

Evonik
Power to create.

Company presentation

Q2 2018 Results Roadshow

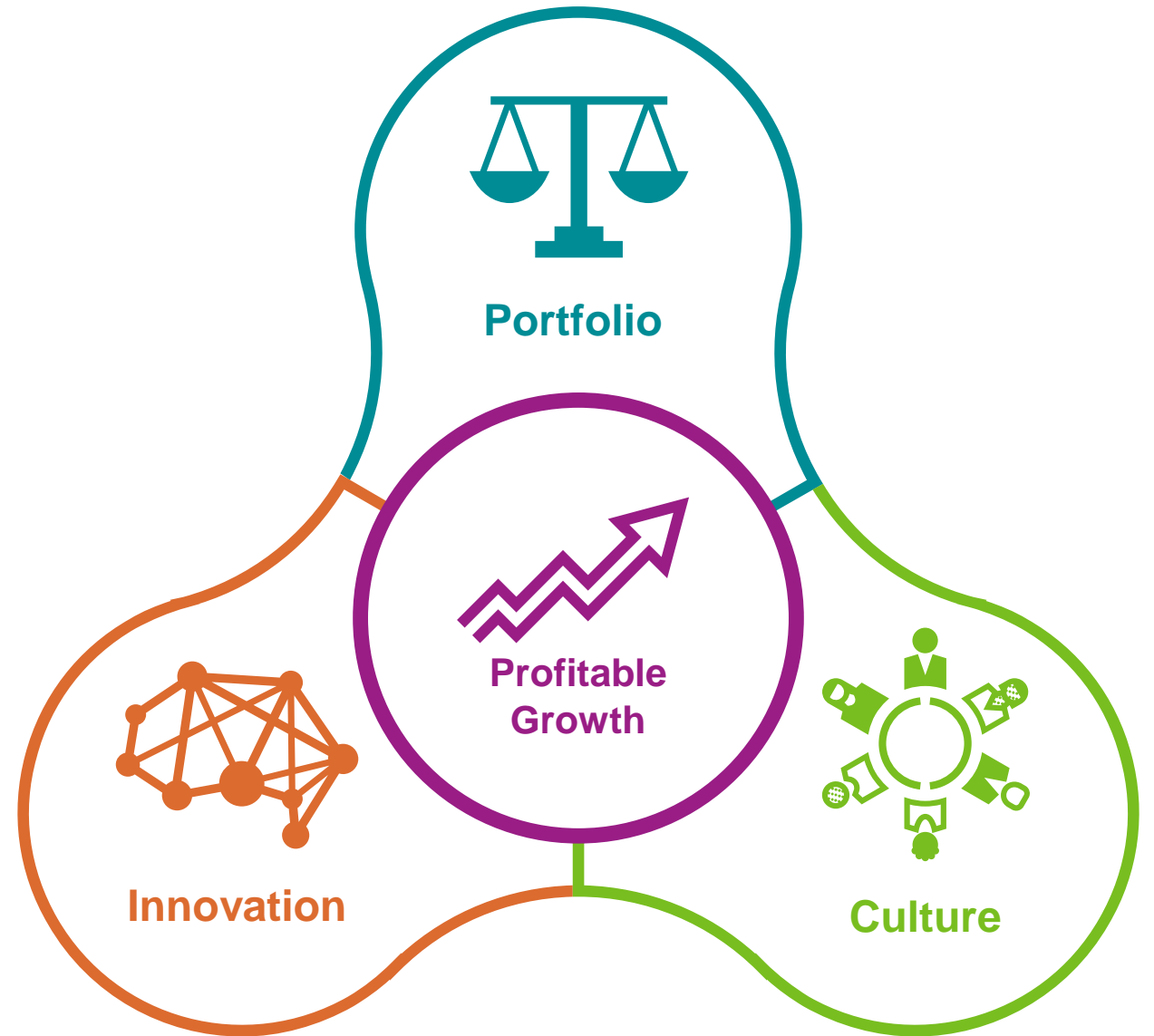


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2. Strategy
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A strong basis in Specialty Chemicals

Market leadership



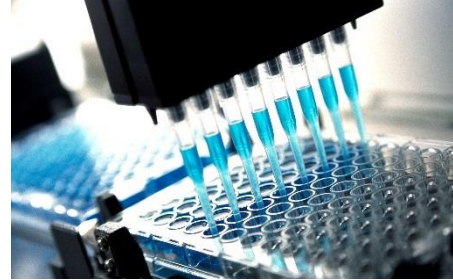
Leading market positions in **80%** of our businesses¹

Customer proximity



Almost 90% of direct sales via marketing & sales force of **~2,000** employees

Technology leadership



Leading and proprietary technology platforms in **25 countries** on **5 continents**

Unique brand recognition



tego
An Evonik product.

ROHACELL
An Evonik product.

PLEXIGLAS

(selected product brands)

Qualified employees



Highly qualified workforce as key factor for a successful and sustainable business development

1. Sales with top 1-3 market position by sales, production volume or capacity (depending on available data)

Three segments with differentiated management

Group financials 2017

Sales

€14,383 m

Adj. EBITDA

€2,357 m

Margin

16.4%

ROCE

11.2%



Growth

**Nutrition
& Care**



**Resource
Efficiency**



Efficiency

**Performance
Materials**



Sales

€4,507 m



Adj. EBITDA / Margin

€747 m / 16.6%



Sales

€5,393 m



Adj. EBITDA / Margin

€1,173 m / 21.8%



Sales

€3,751 m

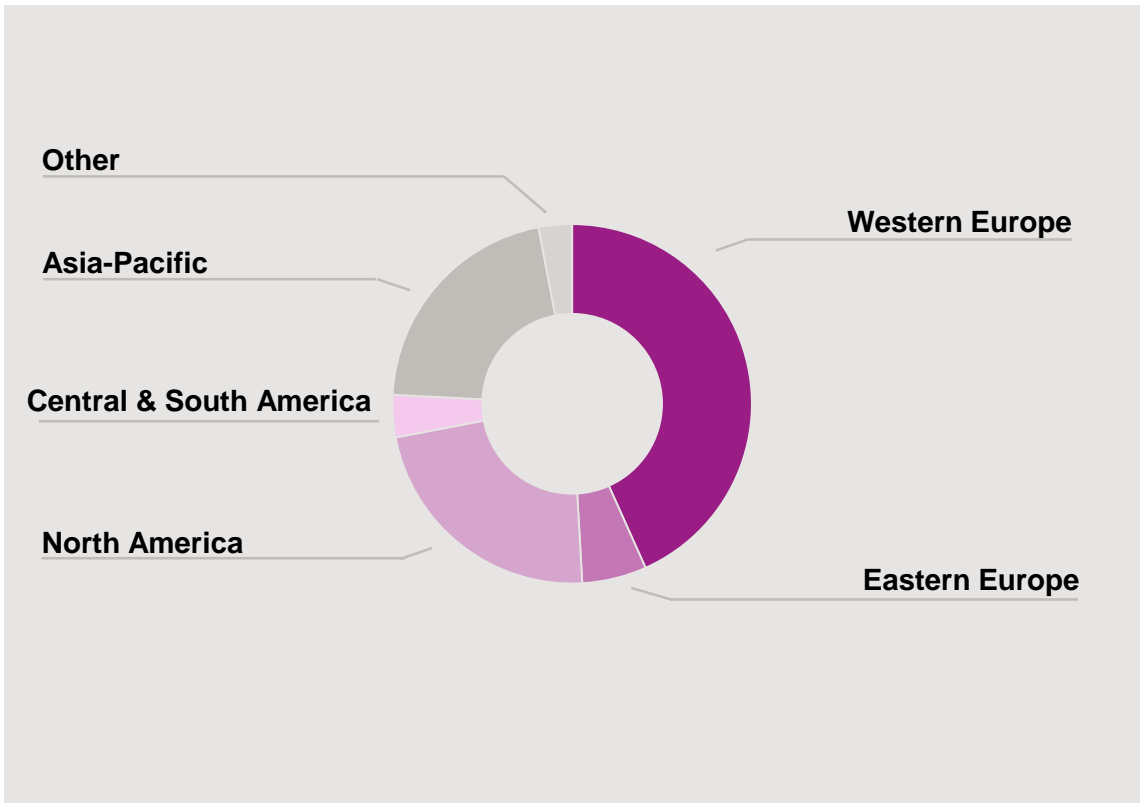


Adj. EBITDA / Margin

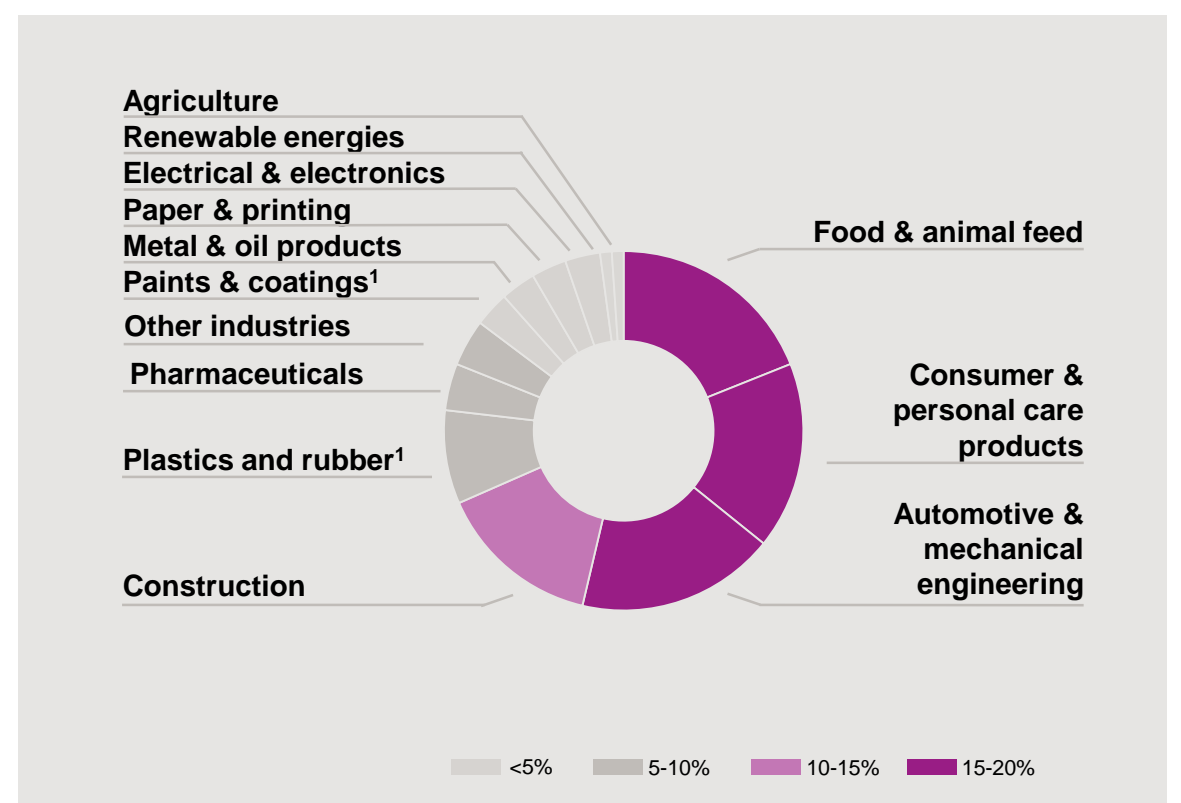
€658 m / 17.5%

Balanced regional and end market split

Sales by region



End market split



1. Where not assigned to other end-customer industries | 2017 Financials

Evonik management team with clear responsibilities

Executive Board

Group Strategy



Christian Kullmann

Chairman of the Executive Board

Chemistry & Innovation



Dr. Harald Schwager

Deputy Chairman of the Executive Board

Financials



Ute Wolf

Chief Financial Officer

HR



Thomas Wessel

Chief Human Resources Officer

Segment Management



Nutrition & Care
Dr. Reiner Beste



Resource Efficiency
Dr. Claus Rettig



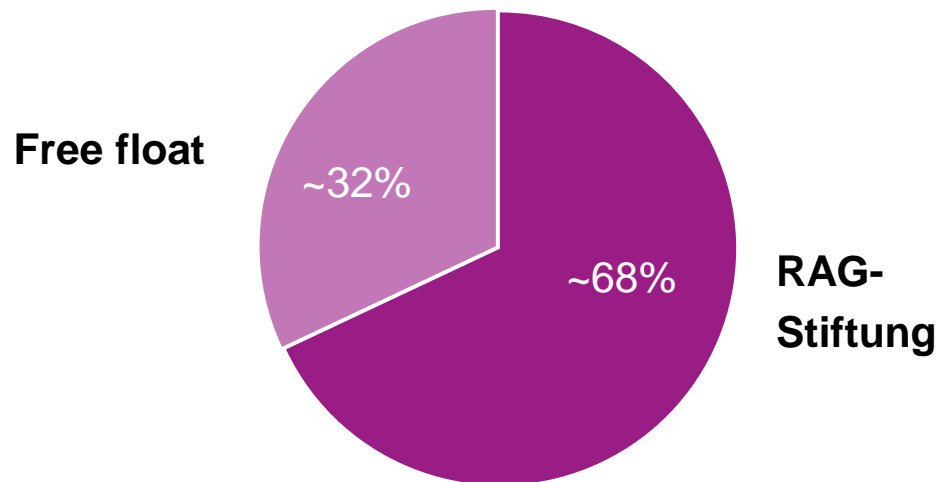
Performance Materials
Johann-Caspar Gammelin



Services
Gregor Hetzke

“RAG-Stiftung” as long-term shareholder with focus on attractive returns

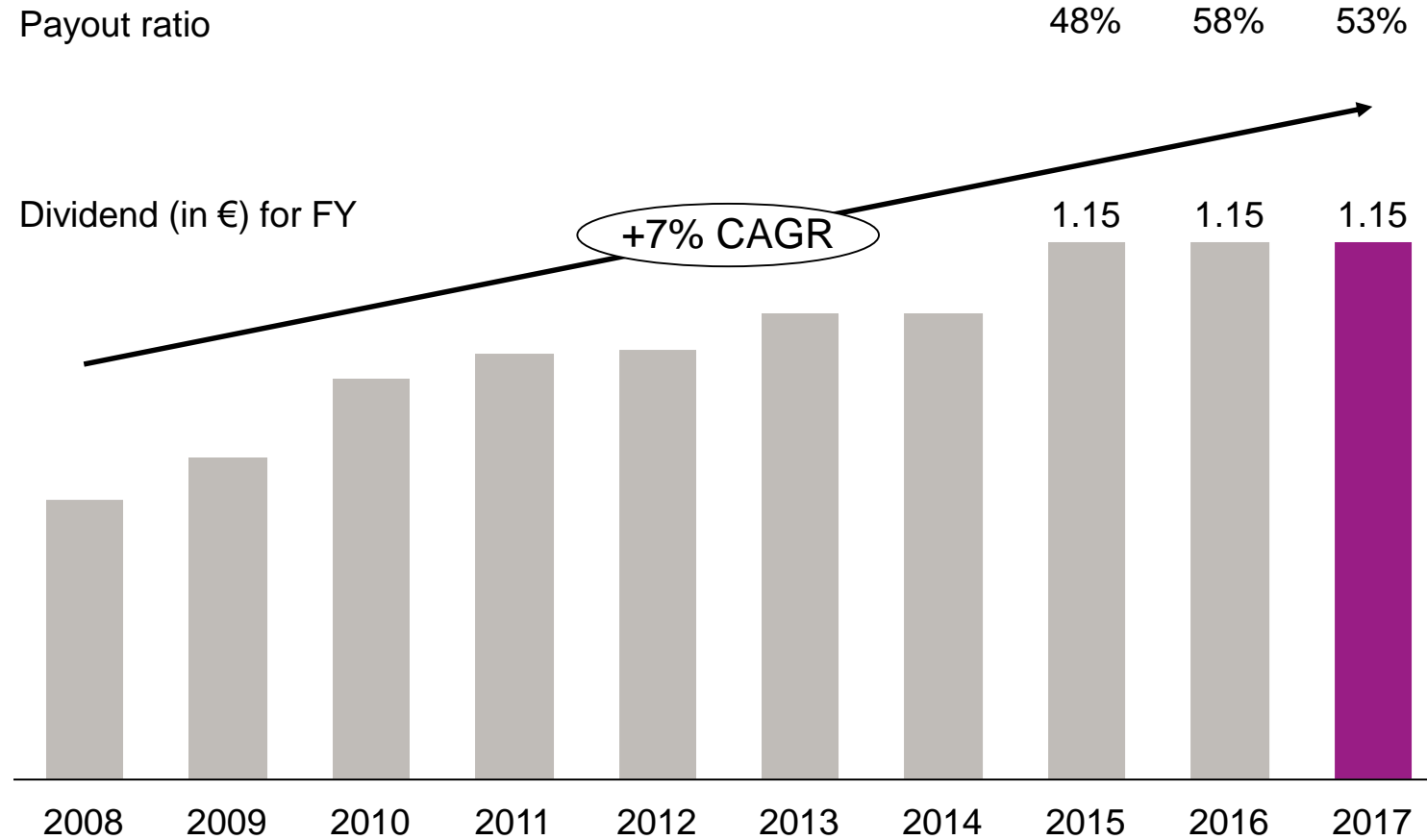
Ownership structure



RAG-Stiftung

- A foundation with the obligation to finance the perpetual liabilities arising from the cessation of hard-coal mining in Germany
- From 2019 onwards, annual cash out of ~€220 m expected
- Evonik as integral and stable portfolio element with **attractive and reliable dividend policy**
- RAG-Stiftung capable to cover annual cash out requirements with Evonik dividend (~€365 m dividend received in 2016)
- Long-term perspective: intention to retain a strategic shareholding of **at least 25.1%**

Reliable and attractive dividend policy



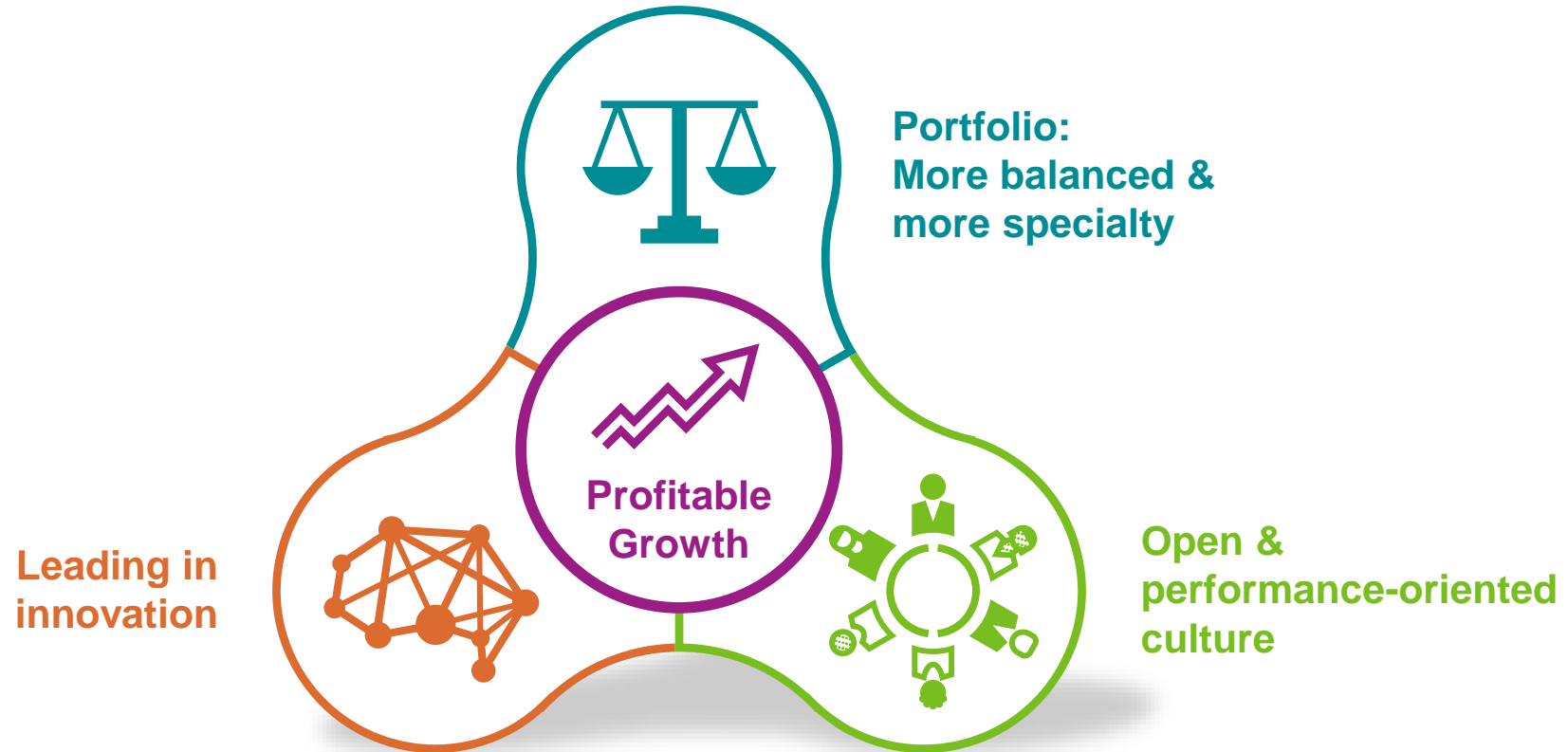
- Sustainable dividend growth over the last years: 7% CAGR between 2008 and 2017
- **Attractive dividend yield ~ 3.7%**
- Reliable dividend policy targeting:
 - **dividend continuity**
 - a **payout ratio of ~40%** of adjusted net income

