

## Evonik and Dow develop industrial-scale direct synthesis of propylene glycol from propylene and hydrogen peroxide

- Strategic partnership to bring disruptive technology to market maturity
- Pilot plant to be located at Evonik's Hanau site
- New process conserves resources and reduces investment costs

Dow and Evonik have entered into an exclusive technology partnership. Together, they plan to bring a unique method for directly synthesizing propylene glycol (PG) from propylene and hydrogen peroxide to market maturity. The key element is a novel catalytic system developed by Evonik researchers which allows for the direct synthesis of PG from propylene and hydrogen peroxide, in a process offering high yield and comparatively low energy consumption.

Some 1.9 million metric tons of propylene glycol were used worldwide in 2018. The molecule is used in the production of polyester resins and as a de-icing agent. It is also an important food additive and serves as a humectant and co-surfactant in many products in the home and personal care market.

"We are very pleased to be cooperating with Dow to bring the HYPROSYN™ process to market maturity. Dow is by far the largest producer of PG worldwide and a world leader in the field of material science" says Michael Träxler, the head of Evonik's Active Oxygens business line.

A pilot plant is to be constructed at the Evonik site in Hanau by the end of 2020, with large-scale technical implementation to follow a few years later. "In addition to potential license revenue, this partnership also demonstrates how we create new areas of application for hydrogen peroxide and positions us as a preferred provider," said Träxler.

October 30, 2019

Tim Lange

Head of Investor Relations Phone +49 201 177-3150 tim.lange@evonik.com

Evonik Industries AG

Rellinghauser Straße 1-11 45128 Essen Germany Phone +49 201 177-01 Fax +49 201 177-3475

Supervisory Board

www.evonik.com

Executive Board
Christian Kullmann, Chairman
Dr. Harald Schwager, Deputy Chairman
Thomas Wessel, Ute Wolf

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



The HYPROSYN™ technology offers several advantages:

- It is expected to consume significantly less energy while providing a higher yield.
- The HYPROSYN™ process combines all reaction steps in a single reactor, eliminating the need for investment in additional PO capacity. Existing PG plants can be retrofitted with little effort.
- Only hydrogen peroxide and propylene are processed as feedstock, increasing flexibility and lowering total investment cost.

Evonik is one of the world's largest manufacturers of hydrogen peroxide, one of the two starting materials for the HYPROSYN® process. The company's 13 production sites distributed throughout the world ensure an optimal supply of hydrogen peroxide ( $H_2O_2$ ) with an annual capacity of more than 950,000 metric tons.

## Company information

Evonik is one of the world leaders in specialty chemicals. The focus on more specialty businesses, customer-oriented innovative prowess and a trustful and performance-oriented corporate culture form the heart of Evonik's corporate strategy. They are the lever for profitable growth and a sustained increase in the value of the company. Evonik benefits specifically from its customer proximity and leading market positions. Evonik is active in over 100 countries around the world. In fiscal 2018, the enterprise with more than 32,000 employees generated sales of €13.3 billion and an operating profit (adjusted EBITDA) of €2.15 billion from continuing operations.

## **About Resource Efficiency**

The Resource Efficiency segment is led by Evonik Resource Efficiency GmbH and produces high performance materials and specialty additives for environmentally friendly as well as energy–efficient systems to the automotive, paints & coatings, adhesives, construction, and many other industries. This segment employed about 10,000 employees, and generated sales of around €5.5 billion in 2018 from continuing operations.

## Disclaimer

In so far as forecasts or expectations are expressed in this press release or where our statements concern the future, these forecasts, expectations or statements may involve known or unknown risks and uncertainties. Actual results or developments may vary, depending on changes in the operating environment. Neither Evonik Industries AG nor its group companies assume an obligation to update the forecasts, expectations or statements contained in this release.