around 600 people worldwide. Evonik successfully completed the acquisition of PeroxyChem in early February 2020.

The market for H_2O_2 and PAA is currently benefiting from the trend towards environmentally friendly products and solutions. H_2O_2 is a sustainable, resource-efficient chemical used in oxidation reactions, bleaching processes in the pulp, paper, and textile industries, the treatment of wastewater and exhaust gases, and various disinfectant applications. During processing, hydrogen peroxide only splits into hydrogen and water. Consequently, it is often referred to as a genuinely "green" chemical.



H_2O_2 and PAA are used for oxidation, sterilization, and disinfection.

H_2O_2 and PAA are two of the most versatile, reliable, and environment-friendly oxidation agents.

The decomposition product of PAA is acetic acid, which is readily biodegradable in water. Moreover, it is not bioaccumulative. Against this backdrop, PeroxyChem successfully started up a wastewater treatment plant using PAA in Memphis (Tennessee, USA) in 2019 and signed a long-term supply agreement with the City of Memphis.



Fast-growing and innovative

Hydrogen peroxide is one of Evonik's oldest products. It is also one of the fastest-growing and most innovative areas of business. Evonik is a world-leading manufacturer of H_2O_2 , PAA, and persulfates with 18 production facilities and capacity of more than 1 million metric tons a year. In recent years, Evonik has steadily extended its business with H_2O_2 and related products. One example is the innovative hydrogen peroxide to propylene oxide (HPPO) process developed by Evonik in collaboration with thyssenkrupp. This is a cost-effective and environment-friendly method of synthesizing propylene from hydrogen peroxide and propylene using a special Evonik catalyst. Propylene is a starting product for polyurethane, which is used in insulating walls, mattresses, and car upholstery.

i **SUSTAINABLE PRODUCTS**
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According to our stakeholders, sustainable products/solutions for our customers is one of the three most important sustainability issues for Evonik.¹

¹ See our materiality analysis in the chapter "Strategy and growth" p.21 f.