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Building a best-in-class specialty chemicals company

Targeting excellence in three strategic focus areas



Target portfolio structure

Four growth engines as drivers for profitable & balanced growth

NUTRITION & CARE

RESOURCE EFFICIENCY



Health & Care



Smart Materials



Specialty Additives



Animal Nutrition

Four
growth
engines

Building on our strengths

Developing our growth segments and businesses

NUTRITION & CARE

€4.5 bn

Mature
businesses



Growth
businesses

RESOURCE EFFICIENCY

€5.4 bn

Mature
businesses



Growth
businesses

PERFORMANCE MATERIALS

€3.8 bn

Mature
businesses



✓ Meeting specialty chemicals characteristics

Portfolio strategy

Healthy mix of growth & financing businesses

Strengthen leading positions in attractive markets

- Strong growth profile
- Above-average returns
- Focus of capital allocation (capex, R&D, acquisitions)
- **Examples:**
High Performance Polymers, Comfort & Insulation

**Growth
businesses**

**Financing
businesses**

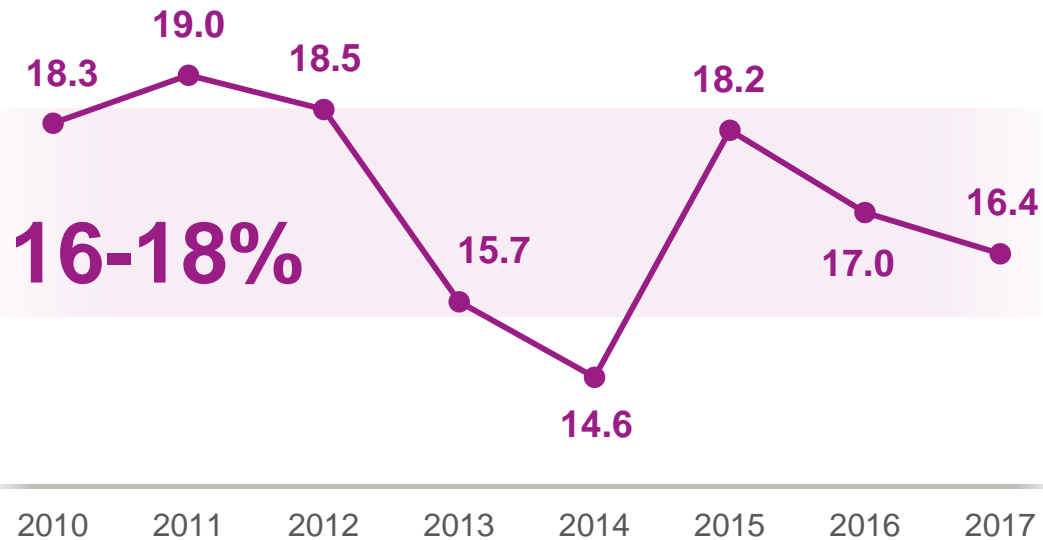
Generating financing power

- Attractive market growth
- Below average capex allocation
 - Stable returns and high FCF contribution
- **Examples:**
Perf. Intermediates (C4), Active Oxygens, Oil Additives

Strategic agenda reflected in ambitious financial targets

Structurally lifting EBITDA margin and driving balanced growth

Historic margin range (in %)



Targets going forward (over the cycle)

Structurally lift EBITDA margin into sustainably higher range of **18-20%**

Above-average volume growth **GDP+**

- ROCE above cost of capital
- Sustainable FCF generation
- Reliable and sustainably growing dividend
- Solid investment grade rating

Consistently executing our strategic agenda

Levers for structural uplift in profitability and growth

	Strategic lever	Impact (p.a.)	by (year)
Synergy realization	<ul style="list-style-type: none"> Realization of synergies from Air Products and J.M. Huber acquisitions 	€85 m EBITDA ¹	2020/2021
Cost excellence	<ul style="list-style-type: none"> Targeting structural improvements in SG&A, reduction of 1,000 FTE 	€200 m EBITDA	2021 (full impact)
Innovation	<ul style="list-style-type: none"> Leverage additional growth from six innovation growth fields with above-average profitability 	€1 bn additional SALES	2025
Portfolio Management	<ul style="list-style-type: none"> Portfolio strategy: more balanced and more specialty 		

18-20%
EBITDA margin

GDP+
volume growth

1. Total synergies of ~\$100 m; currency translation based on current EUR/USD rate of 1.18

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Our agenda for 2018 – Driving the change

Strategy execution more and more visible in accelerated financial performance



1 Strategy execution

- Continued execution of efficiency programs
- MMA divestment fully on track

2 Earnings growth

- Broad-based earnings growth across all segments
- Further progress on FCF: Q2 positive
- FY 2018 EBITDA and FCF outlook increased

Highlights Q2 2018

Broad-based earnings growth and margin expansion, positive FCF in Q2

Volume growth

+3%

Higher volumes in Nutrition & Care (+3%) and Performance Materials (+6%)

Adj. EBITDA and margin

€742 m (+16%¹)

19.2% (+1.5pp¹)

Broad-based earnings growth across all three chemical segments; margin expansion mainly driven by both growth segments (NC, RE)

Free cash flow

€56 m

Strong cash generation in Q2 in a normally negative quarter. FCF development driven by higher earnings and increased cash focus

Outlook raised

€2.6-2.65 bn

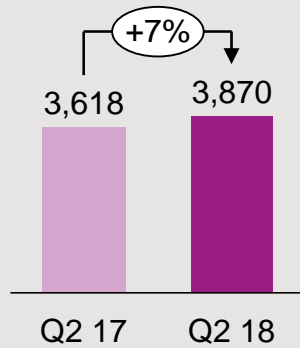
Based on strong H1, FY EBITDA and FCF outlook raised. **FCF** expected to be **notably higher** compared to 2017

1. Compared to Q2 17 | 2017 financials restated for IFRS 15

Financial highlights Q2 2018

Strong quarterly performance reflected in all KPI's

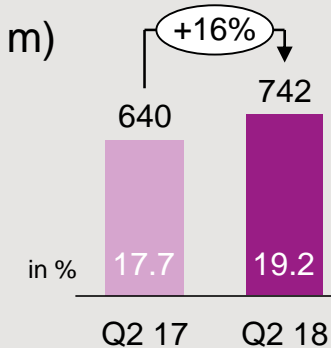
Sales
(in € m)



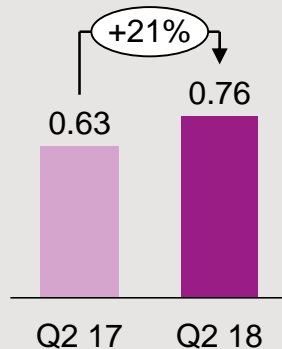
Q2 18 vs. Q2 17

Volume	Price
+3% ↗	+4% ↗
FX	Other ¹
-3% ↘	+3% ↗

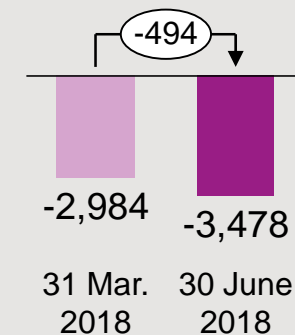
Adj. EBITDA (in € m)
/ margin (in %)



Adj. EPS
(in €)



Net financial
position
(in € m)



- Higher net financial position mainly due to dividend cash-out

1. Portfolio effects and others | 2017 financials restated for IFRS 15

Earnings development Q2 2018

Broad-based margin expansion across all three chemical segments

Resource Efficiency



Margin improvement yoy¹

+140 bps

(Margin: 24.7%)

Nutrition & Care



Margin improvement yoy¹

+140 bps

(Margin: 18.7%)

Performance Materials



Margin improvement yoy¹

+60 bps

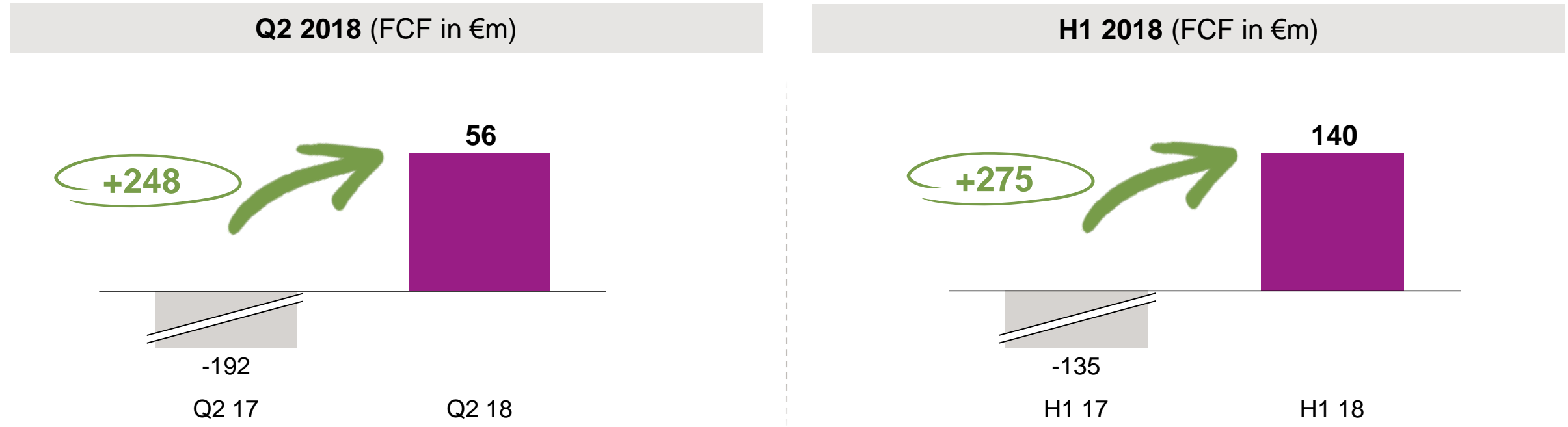
(Margin: 19.1%)

yoy higher earnings in all 16 business lines

1. Improvement yoy: Q2 18 vs. Q2 17 | 2017 financials restated for IFRS 15

Free Cash Flow Q2 2018

Substantial progress on FCF development: Q2 and H1 FCF clearly positive

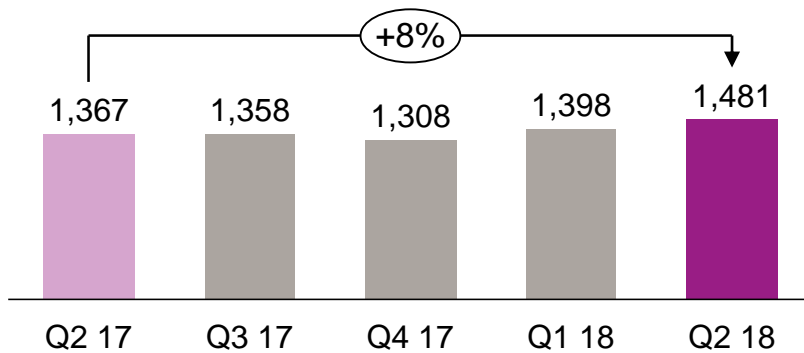


▪ Increase in FCF mainly driven by **higher earnings** and **increased focus on cash-generation**

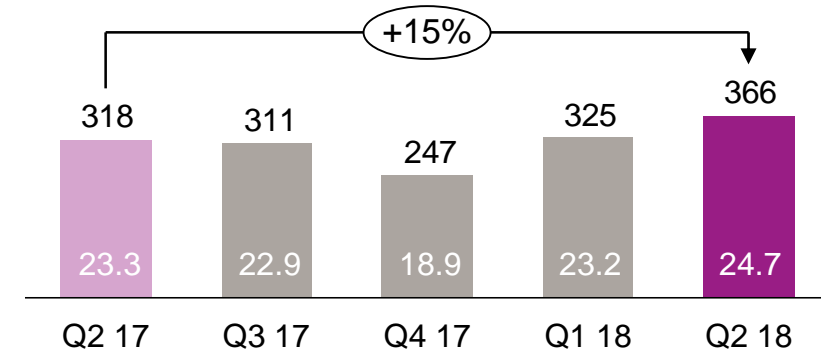
Resource Efficiency

All business lines exceeding prior-year earnings

Sales (in € m)



Adj. EBITDA (in € m) / margin (in %)



Q2 18 vs. Q2 17

Volume	0% →	Price	+5% ↗	FX	-3% ↘	Other ¹	+6% ↗
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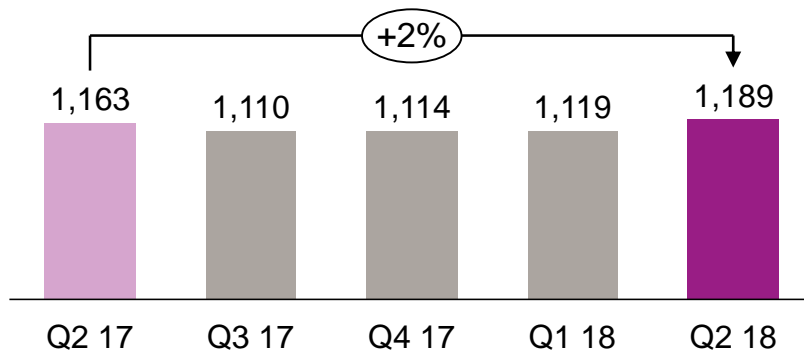
- Outstanding performance with all nine business lines exceeding prior-year earnings
- Continued high demand for majority of businesses, especially HPP, Silica and Coating Additives
- Stable volumes on good prior-year level. Plant utilization remains high, railway strikes in France negatively impacting volumes

1. Mix of portfolio effects and others | 2017 financials restated for IFRS 15

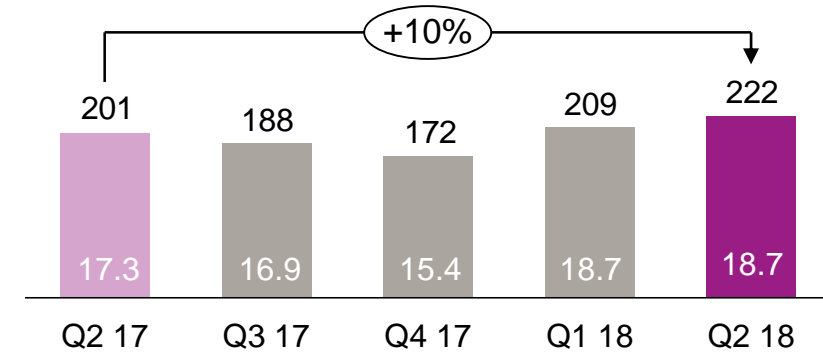
Nutrition & Care

Good operational performance continuing, margin further expanding

Sales (in € m)



Adj. EBITDA (in € m) / margin (in %)



Q2 18 vs. Q2 17	Volume	Price	FX	Other ¹
+3%	↗	0%	→	+3%
			↘	↗



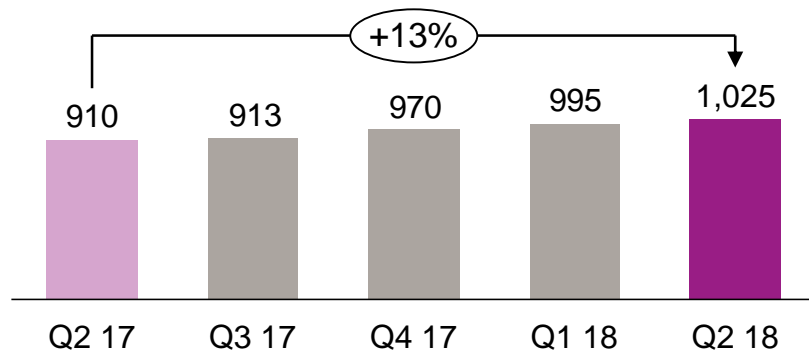
- Good operational performance continuing, driven by focus on product mix, raw material management and strict cost optimization
- Higher volumes across virtually all business lines
- Comfort & Insulation with continued positive development, Health Care with biggest absolute earnings growth year-on-year
- Methionine with robust demand trend and yoy higher volumes; prices stable on average 2017 level (in local currencies)

1. Mix of portfolio effects and others | 2017 financials restated for IFRS 15

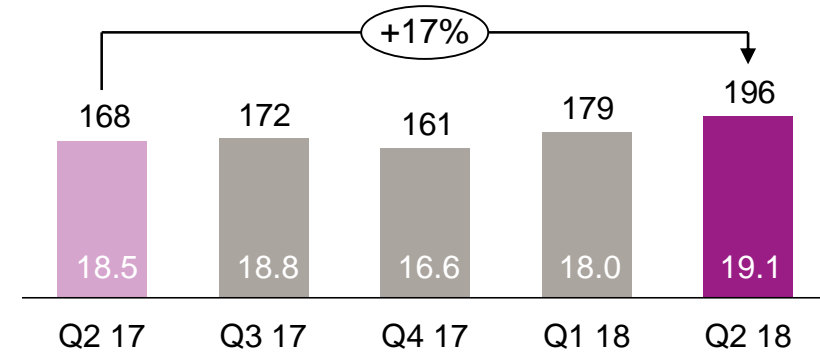
Performance Materials

Strong performance in Methacrylates to continue

Sales (in € m)

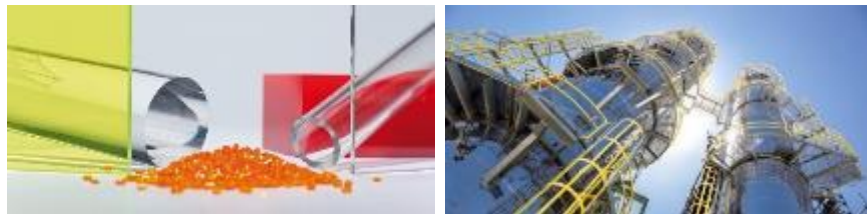


Adj. EBITDA (in € m) / margin (in %)



