

Press release

Nanjing, China, 20 September, 2016

HERAEUS STARTS GROUNDBREAKING OF MOST ADVANCED PRECIOUS METAL FACTORY IN THE WORLD IN NANJING

Heraeus Group has begun construction on the world's most advanced precious metal factory in Nanjing, China

The German Technology Group Heraeus has begun construction on the world's most advanced precious metal factory in Nanjing, China. The new factory will significantly enhance the company's capacity to recycle precious metals, especially Platin Group Metals (PGM). China has only very limited natural PGMs and relies on either imports or recycling. In 2015 China's Platin demand was 25 times higher than the country's own mine supply. Heraeus will use the recycled precious metals to produce homogenous and PGM based catalysts for pharmaceutical, fine chemical and chemical processes or emission catalysts. They will be used for China's automotive, silicon or pharmaceutical industries.

As part of its renowned customer focus, Heraeus will also enhance its precious metals management portfolio in China, such as physical supply of precious metals, pool accounts and transfers, as well as precious metals risk management and financing. Heraeus is the only company in China authorized to offer precious metals leasing for industrial purposes.

"Precious metals are a very rare resource and as one of the world's largest precious metals company, Heraeus is uniquely qualified to provide most advanced precious metal recycling and processing in China," said Jan Rinnert, Chairman of the Heraeus Holding board of management. "Our state-of-the-art technologies will support China's next five-year plan in all aspects: In innovation, in green development and socially: Over 200 highly-skilled experts will be working at the new site by 2020," Rinnert added.

Heraeus' new factory is located at the Nanjing Chemical Industry Park and will comprise an area of 84,000 sqm. The factory and office buildings are designed to apply and even exceed latest EHS standards, codes and regulations by the PRC nation, Jiangsu province, Nanjing city and Nanjing Chemical Industry Park.

In order to minimize energy use, all buildings are insulated to latest standards and use daylight wherever necessary to save electricity. Sustainability and environmental stewardship are also reflected in the design of the factory. Heraeus will apply the most modern technologies and its own environmental standards to exceed current Chinese regulations for environmental protection. Exhaust air will be cleaned through highly efficient air scrubbers, while wastewater will be treated in a special Heraeus IP protected process and disposed of in compliance with local standards. As Heraeus is strongly focused on employee safety, all production

workspaces are equipped with efficient and state-of-the-art air filtration systems to ensure fresh air quality for the employees.

Heraeus will start piling in the coming weeks and plans to inaugurate the building beginning of 2018.

China, the second largest economy in the world, is determined to pursue a more sustainable development strategy, which is outlined in its 13th 5-year plan (2016-2020). As one of 5 key concepts, "Green Development" places importance on developing China's green economy by tackling pollution and energy efficiency issues through market initiatives. In such a context, Heraeus wants to be a role model of supporting the country's sustainable strategy with its precious metal factory in Nanjing under construction.

Heraeus, the technology group headquartered in Hanau, Germany, is a leading international family-owned company formed in 1851. With expertise, a focus on innovations, operational excellence and an entrepreneurial leadership, we strive to continuously improve the businesses of our customers around the world.

We create high-quality solutions for our customers and strengthen their long-term competitiveness by combining material expertise with technological know-how. Our ideas are focused on important issues such as the environment, energy, health, mobility and industrial applications. Our portfolio ranges from components to coordinated material systems which are used in a wide variety of industries, including the steel, electronics, chemical, automotive and telecommunications industries.

In the 2015 financial year, Heraeus generated revenues without precious metals of €1.9 bn and a total revenue of €12.9 bn. With approximately 12,500 employees worldwide in more than 100 subsidiaries in 38 countries, Heraeus holds a leading position in its global markets.

Heraeus has been present and active in the Greater China region, one of its top 3 markets, for more than 40 years. Today we have more than 2,600 employees in 20 locations across the region.

MEDIA CONTACT:

Kevin Chen

Manager Communications

Tel: +86 (21) 3357 52 61

e-mail: kevin.chen@heraeus.com