

## Evonik repositions itself in personal care and household products markets to form new Care Solutions business

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- New Care Solutions unit at Evonik creates powerhouse in the personal care and household products markets
- Care Solutions is formed from existing Personal Care and Household Care business lines
- Customers to benefit from: Greater innovative power, leaner processes, closer customer relationships

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Essen, Germany. Evonik is merging its Personal Care and Household Care business lines together with its associated oleochemistry platform to form a new Care Solutions Business Line, helping to position itself as a leading provider of innovative solutions in the care products market. The move represents the next logical step for the specialty chemicals company as it implements its strategy for the Health & Care Growth Engine.

“The new Business Line Care Solution will further strengthen the growth agenda of the segment Nutrition & Care”, says Dr. Hans-Josef Ritzert, Member of the Board of Management of the Nutrition & Care Segment. The new unit, which has roughly 1,250 employees and combined sales of approximately €900 million, will be launched on January 1, 2019, under the leadership of Dr. Tammo Boinowitz.

“In the past we’ve worked for our customers in parallel across these complementary business lines —the reorganization means that our customers can expect more innovative products, leaner processes, and much closer customer relationships,” says Boinowitz, the designated head of Care Solutions. The formation of the combined business ensures that common expertise, resources, technologies, and raw materials will all now sit together under one roof.

The four global product lines of —Cosmetic Solutions, Active Ingredients, Cleaning Solutions, and Technical Applications— will all benefit by having a much clearer focus on specialty products that differ significantly from each other. Dedicated application technology groups will ensure that the industrial focus

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will be retained. The fifth Product Line, Base Ingredients will bundle products together where value and cost is crucial. Together the five product lines will serve the following markets: hair and skin care, sun care, bath and shower, color cosmetics, age defying, fabric care, deodorants, liquid laundry detergents, industrial and institutional cleaning, and mining and drilling fluids.

This reorganization will allow Evonik to realize increased synergies leading to more efficient processes, a leaner organization, and improved interface management. As a result of merging the two business lines, Evonik will be ending its involvement in Milton Keynes (UK) site in 2019 and Granollers (Spain) in 2020. In addition, the Care Solutions Business Line will be withdrawing from German sites in Hanau and Schlüchtern.

In order to best serve customers throughout the world, the focus at Care Solutions will be even more global. Three of the five product lines will be managed from the United States, while future production at Care Solutions will be carried out at the following global sites:

- In Germany: Essen, Duisburg, and Steinau
- In the Americas: Mapleton, Janesville/Milton, Reserve, and Hopewell (all in the US), and Americana (Brazil)
- In Asia: Shanghai (China) and Bekasi Timur (Indonesia)

#### **About Evonik**

Evonik is one of the world leaders in specialty chemicals. The focus on more specialty businesses, customer-orientated 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 with more than 36,000 employees. In fiscal 2017, the enterprise generated sales of €14.4 billion and an operating profit (adjusted EBITDA) of €2.36 billion.

#### **About Nutrition & Care**

The Nutrition & Care segment is led by Evonik Nutrition & Care GmbH and contributes to fulfilling basic human needs. That includes applications for everyday consumer goods as well as animal nutrition and health care. This segment employed about 8,250 employees, and generated sales of around €4.5 billion in 2017.

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