Q2 18 vs. Q2 17

Volume	+6% ↗	Price	+9% ↗	FX	-2% ↘	Other	0% →
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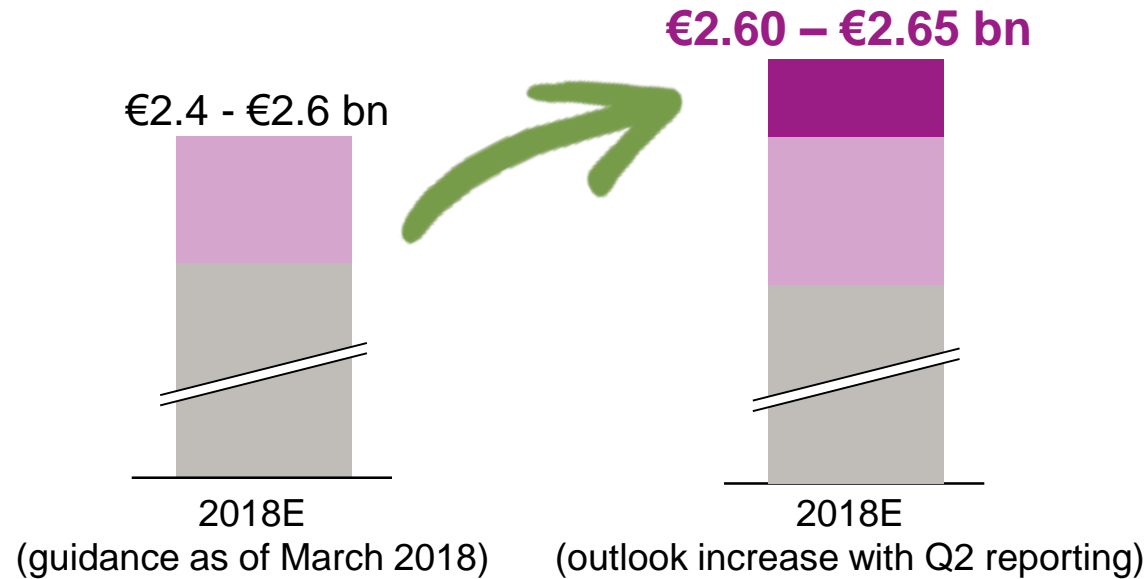


- Another good quarter for Performance Materials driven by MMA/PMMA
- Volumes (+6%) driven by ongoing good demand in MMA/PMMA, supported by easier comparables (Q2 17 impacted by force majeure in Antwerp)
- C4 business with sequentially improving market conditions

Outlook 2018

EBITDA and FCF outlook raised – Strong H1, confidence for H2

Adj. EBITDA and FCF outlook



▶ **FCF expected to be notably higher compared to prior year** (previously: slightly higher)



Outlook 2018

FY outlook for Nutrition & Care and Performance Materials raised

Segment outlook		
Nutrition & Care	“higher earnings yoy ”	previously: slightly higher
Resource Efficiency	“perceptibly higher earnings yoy”	
Performance Materials	“higher earnings yoy ”	previously: not achieve prior-year level



Additional indications for 2018

- Synergies from acquisitions (APD Specialty Chemicals & Huber Silica) **Additional synergies of ~€25 m** (Synergies 2018e: ~€40 m; 2017: ~€15 m)
- Huber Additional adj. EBITDA of **~€30 m** for further eight months of consolidation (closing Sept 1st 2017)
- ROCE **Above cost of capital** (10.0% before taxes) and around the level of last year (2017: 11.2%)
- Capex **~€1 bn** (2017: €1,078 m)
- Free cash flow **Changed to “notably higher compared to prior year”** (previously: “slightly above 2017”; 2017: €511 m)
- EUR/USD **Changed to 1.20 EUR/USD** (previously: 1.26; 2017: 1.13 EUR/USD)
- EUR/USD sensitivity¹ +/-1 USD cent = **-/+ ~€8 m** adj. EBITDA (FY basis)
- Adj. EBITDA Services **Slightly higher than in 2017** (2017: €123 m)
- Adj. EBITDA Corporate / Others **Slightly less negative than in 2017** (2017: -€346 m)
- Adj. D&A **€840 m** (2017: €870 m)
- Adj. net financial result² **~-€190 m** (2017: -€175 m); increase mainly due to hybrid bond issuance in July 2017
- Adj. tax rate **~29%** (2017: 29% including positive one-time effects from US tax reform in Q4, 31% without this one-time effect)

1. Including transaction effects (after hedging) and translation effects; before secondary / market effects | 2. Guidance for “Adj. net financial result” subject to interest rate fluctuations which influence discounting effects on provisions



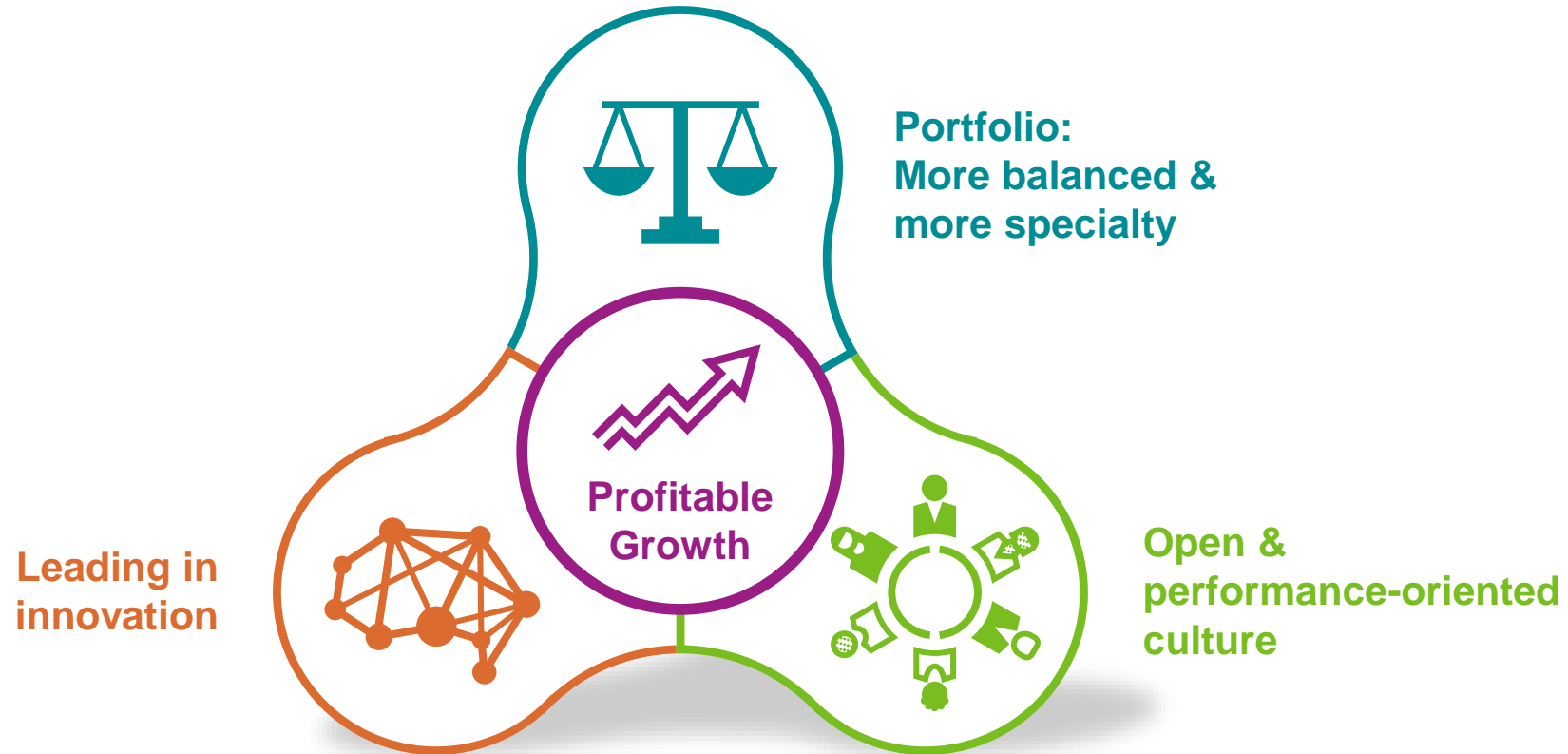
EVONIK

POWER TO CREATE

Appendix

- 1. Strategy Details**
2. Segment overview
3. Financials
4. Upcoming events

Targeting excellence in three strategic focus areas



Executing portfolio management on all levels

Achievements so far ... more to come

Major portfolio steps

- Acquisition of Air Products Specialty Additives
- Divestment of Methacrylates business



Bolt-on M&A and divestments

- Acquisition of Huber Silica
- Acquisition of Dr. Straetmans
- Sale of non-core Jayhawk agrochemicals site in Galena, Kansas (Performance Materials)








Optimization on business level

- Optimized strategic positioning for Animal Nutrition (adjust 2020)
- Business model renewal Household/ Personal Care (Oleo 2020)
- Streamlined setup of Performance Materials (Merger Functional Solutions & Agrochemicals)
- Dissolution of acrylic acid joint venture (StoHaas) in Baby Care

Portfolio management on all levels to support financial targets

Four growth engines

Growth drivers and product examples

	Growth trends and drivers	Product examples	Market growth
 <p>Specialty Additives “Small volume, big impact”</p>	<ul style="list-style-type: none"> More sophisticated requirements on additive effects Need for increased product performance and efficiency 	<p>Coating Additives PU-Additives Oil Additives</p>	 <p>5-6%</p>
 <p>Health & Care Preferred partner in Pharma and Cosmetics</p>	<ul style="list-style-type: none"> Increasing health-awareness and lifestyle Bio based products and environmentally-safe cosmetics 	<p>Pharma polymers Oleochemicals Advanced biotechnology</p>	 <p>5-6%</p>
 <p>Smart Materials Tailored functionalities for sustainable solutions</p>	<ul style="list-style-type: none"> Trend towards resource efficiency in high demanding applications Engineered materials and systems to fulfill high performance requirements 	<p>Rubber Silica & Silanes High Performance Polymers Membranes</p>	 <p>4-7%</p>
 <p>Animal Nutrition Comprehensive portfolio for more sustainable food chain</p>	<ul style="list-style-type: none"> Sustainable nutrition Improving food quality and safety 	<p>Amino acids Probiotics</p>	 <p>5-7%</p>

Targeted and disciplined M&A approach



Air Products
Performance Materials



Huber Silica



Dr. Straetmans

Purchase price

~ €3.5 bn

~ €600 m

~ €100 m

EBITDA margin

>20%

>20%

~20%

Market growth

~4-5%

~4-6%

~10%

Business

Highly attractive strategic fit, seamless integration into existing businesses

Disciplined expansion in high-growth & -margin businesses with excellent strategic fit

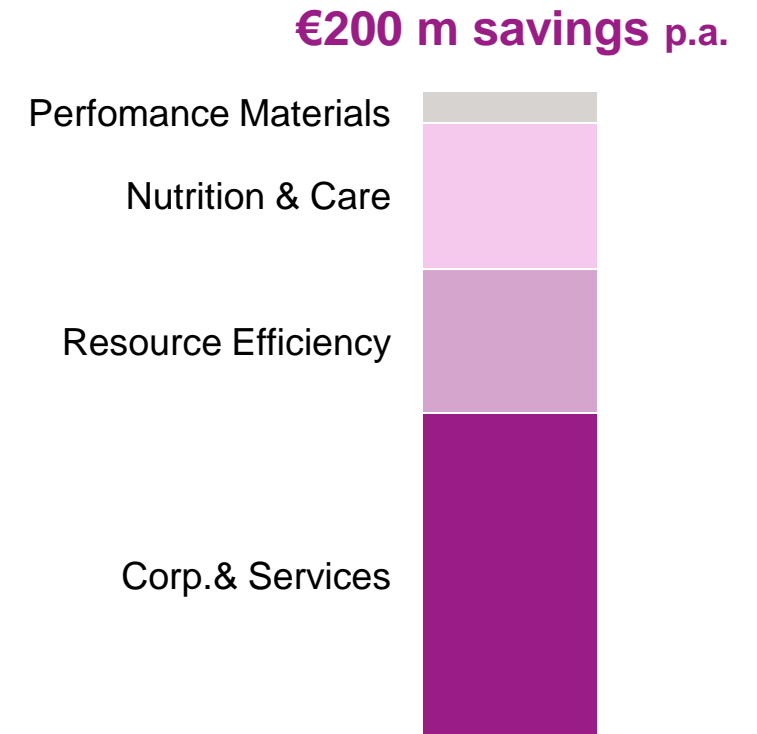
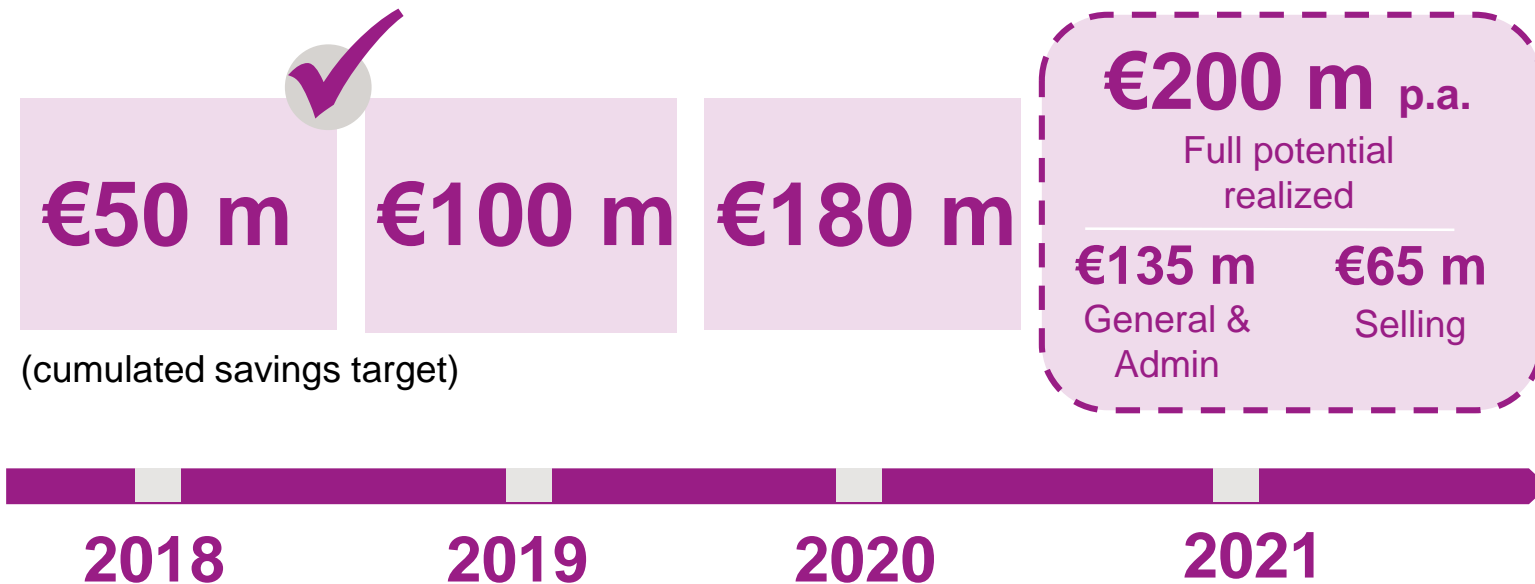
Achieving cost excellence

Targeting structural improvements in SG&A

Cost savings of **€200 m** p.a.

Reduction of **1,000 FTE**

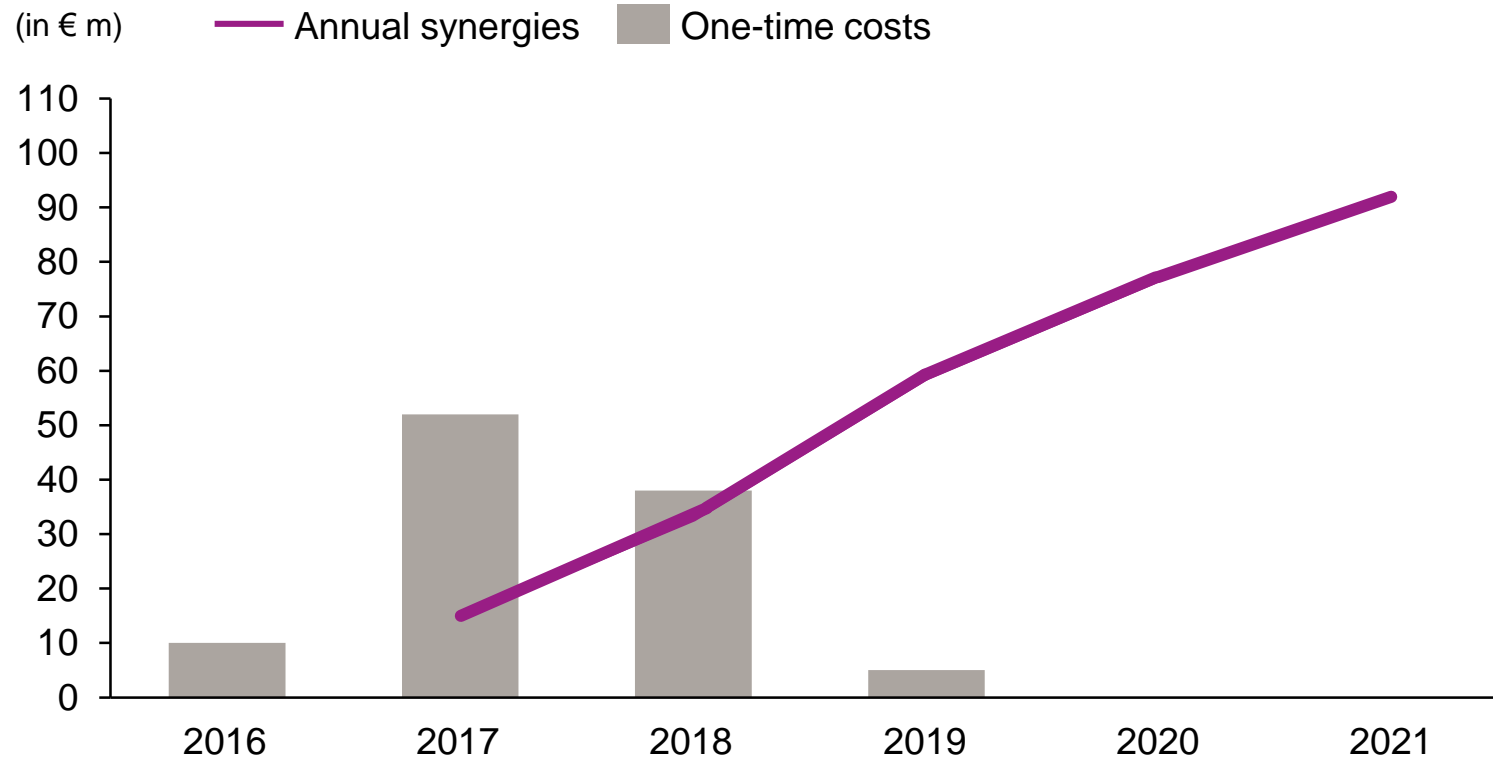
Savings **across all units and segments**



Implementation schedule for acquisition synergies

Ramp-up on track for Air Products specialty additives and Huber silica acquisitions

Implementation schedule



Total

Annual synergies

~ €85 m p.a. (USD100 m)
 APD: ~ €68 m p.a. (USD80 m)
 Huber: ~ €17 m p.a. (USD20 m)

One-time integration costs¹

~ €105 m p.a.
 APD: ~ €75 m p.a.
 Huber: ~ €30 m p.a.

