

Evonik reaches settlement with EPA

- Civil penalty of \$75,000 for violating permitted emission limits for Ethylene Oxide and Ethylene Glycol in Reserve, La.
- Company has installed a new control device and will install additional control technologies and devices within 365 days
- Evonik agrees to spend at least \$335,000 for a supplemental environmental program to further reduce emissions

RESERVE, LA., April 24, 2023 – Evonik, one of the world's leading specialty chemicals companies, has agreed to a settlement with the U.S. Environmental Protection Agency (EPA) for violating permitted emission limits of Ethylene Oxide and Ethylene Glycol at its facility in Reserve, La.

The agreement includes a \$75,000 fine and the adoption of several measures to reduce emissions and leaks. Evonik also agreed to spend at least \$335,000 for a supplemental environmental project as part of the settlement. These measures will reduce emissions of hazardous air pollutants (HAPs) by 5.6 tons per year.

Ethylene Oxide (EtO) and Ethylene Glycol (EG) are considered HAPs under the Clean Air Act. EtO is a colorless, flammable gas used as a raw material to manufacture ingredients for consumer products like laundry detergent or cleaning solutions that help maintain the health and safety of consumers. EG is a colorless liquid found in products like antifreeze, cosmetics, and ballpoint pens. EG can be released into outdoor air as a liquid spray, vapor, or mist.

“We care deeply about the environment and the health and safety of our employees and the neighbors of our plant,” said Kelly Lanz, Senior ESHQ Advisor for Evonik’s Care Solutions business in North America. “We want people in the community to know that we are very sorry. As soon as we realized that our emissions exceeded the permitted limits, we voluntarily shut down production and self-reported the data to both the Louisiana Department of Environmental Quality and EPA Region 6. We have installed improved control technologies to make sure this doesn’t happen again and are committed to further reducing Ethylene Oxide and Ethylene Glycol emissions.”

Evonik employs more than 50 people in Reserve who manufacture specialty surfactants for cleaning products, laundry soap, surface coatings, and agricultural applications. Surfactants (surface-active agents) reduce the surface tension between two chemical substances. They enable oil and water to mix, for example, making it possible to remove grease spots using water and a detergent. Evonik purchased the Reserve site in 2017.

EPA inspectors conducted an on-site inspection at the Reserve facility on April 18, 2022, and issued an information request on September 27, 2022. As part of ongoing emission reduction projects, Evonik reverified the emissions calculations and found that emissions had exceeded the permitted levels. After completing the emissions calculations, Evonik immediately ceased the respective operations. They remained shut down from November 18, 2022, until the installation of a temporary flare on February 3, 2023. A flare is a combustion device that burns gases. It can destroy and remove 98% or more of hazardous air pollutant emissions like EtO.

Evonik will install and operate a thermal oxidizer and a permanent flare within 365 days of executing the agreement. A thermal oxidizer is a combustion device that can destroy and remove 99.9% or more of HAP emissions. The permanent flare will serve as a backup control device for the thermal oxidizer.

In addition, Evonik will implement an enhanced leak detection and repair program within 60 days.

Evonik also agreed to spend at least \$335,000 for a voluntary supplemental environmental project (SEP). This project was undertaken in connection with the settlement of the enforcement action, taken on behalf of the EPA to enforce federal laws.

Evonik will design and install a vapor recovery system for the facility's truck loading docks to route air pollutants and vapors that currently vent to the atmosphere to the new control devices, the thermal oxidizer and the permanent flare. The project must be completed by December 31, 2026.

For additional information about Evonik in North America, please visit our website: http://corporate.evonik.us/region/north_america.

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.

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