1. Excluding transaction-related costs | Currency translation based on current EUR/USD rate of ~1.20

Leading in Innovation

Innovation growth fields with tangible size already today – strong growth ahead

Innovation Growth Fields

Advanced Food Ingredients



Additive Manufacturing



Sustainable Nutrition



Membranes



Cosmetic Solutions

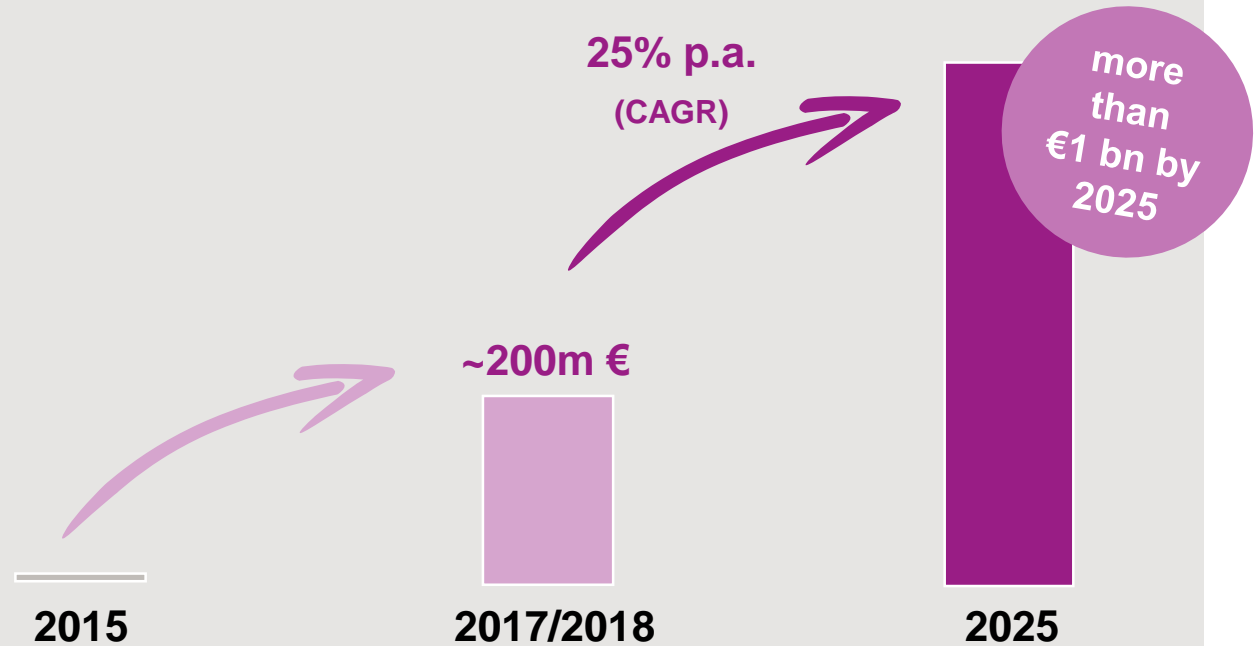


Healthcare Solutions



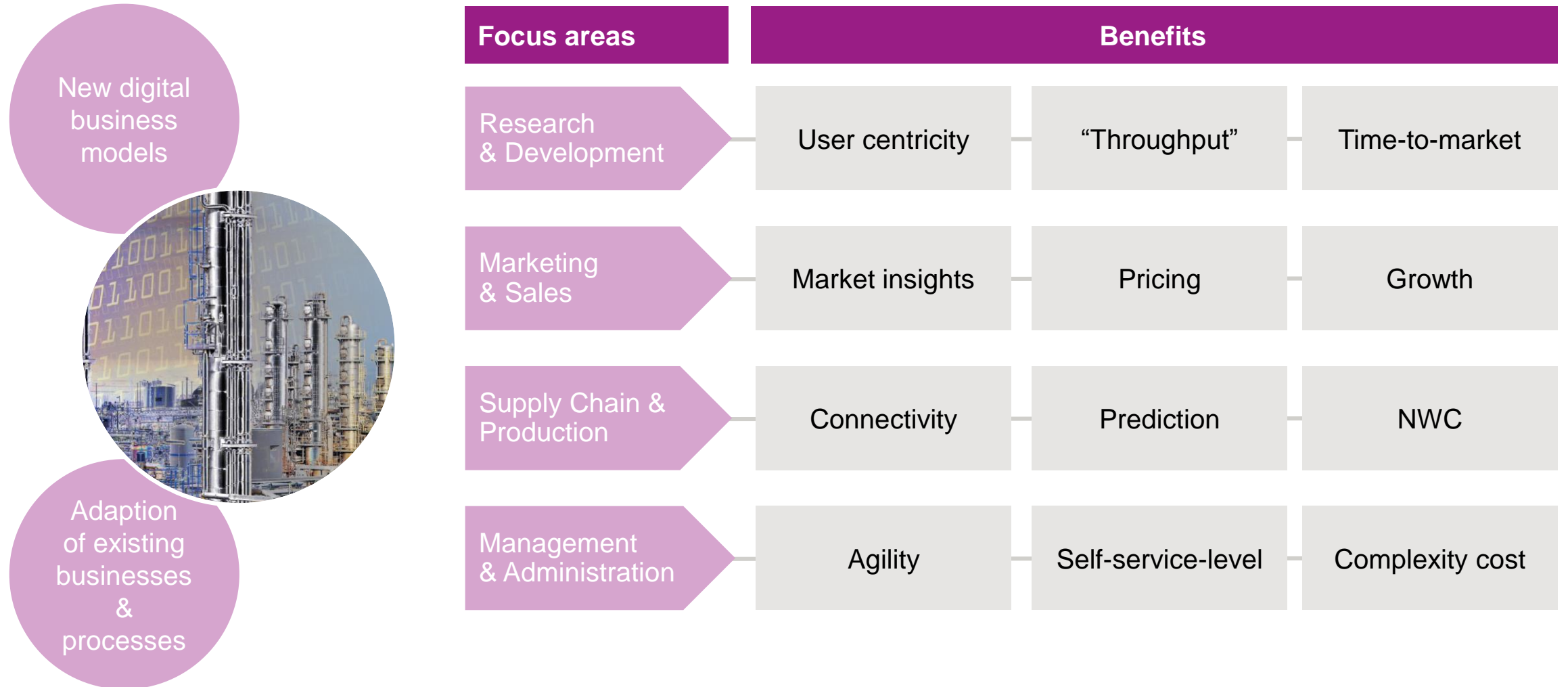
Sales contribution

Additional contribution to sales from Innovation Growth Fields



Digital innovations provide the means for value creation

Digital transformation offers broad-based opportunities



Open & performance-oriented culture

New corporate values as guidelines for cultural change

Performance

We demand excellence – and results. For our customers and our company only the best will do.

Trust

We believe in each other. Mutual respect, close collaboration and initiative are our driving forces.

Openness

We are curious and like to think outside the box. This means embracing new and diverse perspectives, sharing and open dialog.

Speed

We are ready for the future and moving fast towards it. We are agile, decisive, and quick to react.



Appendix

1. Strategy Details
- 2. Segment overview**
3. Financials
4. Upcoming events

Evonik Group

Number of BL's will be reduced from 22 to 17

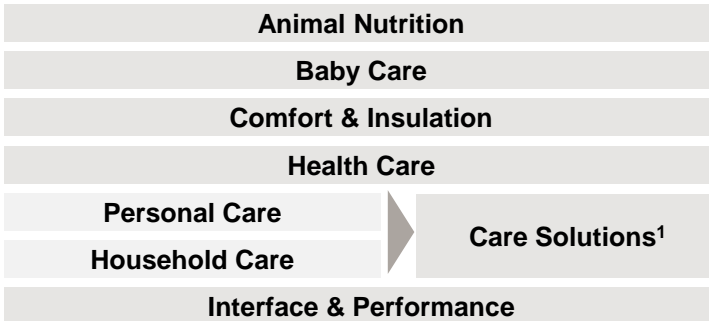
Nutrition & Care



Sales
€4,507 m



Adj. EBITDA / Margin
€747 m / 16.6%



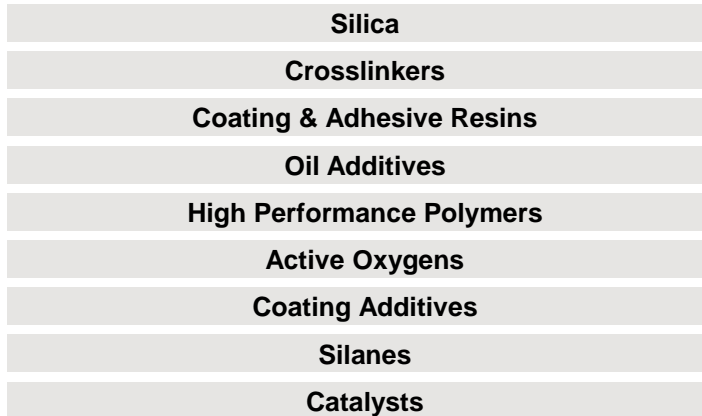
Resource Efficiency



Sales
€5,393 m



Adj. EBITDA / Margin
€1,173 m / 21.8%



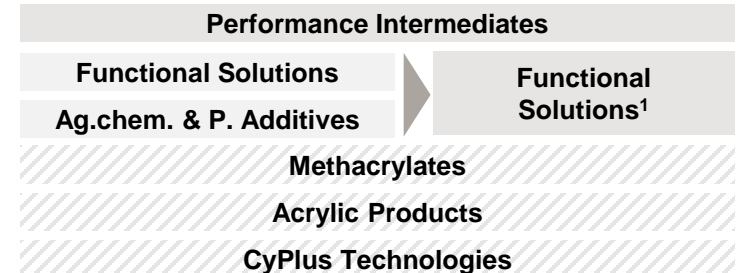
Performance Materials



Sales
€3,751 m



Adj. EBITDA / Margin
€658 m / 17.5%



Divestment process started

Nutrition & Care

Fulfilling human needs in a globalizing world

Key characteristics

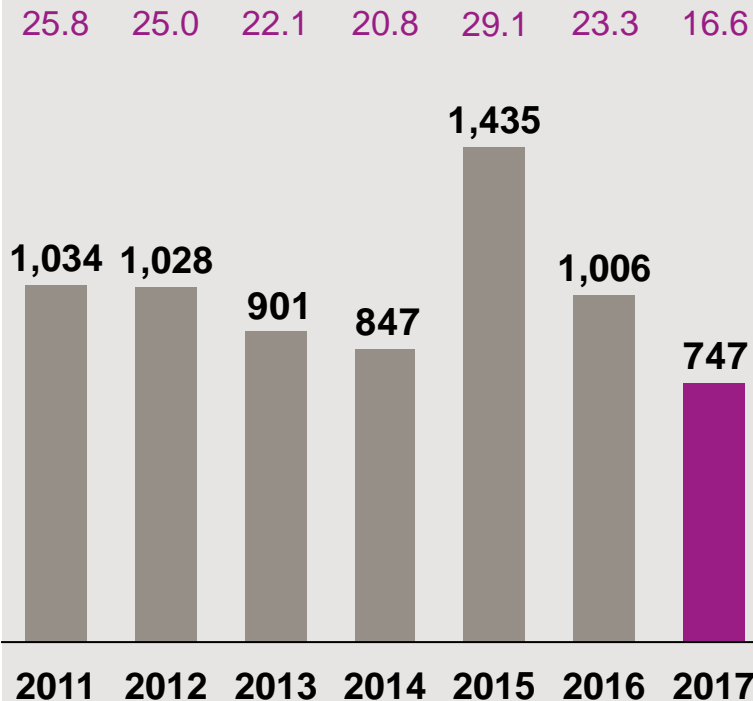
- High degree of **customer intimacy and market know-how**
- Enabling our customers to deliver **differentiating solutions** in their markets
- **Excellent technology platforms**
- **Sustainability** as major growth driver

Key products

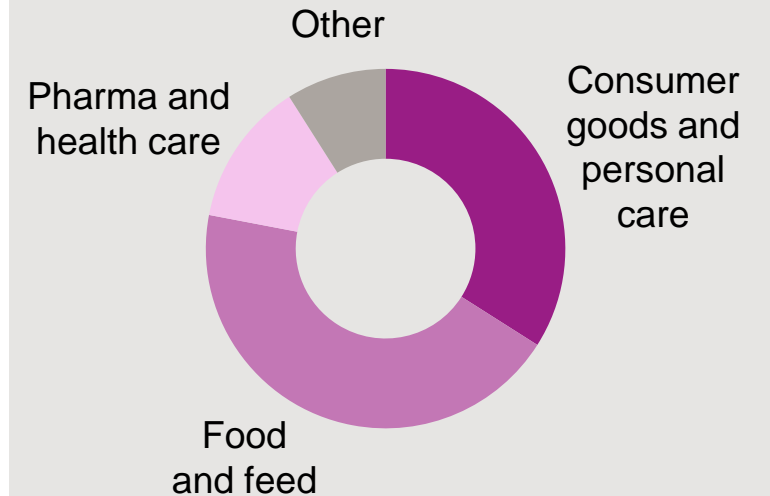
- Amino acids for professional animal nutrition
- Ingredients for cosmetic products
- Superabsorbents for baby diapers
- Drug delivery systems for controlled drug release



Adj. EBITDA (€ m) and margin (%)

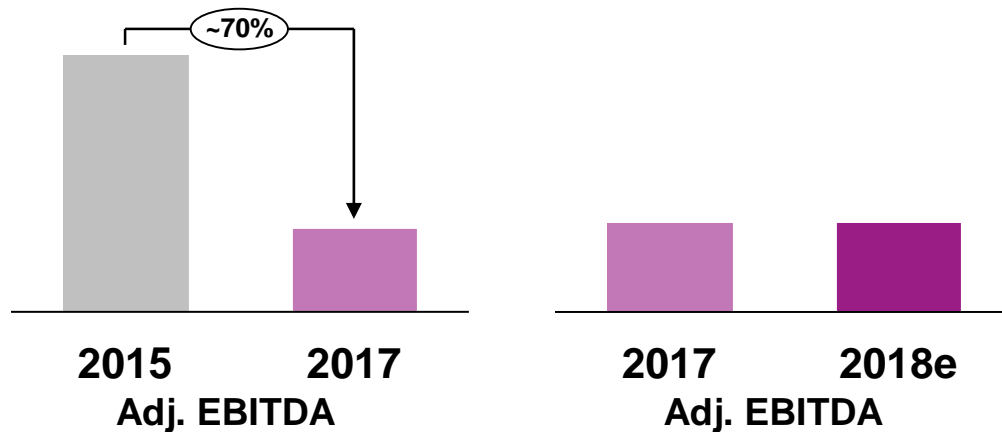


End market split



Strong growth in all business lines of Nutrition & Care has been overshadowed by declining prices in Animal Nutrition and Baby Care

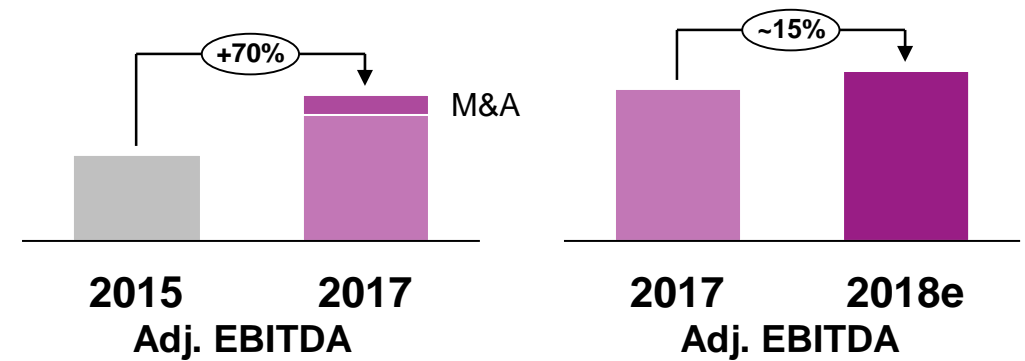
Animal Nutrition and Baby Care



- Earnings decline since 2015 due to normalization of methionine price and overcapacities in Baby Care (Superabsorbents)
- 2018 showing clear signs of stabilization

Other Nutrition & Care business lines





(Comfort & Insulation, Health Care, Personal Care, Household Care, Interface & Performance)



- Strong earnings growth since 2015 – finally becoming visible in 2018
- Besides Comfort & Insulation (organic growth and M&A-driven), Personal Care and Health Care as major drivers

Nutrition & Care




Business Line overview (1/2)

	Animal Nutrition 	Baby Care 	Personal Care 	Household Care 
Key products	<ul style="list-style-type: none">▪ Methionine▪ Lysine, Threonine, Tryptophan	<ul style="list-style-type: none">▪ Superabsorbents	<ul style="list-style-type: none">▪ Actives▪ Emulsifiers▪ Conditioners	<ul style="list-style-type: none">▪ Fabric conditioners▪ Specialty surfactants
Main Applications	<ul style="list-style-type: none">▪ Feed additives and services for animal nutrition	<ul style="list-style-type: none">▪ Baby Care▪ Female Care▪ Adult Care	<ul style="list-style-type: none">▪ Personal Care	<ul style="list-style-type: none">▪ Laundry care▪ Home care▪ Car care
Market position¹	<ul style="list-style-type: none">▪ # 1 in Feed Amino Acids	<ul style="list-style-type: none">▪ # 2-3 in superabsorbents	<ul style="list-style-type: none">▪ # 3-4 in cosmetic ingredients	<ul style="list-style-type: none">▪ # 1 in fabric softeners
Main competitors	<ul style="list-style-type: none">▪ Chem China/Adisseo▪ Novus▪ Ajinomoto▪ Cheil Jedang	<ul style="list-style-type: none">▪ BASF▪ Nippon Shokubai	<ul style="list-style-type: none">▪ Ashland▪ BASF▪ Croda	<ul style="list-style-type: none">▪ AkzoNobel▪ BASF▪ Solvay▪ Stepan

1. Company estimates for relevant markets based on multiple research reports

Nutrition & Care

Business Line overview (2/2)

	Health Care 	Comfort & Insulation 	Interface & Performance 
Key products	<ul style="list-style-type: none">▪ Pharmaceutical coatings▪ Active pharma ingredients▪ Pharma grade amino acids	<ul style="list-style-type: none">▪ Foam stabilizers▪ Catalysts▪ Release agents	<ul style="list-style-type: none">▪ Release coatings▪ Super spreading additives
Main Applications	<ul style="list-style-type: none">▪ Drug delivery systems for oral and parenteral dosage▪ Tailor-made pharmaceutical syntheses▪ Pharma Amino Acids	<ul style="list-style-type: none">▪ Furniture / appliances▪ Construction▪ Automotive	<ul style="list-style-type: none">▪ Packaging / tapes▪ Agrochemicals▪ Plastic additives
Market position¹	<ul style="list-style-type: none">▪ # 1 Functional Polymers for Controlled Release▪ # 3 Exclusive Synthesis▪ # 3 Pharma Amino Acids	<ul style="list-style-type: none">▪ # 1 in polyurethane foam additives	<ul style="list-style-type: none">▪ # 1-2 in release coatings
Main competitors	<ul style="list-style-type: none">▪ BASF▪ DSM▪ Lonza▪ Ajinomoto	<ul style="list-style-type: none">▪ Maysta▪ Momentive	<ul style="list-style-type: none">▪ Clariant▪ Dow Corning▪ Momentive▪ Wacker

1. Company estimates for relevant markets based on multiple research reports

Spotlight on Nutrition & Care

Pioneer solutions for nutrition, healthcare, personal care and everyday living

A high-value portfolio shaped by the individual needs of our customers

- 1 Non-cyclical growth trends** Serving end markets with **robust and resilient growth (~5%)**
- 2 Technology platforms** **Strong backbone** for innovation & growth (e.g. Silicone Chemistry, Advanced Biotechnology)
- 3 Innovation** **Breakthrough innovations:** biodegradable medical devices, all-natural cosmetic raw materials, algae-based omega-3 fatty acids
- 4 Efficiency** Advance leadership by **growth initiatives & efficiency improvements**



Portfolio Management – Animal Nutrition

Advance leadership position by growth initiatives and efficiency gains

Strategic review process conducted in Animal Nutrition

Broaden portfolio



...beyond amino acids:

- Probiotics
- CreAMINO®
- Omega-3 fatty acids
- Diagnostics

Manage production setup



- Contract manufacturing for bio-amino acids
- Closure of uneconomic sites (e.g. Threonine in Hungary)
- Synergy realization for lysine and omega-3 production in Blair, NE

Optimize cost base



- Process innovations to improve Methionine production cost base
- Streamlining supply chain
- Evolution of sales & marketing: strict cost-to-serve approach

**Double-digit
annual growth rates**

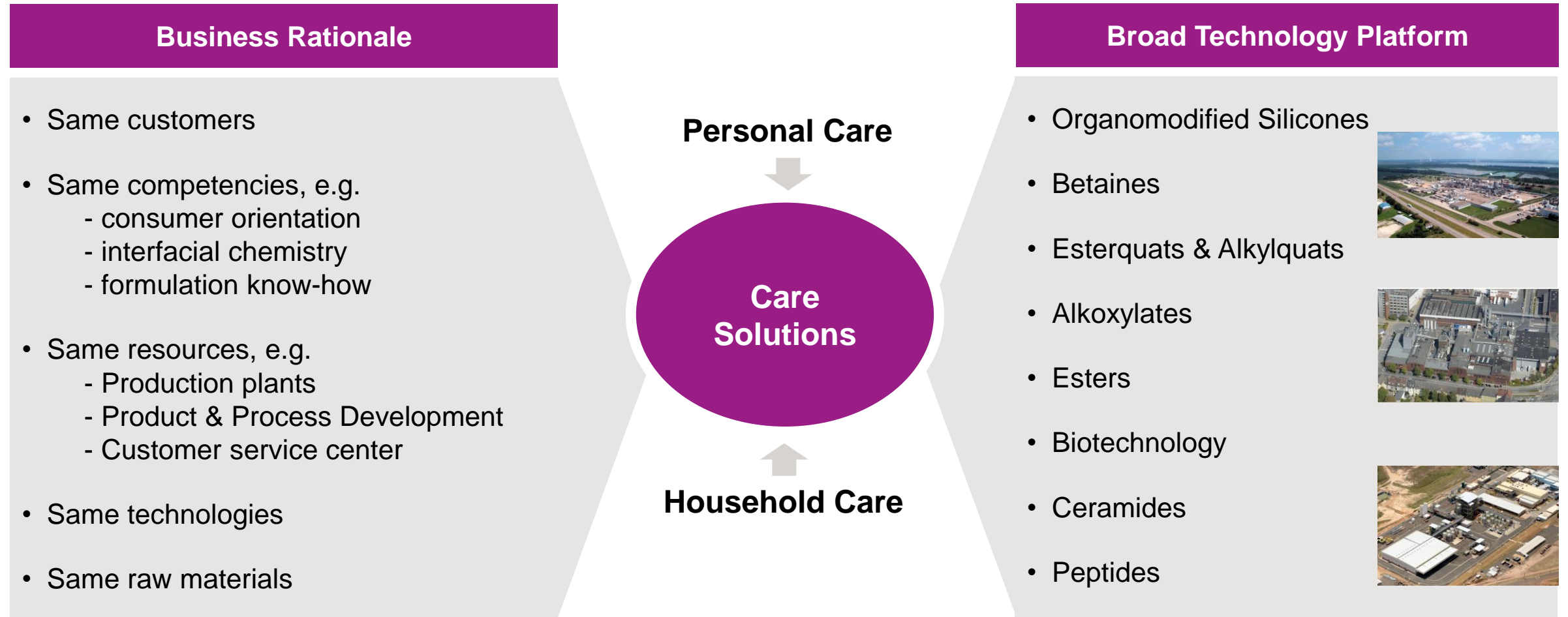
€50 m p.a. efficiency improvements (“adjust 2020”)

→ First savings already in 2018; full savings by 2020

→ Reduction of ~270 FTE across all functions

Building a “Care Solutions” Powerhouse

Combining Personal Care & Household Care business lines



Evonik Care Solutions












Leading partner for Care applications: Translating technologies into marketable solutions



Base Products e.g. Sec. Surfactants, Quats	Focus on Specialties
--	-----------------------------

Lean Organization / Optimize	Grow and expand portfolio
-------------------------------------	----------------------------------

Exemplary Applications

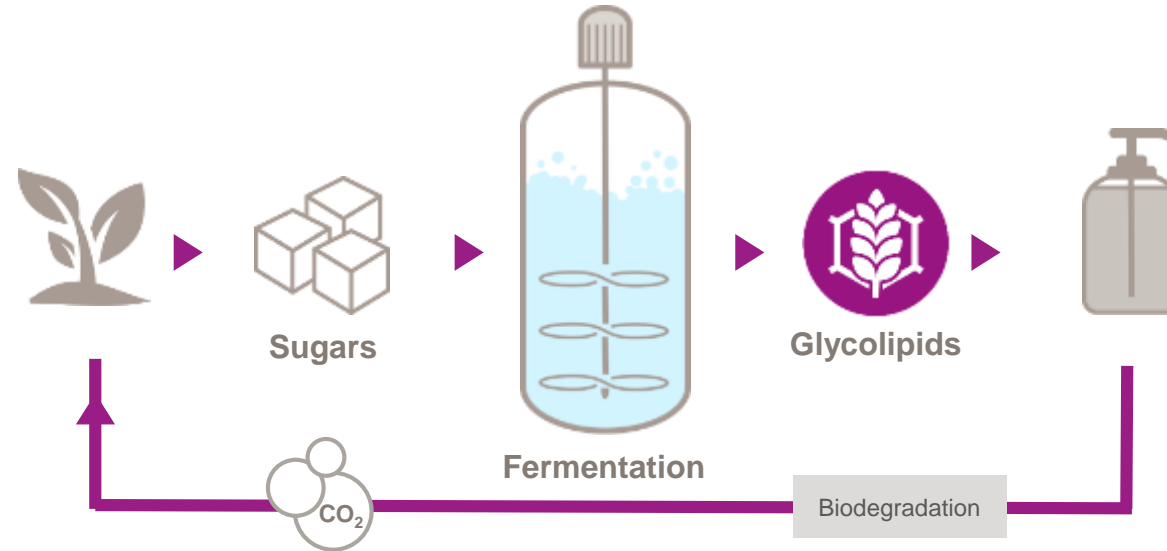
	Bath & Shower		Skin Care		Antiperspirants & Deodorants		Age Defying
	Hair Care		Sun Care		Colour Cosmetics		Industrial Institutional Cleaning
	Fabric Care		Drilling Fluid, Hydraulic Fracturing, Cementing Chemicals		Liquid Laundry Detergent		

¹ Sales from products/applications introduced in the past five years

Business Line Care Solutions: RHEANCE® Glycolipids / Biosurfactants

Biotechnology for a sustainable step change in cosmetic ingredients

Consumer demand:
Products from 100% renewable natural resource
(Traceable to plantation level)



Consumer products:
Multifunctional solution for gentle cleansing enabling 100% biodegradable skin and hair care products with a strong performance and eco-profile

Unique process – Unique products

- Nature-identical biomolecules
- By fermentation of sugars only
- No tropical oils needed
- Based on strong Evonik biotech platform

Evonik Health Care

An enabling portfolio of products, technologies & services for high-value partnerships



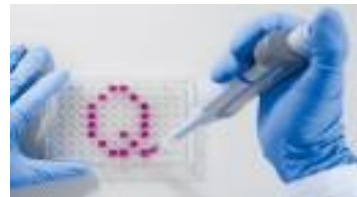
Pharmaceuticals



API contract manufacturing



Oral and parenteral drug delivery



Cell culture and tissue engineering

Bioresorbable Implants



Biomaterials



Application technologies

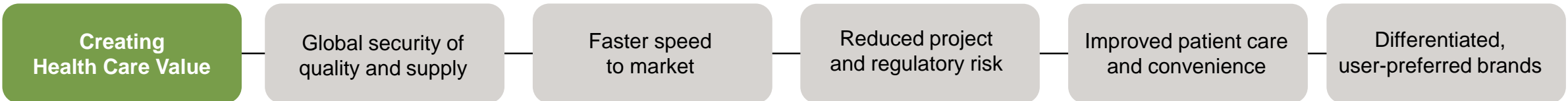
Nutraceuticals



Advanced food ingredients



Nutraceutical coatings

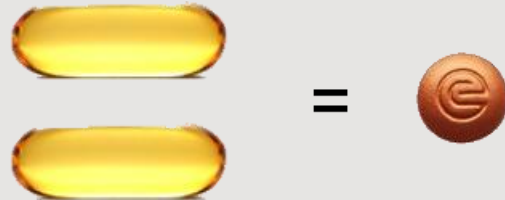


Business Line Health Care: AvailOm®

The highest-load Omega-3 powder for cardiovascular and cognitive health

- High-concentration lysine powder complex
 - Minimum of 45 percent EPA and DHA by weight
 - 3-5 times more bioavailable than standard Omega-3 softgels
- Directly compressible to easily combine with other ingredients
- Unmatched protection against oxidation: stable for at least 3 yrs.
- Clearance for use in the U.S., Europe and other markets
- New formulation opportunities for new consumer products

A small, single tablet has the same uptake of EPA and DHA as two fish oil capsules



DHA to help maintain normal brain function with EPA + DHA to maintain normal heart function



Cognitive health



Cardiovascular health

Resource Efficiency

Innovative products for resource-efficient solutions

Key characteristics

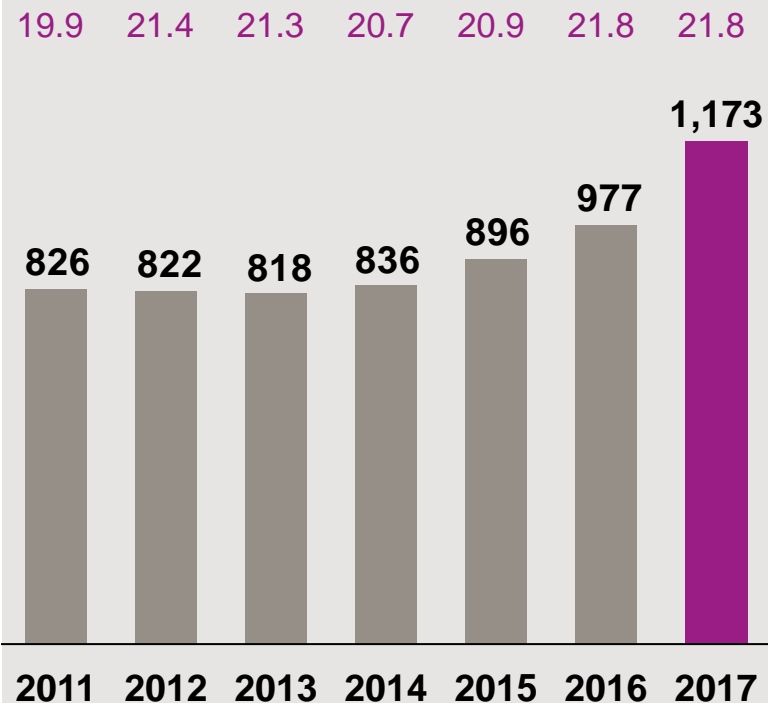
- Focus on **performance-impacting** and value-driving components
- **Minor share of cost** in most end products
- Strong focus on **technical service**
- **Low risk of substitution**
- High pricing power (**value-based pricing**)

Key products

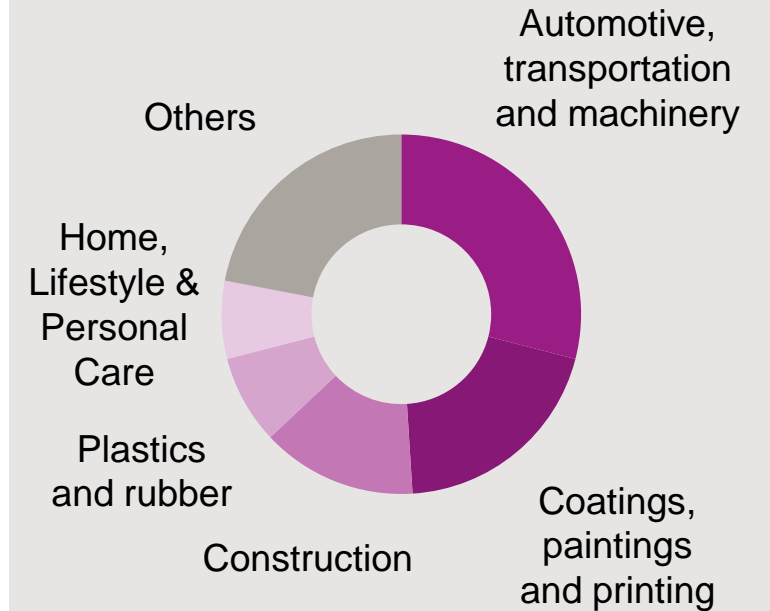
- Precipitated and fumed silica as flow property enhancers
- Crosslinkers for composite materials and coatings
- Viscosity modifiers for oils and hydraulic fluids



Adj. EBITDA (€ m) and margin (%)






End market split



Resource Efficiency




Business Line overview (1/3)

	Silica	Oil Additives	Crosslinkers
Key products	 <ul style="list-style-type: none"> ▪ Precipitated silica ▪ Fumed silica ▪ Special oxides 	 <ul style="list-style-type: none"> ▪ Lubricant additives (viscosity modifiers) 	 <ul style="list-style-type: none"> ▪ Crosslinkers for composites, elastomers and coatings
Main Applications	<ul style="list-style-type: none"> ▪ Silicone rubber ▪ Tires, green tires & rubber ▪ Paints & coatings ▪ Adhesives & sealants 	<ul style="list-style-type: none"> ▪ Automotive lubes ▪ Industrial lubes ▪ Hydraulic systems 	<ul style="list-style-type: none"> ▪ Composites ▪ Coatings & inks ▪ Construction / Flooring ▪ Automotive interior
Market position¹	<ul style="list-style-type: none"> ▪ # 1 in silicas (precipitated, fumed, special oxides, matting agents and specialty fillers) 	<ul style="list-style-type: none"> ▪ # 1 in viscosity modifiers for lubricants 	<ul style="list-style-type: none"> ▪ # 1 in isophorone chemicals
Main competitors	<ul style="list-style-type: none"> ▪ Cabot ▪ Solvay ▪ Wacker 	<ul style="list-style-type: none"> ▪ Infineum ▪ Lubrizol ▪ Afton ▪ Oronite 	<ul style="list-style-type: none"> ▪ BASF ▪ Covestro ▪ Wanhua

1. Company estimates for relevant markets based on multiple research reports

Resource Efficiency

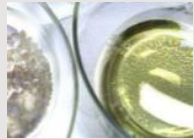


Business Line overview (2/3)

	Active Oxygens	High Performance Polymers	Coating & Adhesive Resins
Key products	 <ul style="list-style-type: none"> Hydrogen peroxide 	 <ul style="list-style-type: none"> High perf. polyamide (PA12) Polyetheretherketone (PEEK) Membranes and Polyimide fibres 	 <ul style="list-style-type: none"> Functional resins Adhesive hot melts Heat sealants Polybutadiene
Main Applications	<ul style="list-style-type: none"> Oxidising agent in chemical reactions Pulp & paper bleaching Electronics Fish-Farming 	<ul style="list-style-type: none"> Automotive components Medical Oil & gas pipes Additive manufacturing 	<ul style="list-style-type: none"> Hot melt Pre coated metal Protective coatings Road marking
Market position¹	<ul style="list-style-type: none"> # 2 in hydrogen peroxide 	<ul style="list-style-type: none"> # 1 in PA12 	<ul style="list-style-type: none"> # 1 in polyester resins
Main competitors	<ul style="list-style-type: none"> Arkema Solvay 	<ul style="list-style-type: none"> Arkema EMS Solvay Victrex 	<ul style="list-style-type: none"> Dow DSM Mitsubishi Chemical

1. Company estimates for relevant markets based on multiple research reports

Resource Efficiency

Business Line overview (3/3)

	 <h3>Silanes</h3>	 <h3>Coating Additives</h3>	 <h3>Catalysts</h3>
Key products	<ul style="list-style-type: none"> Chlorosilanes Organofunctional silanes Rubber silanes 	<ul style="list-style-type: none"> Additives for eco-friendly and high solid industrial coatings 	<ul style="list-style-type: none"> Activated base metal catalysts Precious metal catalysts Catalysts for industrial & petrochemicals
Main Applications	<ul style="list-style-type: none"> Fumed silica Optical fibres Adhesive & sealants Building protection 	<ul style="list-style-type: none"> Eco-friendly coatings (low VOC, water based) High solid industrial coatings 	<ul style="list-style-type: none"> Catalysts for chemical processes Enabler for process efficiency / innovation
Market position ¹	<ul style="list-style-type: none"> # 1 in chlorosilanes # 1 in organofunctional and rubber silanes 	<ul style="list-style-type: none"> # 2 in high performance additives for coatings and inks # 1-2 in silicone resins for special applications 	<ul style="list-style-type: none"> #1 in precious metal powder catalysts #2 in activated base metal catalysts
Main competitors	<ul style="list-style-type: none"> Dow Chemical (Dow Corning) Momentive Shin Etsu Tokuyama 	<ul style="list-style-type: none"> Altana BASF Dow Chemical (Dow Corning) 	<ul style="list-style-type: none"> BASF Clariant Johnson Matthey WR Grace

1. Company estimates for relevant markets based on multiple research reports

Resource Efficiency

True specialty segment as strong value driver for Evonik

High profitability and high-value specialty portfolio

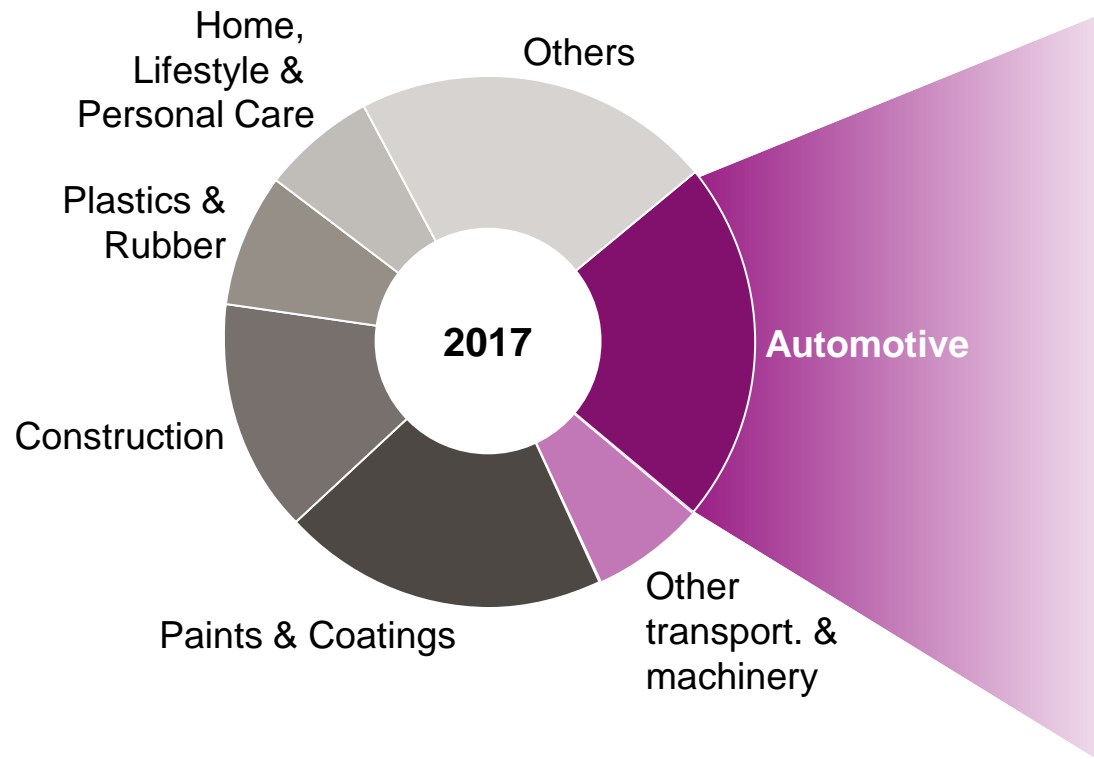
- 1 Portfolio** → High-value and resilient specialty business with broad application scope
- 2 Financials** → Commitment to continue growth track record with resilient EBITDA margins >20%
- 3 Innovation** → Strong technology platforms, application know-how and innovation focus
- 4 Efficiency** → Continue efficiency improvement with focus on SG&A, digitalization and process efficiency



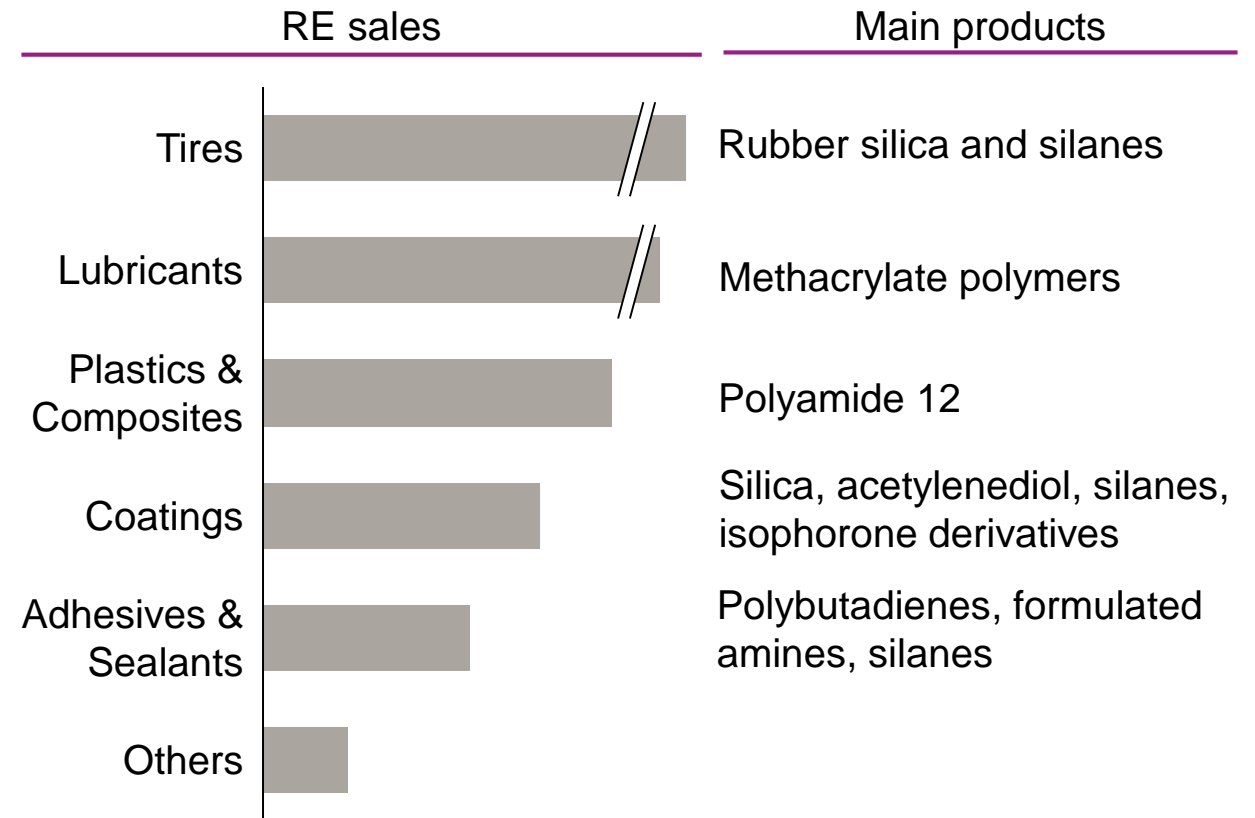
Resource Efficiency

Diversified auto product portfolio with broad OEM and replacement exposure

RE sales by Evonik end markets



Automotive end market by direct customer industries



RE sales split 2017

Business Line Silica

Silica market with strong growth, Evonik leading supplier with full coverage

Silica market

- Market growth: 4-6%, expected to stay clearly above GDP
- Main growth driver: eco-friendly and custom-tailored, steadily new applications
- Market access: reliable and cost competitive raw material base crucial

Evonik positioning

- Only supplier for both, **fumed** and **precipitated silica** as well as **metal oxides**
- **Superior process technology** (e.g. integrated silica-silane production platform)
- In-house “Verbund” and external **raw material** partners
- **Global production platform** (26 sites)
- Regional **customer proximity** (~200 M&S employees, presence in 100 countries)
- Unique product portfolio with **>100 larger volume specialties** as well as **customized solutions**



Business Line Silica

Innovation pipeline goes beyond the existing business

1 Re-innovate product solutions for existing markets

New ULTRASIL® grade for SUV tires

- Growing demand for larger SUVs tires
- Challenge for tire manufacturers: Sufficient stiffness in spite of their size
- **ULTRASIL® 7800 GR** offers the right mix to give SUV tires the needed stiffness, low rolling resistance and improved “grip”
- This reduces **CO2-emissions** and **lowers fuel consumption** by up to **8%**



2 Tap into new markets via application development

AEROXIDE® as additive in Li-ion batteries

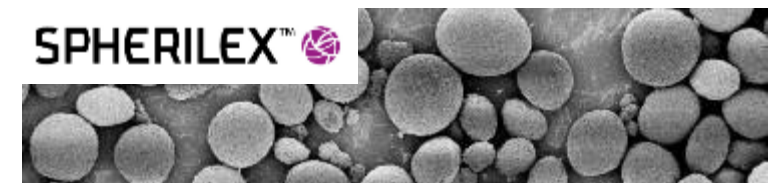
- Li-ion battery market shows a continued high growth rate, ultimately fueled by the **electric vehicle** market
- Key industry challenges are **performance, life-time,** and **safety** of the battery
- **AEROXIDE®** fumed metal oxides from Evonik help addressing these challenges as additives in Li-ion battery components



3 Create new technology options to enlarge the playing field

SPHERILEX® a new silica class

- New product class, unique, **patented manufacturing process** and materials
- Able to produce **novel, precipitated silica morphologies** with traditional raw materials
- Ability to control pore size, pore size distribution and surface area
- Applications examples: oral care, cosmetics and coatings



Business Line Silica

Investment highlights

Start-up	Investment	Rationale	Precipitated Silica	Fumed Silica
2017	Acquisition of Huber Silica Business	Excellent complementary fit for high-growth and resilient Silica business	X	
2018	New precipitated silica plant in South Carolina, USA	World-scale facility close to production plants of large tire manufacturers	X	
2019	Capacity expansion, Antwerp 2020	Investment in additional fumed silica capacities in Antwerp		X
2020	Capacity expansion in Adapazari, Turkey	Investment into additional precipitated silica capacities mainly for tire applications	X	
2021	Joint Venture with Wynca to produce fumed silica	First fumed silica plant in the attractive Chinese market with strong local partner		X

Business Line High Performance Polymers

Evonik to expand its leading position in powdered PA 12 for Additive Manufacturing

- Evonik VESTOSINT products have clear USP for powder-based 3D printing (e.g. chemicals resistance, melting point etc.)
- Strong growth potential with ongoing transition from prototyping to manufacturing
- Strong relationships with leading printer manufacturers (e.g. EOS, HP)
- New polyamide 12 powder plant in Marl
 - Investment in the mid double-digit million € range
 - New facility primarily produces high-performance powders for the 3D printing market, which is expanding heavily with double-digit growth rates



Business Line High Performance Polymers

Several growth markets benefitting from unique Polyamide 12 properties

Additive Manufacturing

Mid-term CAGR¹



VESTOSINT® **>15% p.a.**

- PA12 powders for various powder based 3D technologies

Unique PA12 benefit:
powder quality (shape & precision)

Automotive



VESTAMID® **5-10% p.a.**

- E.g. fuel lines for conventional vehicles & cooling lines for battery packages

Unique PA12 benefit:
impact & chemical resistance

Oil and Gas



VESTAMID® NRG **>10% p.a.**

- PA12 for large diameter pipes for offshore Oil and Gas production
- PA12 for onshore gas distribution

Unique PA12 benefit:
high strength & chemical resistance

Medical



VESTAMID® Care **5-10% p.a.**

- Heart catheters and tubes
- Durable medical equipment in imaging devices

Unique PA12 benefit:
biocompatibility

1. Evonik estimates

Business Line Coating Additives

Serving the high demand for eco-friendly, water-borne coatings

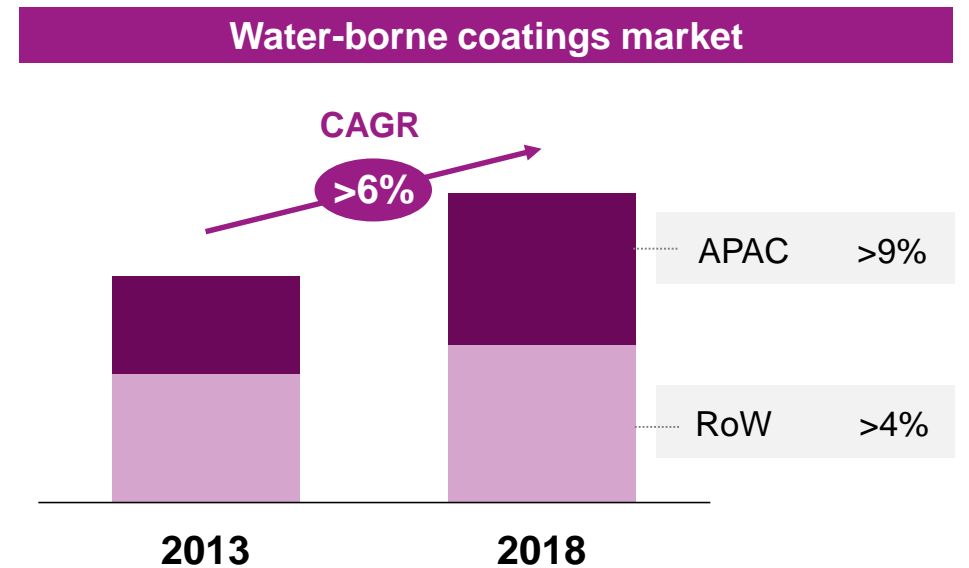
Challenges & needs:

- Chinese government introduced new coating-regulations to prevent solvent-borne coatings
- First step: only water-borne coatings allowed for container-paintings (China accounts for 90% of worldwide containers-production)
- Increasing use of waterborne coatings also for e.g., wood coatings, protective coatings, industrial coatings

Approach & Solution:

- Evonik as leading player for water-borne coatings
- Strong and innovative portfolio to serve the growing demand for water-borne coatings and applications from various industries

→ **Additional double digit million € sales in 2018**



Performance Materials

Integrated production platforms for efficient production of rubber and plastic intermediates

Key characteristics

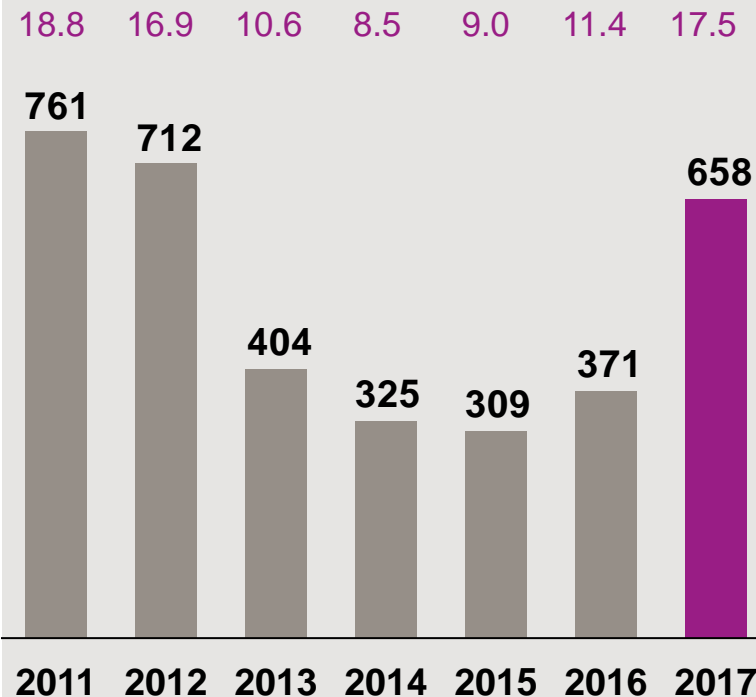
- Strong **integrated production platforms**
- **Leading cost positions**
- Favorable **raw material access**
- Focus on **continuous efficiency improvements**
- High degree of **supply reliability**

Key products

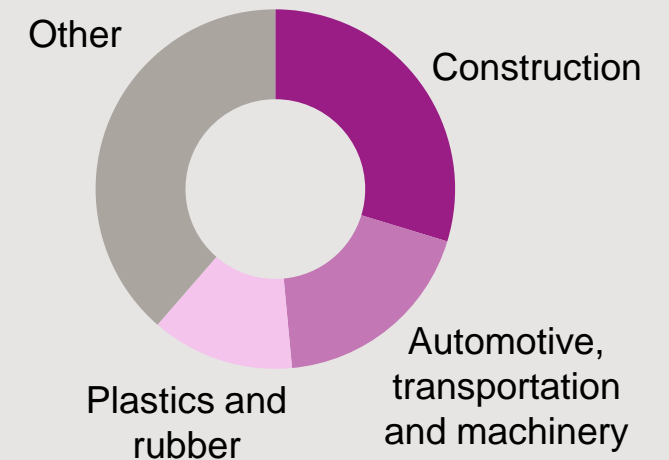
- Acrylic sheets, molding compounds (PMMA) and its precursors (MMA), e.g. for LED and touch screens
- Butadiene for synthetic rubber
- MTBE as fuel additive



Adj. EBITDA (€ m) and margin (%)






End market split



Performance Materials




Business Line overview (1/2)

	Performance Intermediates	Methacrylates	Acrylic Products
Key products	 <ul style="list-style-type: none"> Butadiene MTBE Butene-1 Plasticizers (INA & DINP) 	 <ul style="list-style-type: none"> Methylmethacrylate (MMA) & application monomers Molding compounds (PMMA granulate) 	 <ul style="list-style-type: none"> Acrylic sheets and semi-finished products (Plexiglas®/ Acrylite®) PMMA systems
Main Applications	<ul style="list-style-type: none"> Plastics Styrene-Butadiene-Rubber High performance polymers 	<ul style="list-style-type: none"> Coatings PMMA extrusion Light-weight systems Automotive components 	<ul style="list-style-type: none"> Construction Light-weight systems Automotive components Light-guiding systems
Market position¹	<ul style="list-style-type: none"> # 1 in Butene-1 # 2 in INA 	<ul style="list-style-type: none"> # 2 in MMA # 2 in PMMA molding compounds 	<ul style="list-style-type: none"> # 2 in PMMA sheets
Main competitors	<ul style="list-style-type: none"> BASF Sabic LyondellBasell 	<ul style="list-style-type: none"> LG MMA Mitsubishi Chemicals Sumitomo 	<ul style="list-style-type: none"> Arkema Mitsubishi Chemicals Sumitomo

1. Company estimates for relevant markets based on multiple research reports

Performance Materials

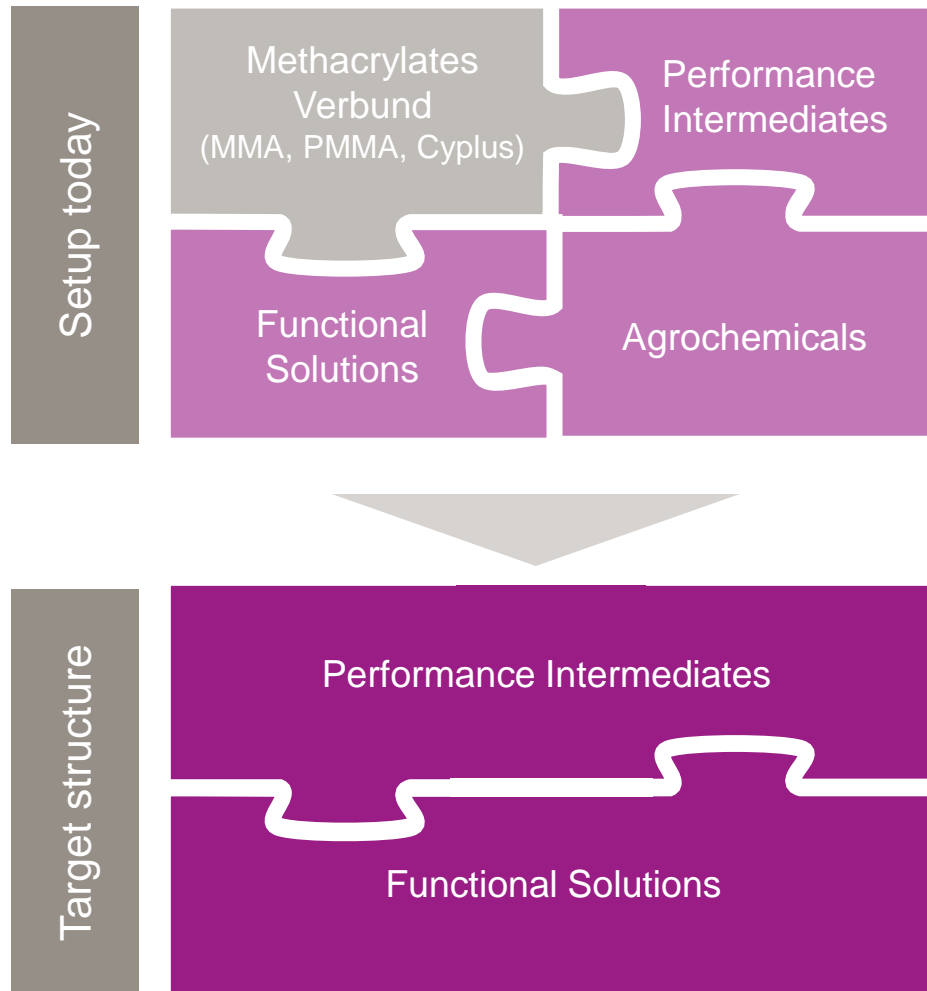
Business Line overview (2/2)

	Agrochemicals & Polymer Additives	Functional Solutions	CyPlus Technologies
Key products	 <ul style="list-style-type: none"> ▪ Triacetonamine ▪ Crosslinkers ▪ Precursors for crop protection 	 <ul style="list-style-type: none"> ▪ Alkoxides (e.g. sodium methylate) 	 <ul style="list-style-type: none"> ▪ Sodium cyanide ▪ Potassium cyanide
Main Applications	<ul style="list-style-type: none"> ▪ Polymer additives ▪ Optical brighteners ▪ Photovoltaic ▪ Agro chemicals 	<ul style="list-style-type: none"> ▪ Catalysts for biodiesel production 	<ul style="list-style-type: none"> ▪ Precious metals mining ▪ Fine chemicals
Market position¹	<ul style="list-style-type: none"> ▪ n.a. 	<ul style="list-style-type: none"> ▪ # 1 in alkoxides 	<ul style="list-style-type: none"> ▪ n.a.
Main competitors	<ul style="list-style-type: none"> ▪ Lanxess ▪ Weylchem 	<ul style="list-style-type: none"> ▪ BASF ▪ Smotec 	<ul style="list-style-type: none"> ▪ AGR ▪ DuPont ▪ Orica

1. Company estimates for relevant markets based on multiple research reports

Streamlined setup of Performance Materials segment

Merger Functional Solutions & Agrochemicals business lines



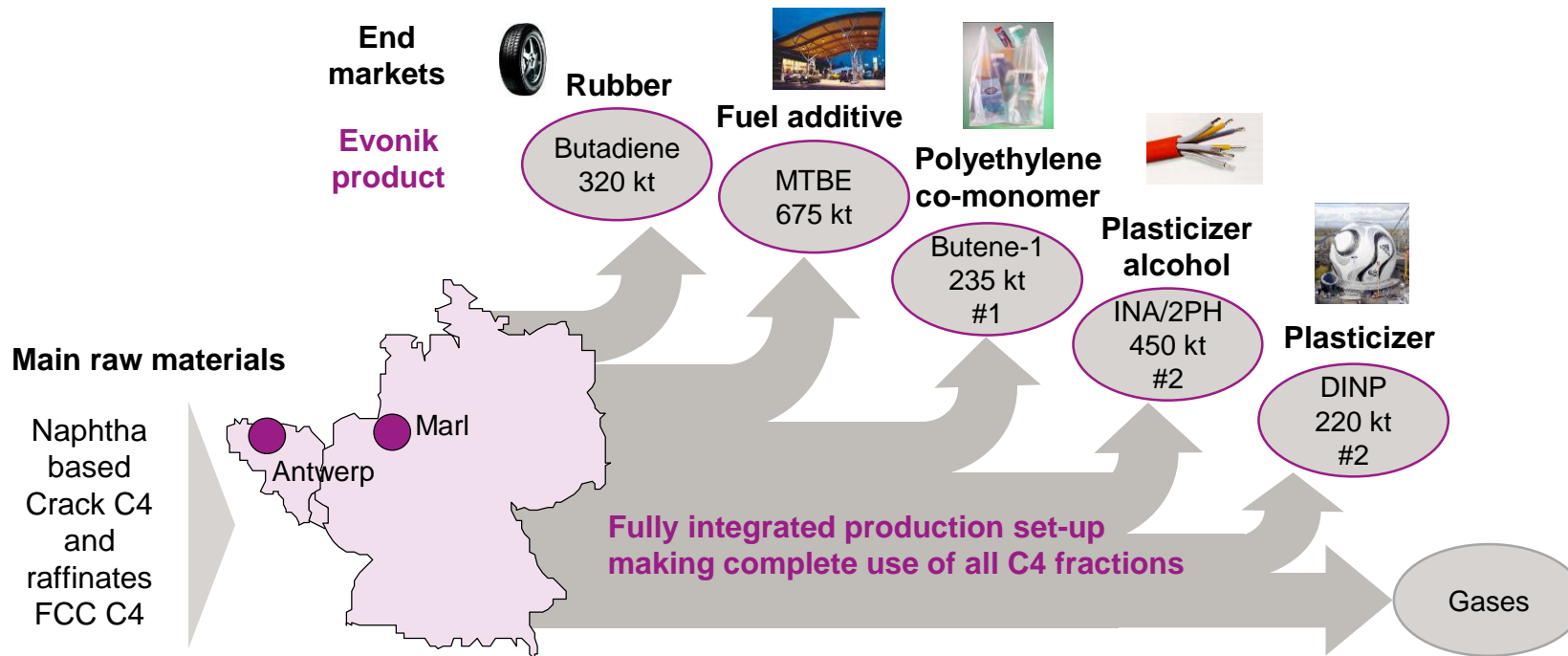
Merger Functional Solutions & Agrochemicals: Bundling of competencies

- **Complexity reduction:**
 - On segment level: Going forward, only 2 business lines in Performance Materials
 - On business line level: Reduction of product lines from 5 to 3 (in new Functional Solutions business line)
- **Efficiency improvement:**
 - Further optimization of Chlorine Verbund
 - More efficient supply chain organization
 - Bundling of mgmt. positions and support functions

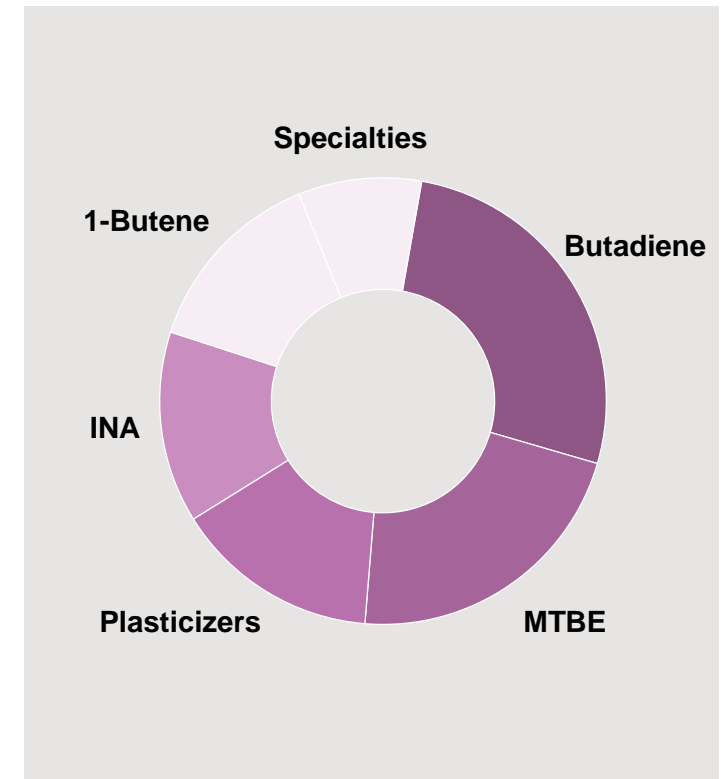
Performance Intermediates (C4 chain)

Fully integrated production platform in Europe

Capacity overview



Share of total sales by product



Strategic project to further strengthen our C4 chain



Target

C4 “Verbund” optimization through:

- Increased productivity
- Optimization of supply
- Higher product flexibility



Addressed levers

- Better utilization and debottlenecking of existing plants
- Better catalysts
- Improved product mix



Approach

Holistic evaluation of “Verbund” structure

- Interdisciplinary teams
- Agile cooperation methods like Scrum
- Scope: Products & Markets, Processes & Plants, Innovation



Financial impact

Consequent focus on efficiency

- Realization of main strategic targets while spending significantly less capex
- **Capex savings of ~55%** after completion

Portfolio Management – Methacrylates

Divestment of Methacrylates business

Business Facts

~€1.7 bn
sales in 2017

#2 globally
in MMA and PMMA

18 sites

Access to
C2, C3 & C4
-based technologies

~3,700
employees¹

>3%
global market growth

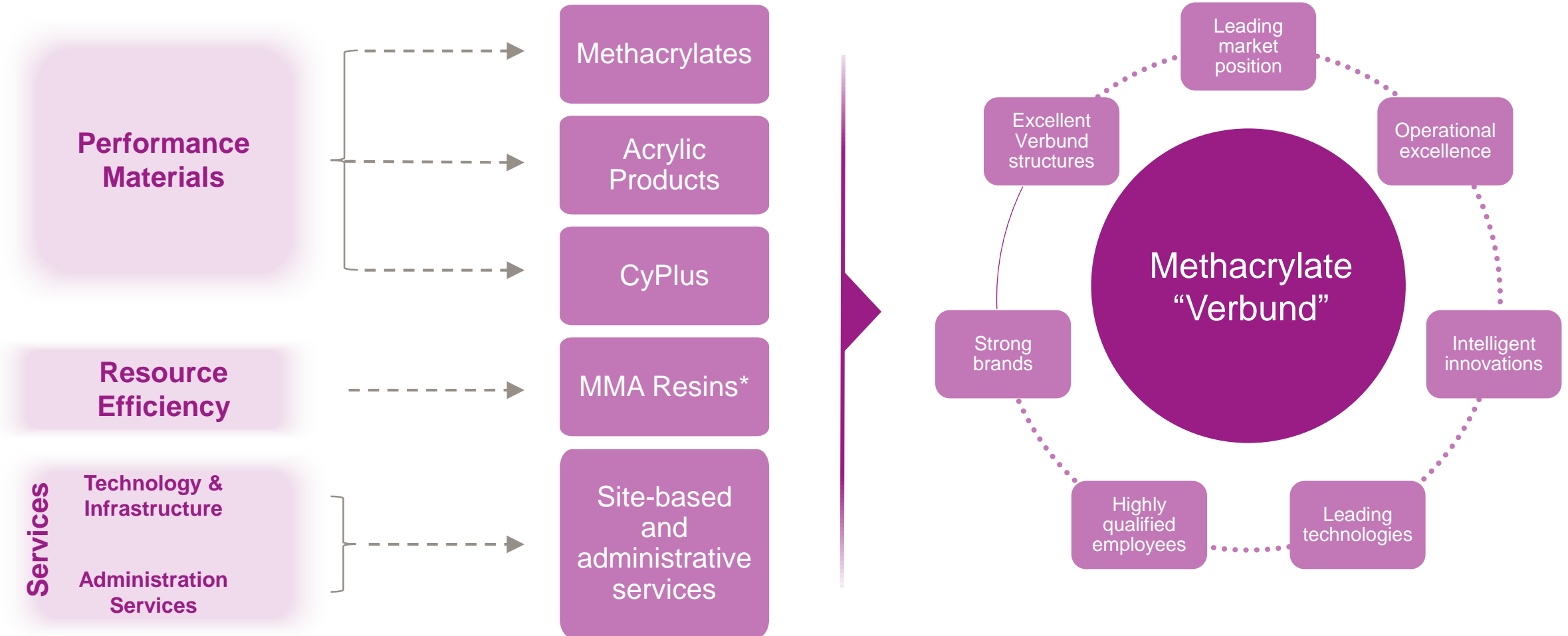
- Methacrylates in good shape and well positioned
- C2 technology “LiMA” opens new opportunities for the business
- Business perspectives cannot be realized with current portfolio role
- Driving process to find a new owner

**Divestment
process for
Methacrylates
initiated**

1. In operational and service functions

The new Verbund pools methacrylate competencies

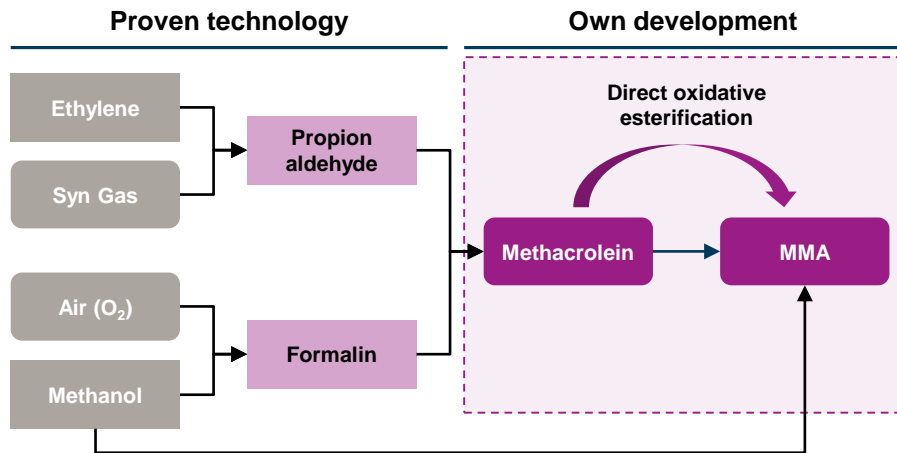
Our claim: the world's leading methacrylate business



* Product groups: Protective Coatings & Inks , Roadmarking & Flooring

Proprietary C2 MMA technology with disruptive potential

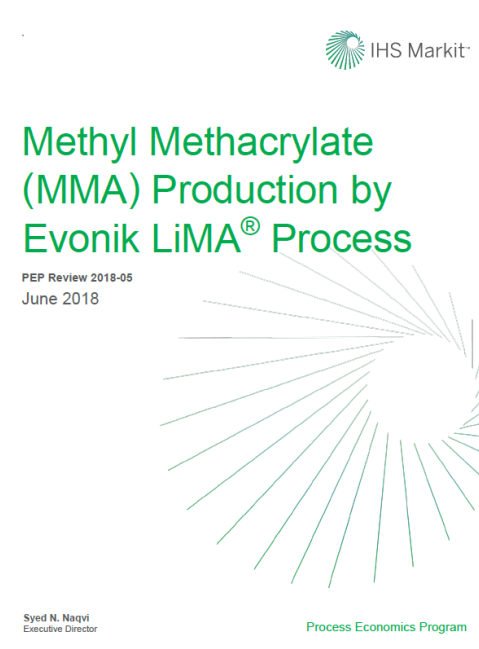
LiMA – C2 MMA production technology



Pilot plant with >10,000 hrs

- ➔ **Intelligent process ...**
proprietary catalyst with high yield and selectivity
- ➔ **Efficient new catalyst ...**
accesses shale gas as raw-material source
- ➔ **Best-in-class ...**
in environmental impact (emission, energy)

Advantages of LiMA



“Based on our analysis, we believe that LiMA has a strong potential to produce MMA at lower costs and with lesser environmental impact than Lucite’s Alpha process.”

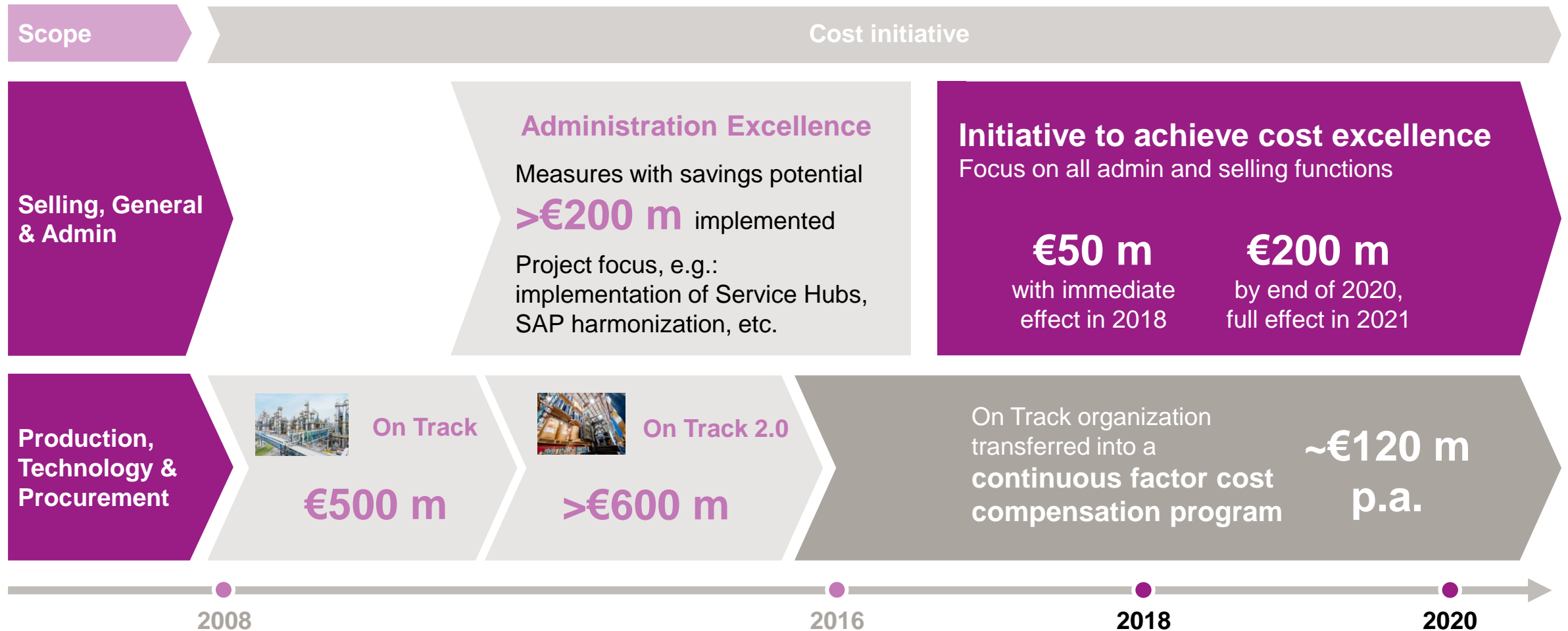
IHS PEP Review

Appendix

1. Strategy Details
2. Segment overview
- 3. Financials**
4. Upcoming events

Recent cost initiatives

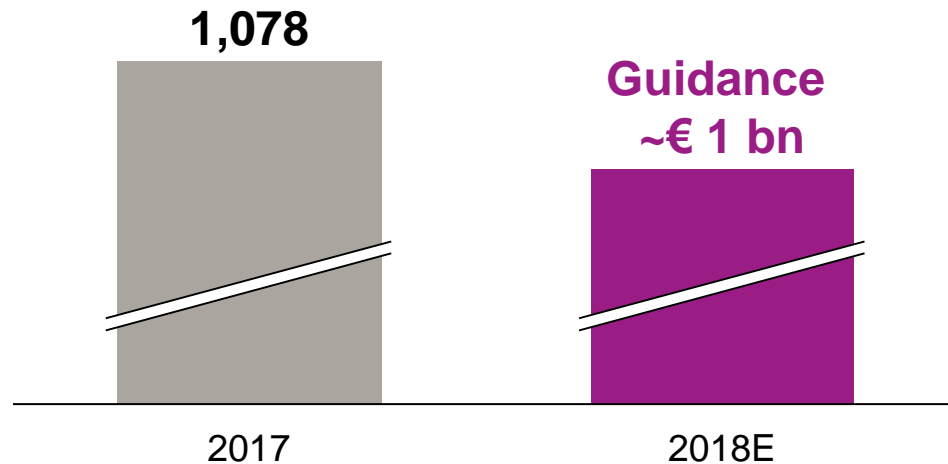
Program to achieve cost excellence in admin and selling initiated



Capex 2018

~€1 bn despite additional €150 m for Me6 plant

Capex development



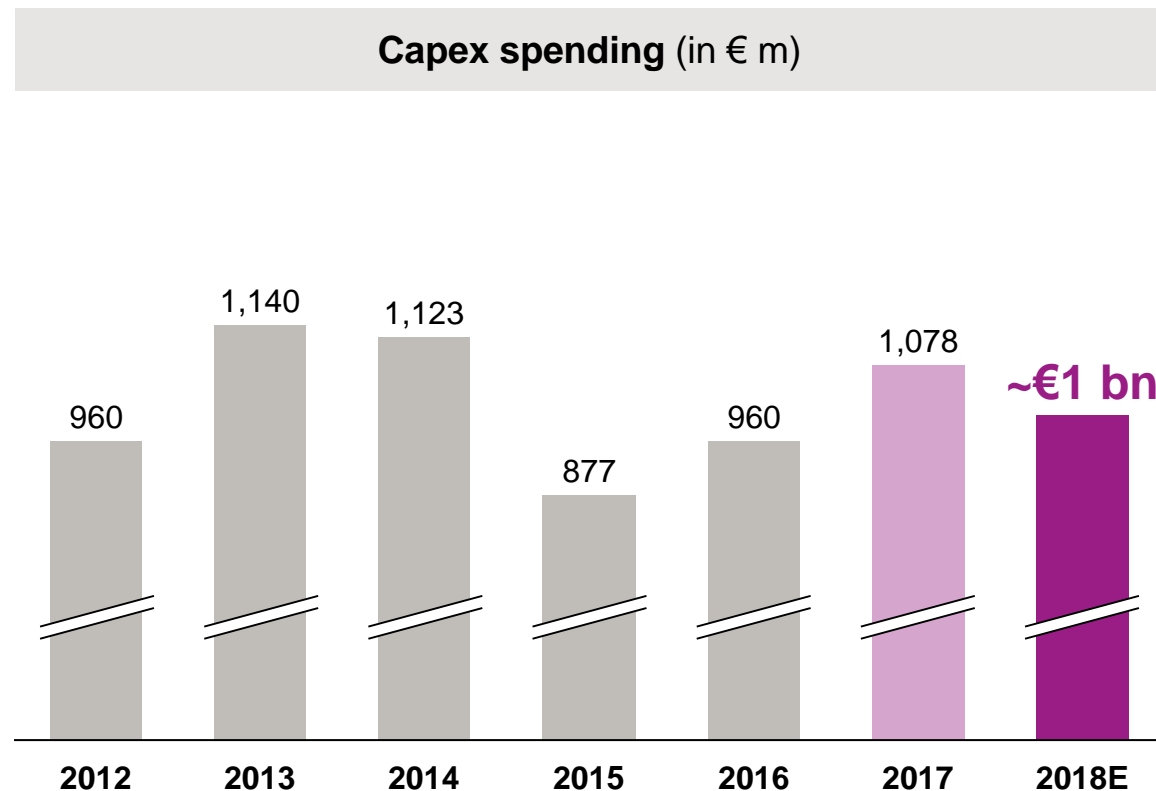
- Additional ~€150 m capex for Me6 plant in Singapore compared to prior year (total Me6 spending in 2018: ~€300 m)
- Overall lower capex in 2018 due to high capex discipline in form of reduced maintenance capex or postponement of projects

Top growth projects 2018

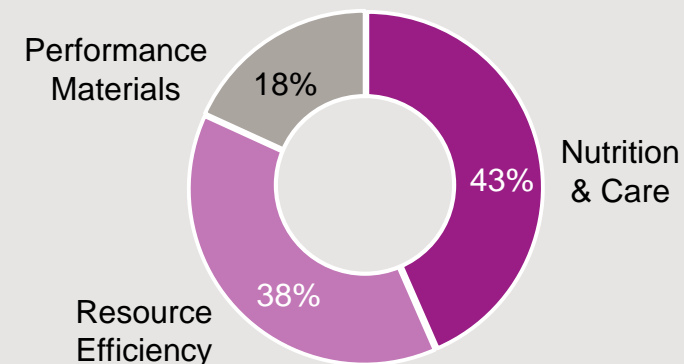
- **Methionine 6 (Me6)**
 - More than half a billion €, 2016-2019
Singapore
- **Extension precipitated silica**
 - ~€100 m; 2016-2018
Charleston, South Carolina
- **Extension of fumed silica**
 - Upper double-digit million €, 2017-2019
Antwerp
- **Veramaris (Green Ocean)**
 - ~€100 m (Evonik share), 2017-2019
Blair, Nebraska

Investments

Capex with significant decrease since 2013 – focus on growth segments



- Capex focus on the two growth segments
- **Sustainable capex level going forward: ~€900 - 950 m**
- Sizable investment projects will result in slightly elevated levels during project time (e.g. second Methionine plant in Singapore with more than half a billion € of Capex between 2016 and 2019, peaking in 2018)



Capex 2017 for chemical segments

Investments

Selective projects announced for 2018/2019

Investment projects successfully completed ...

Polyimide membrane exp.

Austria

Rationale: strengthen growth in attractive gas separation market and position as technology leader for membrane-based gas separation



PA12 powder exp.

Germany

Rationale: additional capacities target highly attractive growth markets (e.g. 3-D printing) and solidifies leading market position for PA 12



Specialty silicones plant

China

Rationale: local production increases flexibility in the fast growing market for specialty silicones (e.g. used in polyurethane, paints, and coatings)



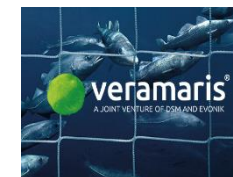
... and projects with start-up planned for 2019

Veramaris JV (Green Ocean)

United States

Start-up: 2019

Volume: ~€100 m



Extension of fumed silica

Belgium

Start-up: 2019

Volume: upper double-digit million €



New methionine plant (Me6)

Singapore

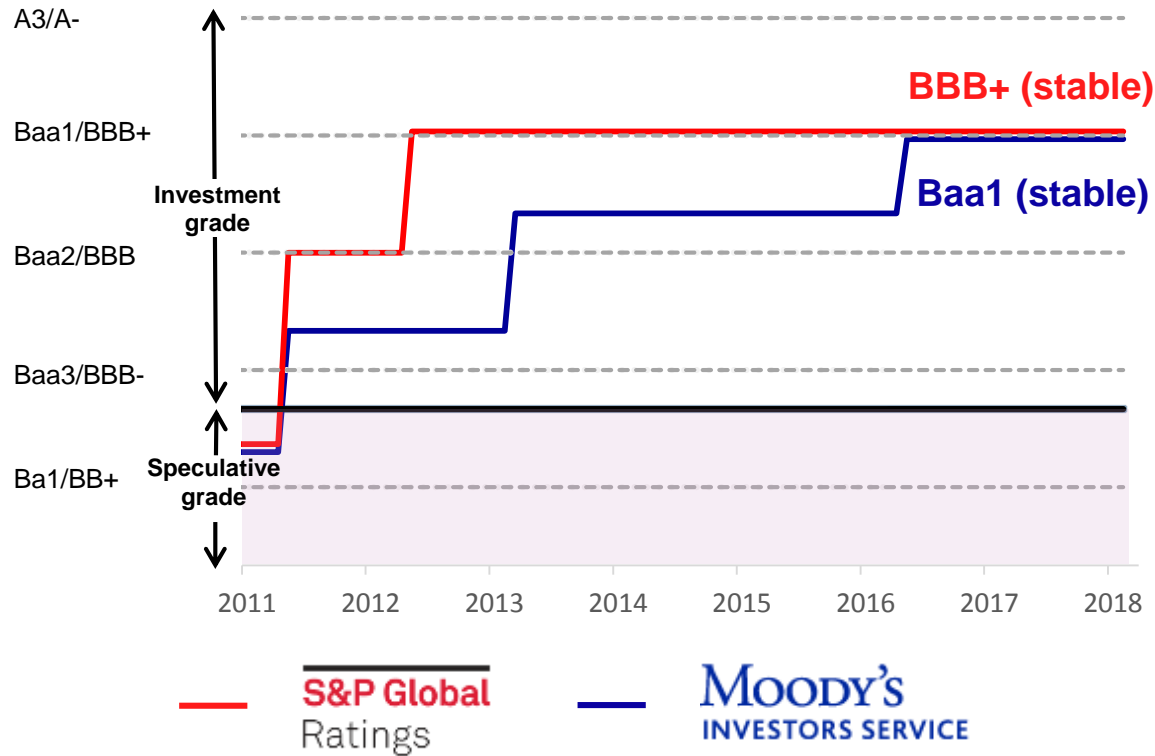
Start-up: 2019

Volume: >€500 m



Financial policy

Maintaining a solid investment grade rating



Both rating agencies affirmed its ratings in 2017 based on

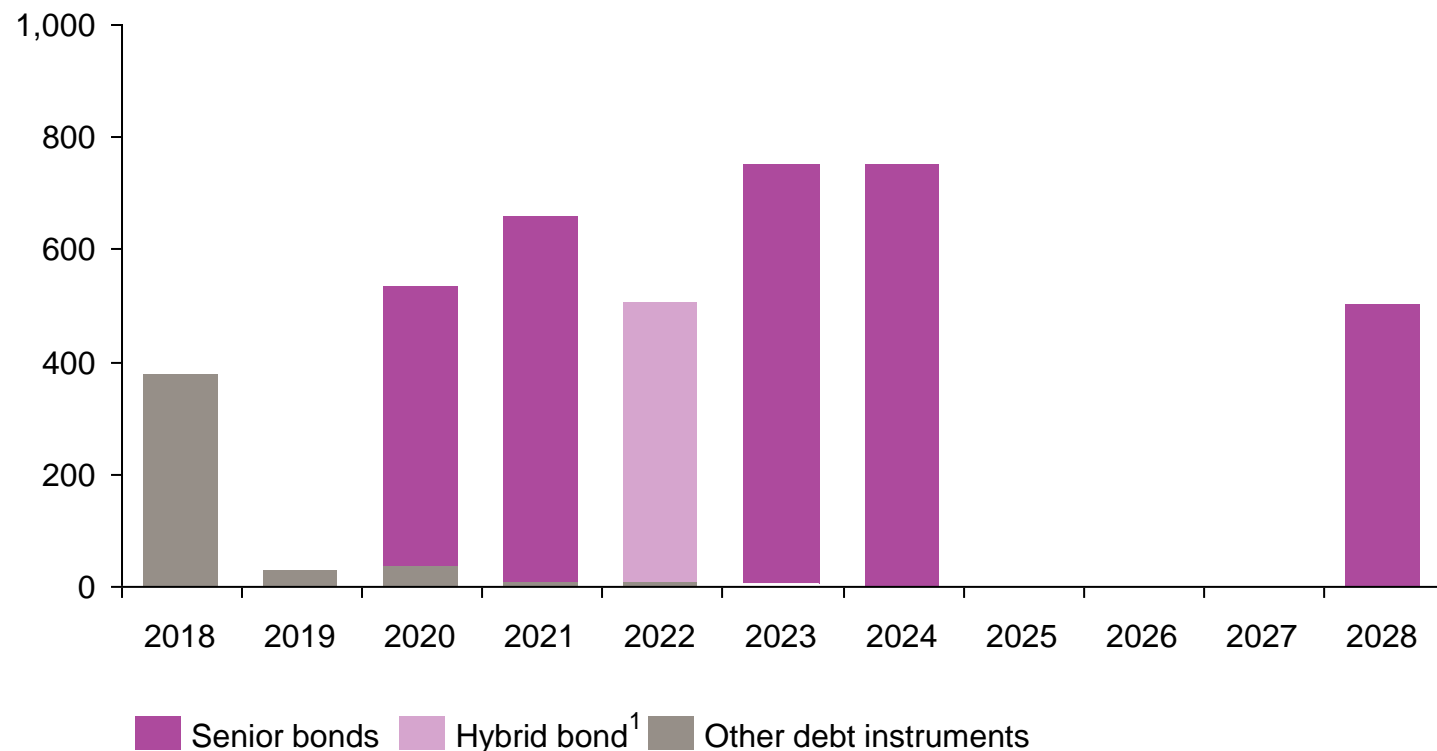
- Strong business profile underpinned by significant size and leading global market positions
- Greater-than-peer diversity in terms of end-markets and product range
- Acquisitions of Air Products Specialty Additives and Huber Silica enhances the specialty chemicals portfolio
- Supportive financial policy and management's commitment to a solid investment-grade rating

Maintaining a solid investment grade rating is a central element in our financing strategy

Debt structure

Well balanced maturity profile

(in € m as of June 30, 2018)

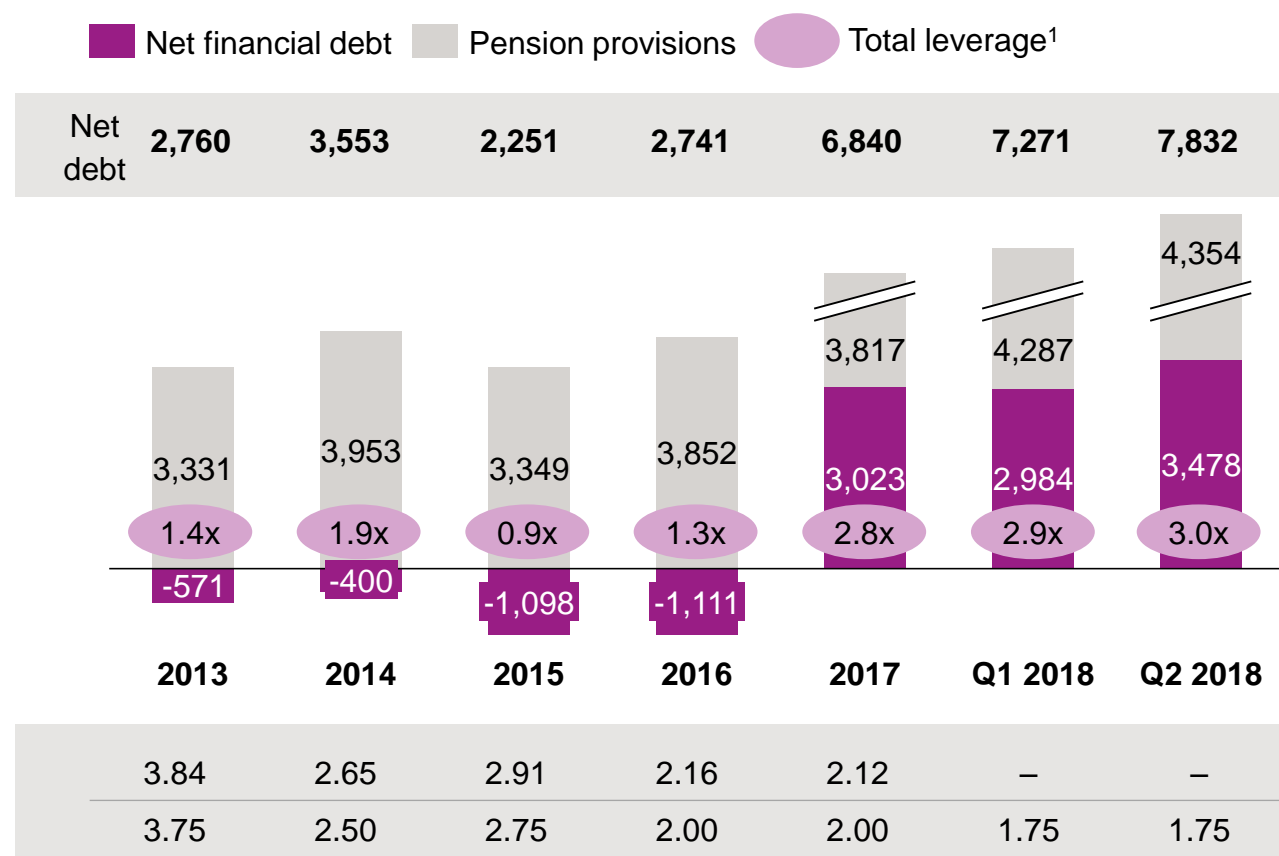


- Well balanced debt maturity profile with no single maturity greater than €750 m
- Long-term capital market financing secured under favorable conditions: average coupon of only 0.74% p.a. on €3.15 bn senior bonds and 2.125% p.a. on €0.5 bn hybrid bond
- Undrawn €1,750 m syndicated revolving credit facility maturing June 2023 (plus one-year extension option)² provides comfortable level of back-up liquidity

1. Formal lifetime of 60 years; first redemption right for Evonik in 2022 2. Initial tenor until June 2022; first extension option until June 2023 exercised as per April 2018

Development of net debt and leverage over time

(in € m)



- Increase of net financial debt during Q2 due to dividend payment for fiscal year 2017 (€536 m)
- Change in discount rate for Germany (from 2.00% to 1.75 %, as per March 31, 2018) resulting in an increase in pension provisions
- Net financial debt development 2017 mainly driven by acquisition-related purchase price payments (in particular APD and Huber Silica)
- Pension provisions are partly balanced by corresponding deferred tax assets of ~€1.2 bn
- More than half of total net debt consists of long-dated pension obligations; average life of DBO exceeds 15 years

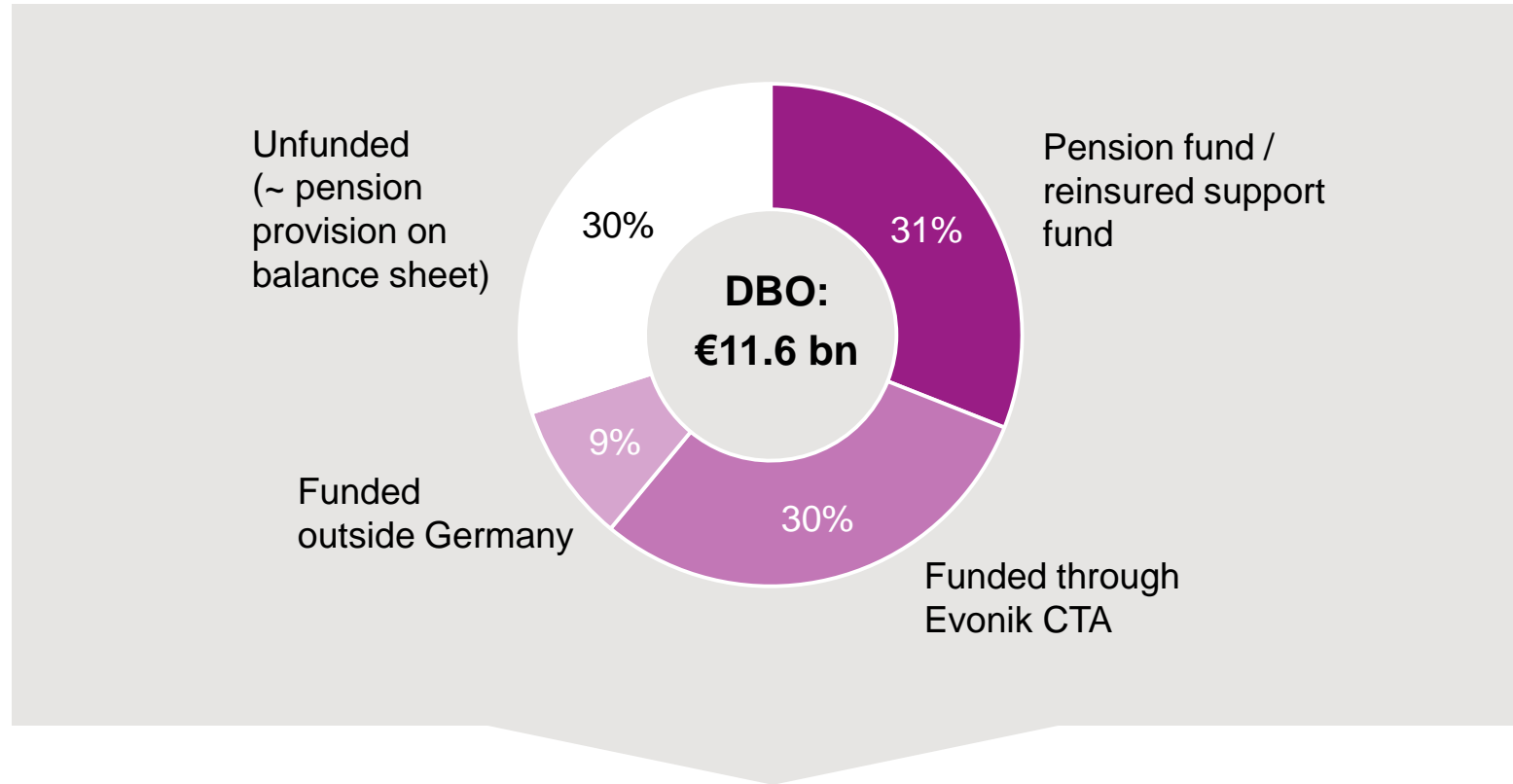
Evonik Group global discount rate (in %)²

Evonik discount rate for Germany (in %)

1. Total leverage defined as (net financial debt - 50% hybrid bond + pension provisions) / adj. EBITDA LTM | 2. Calculated annually

Pensions

Pension funding overview as of 31 December 2017

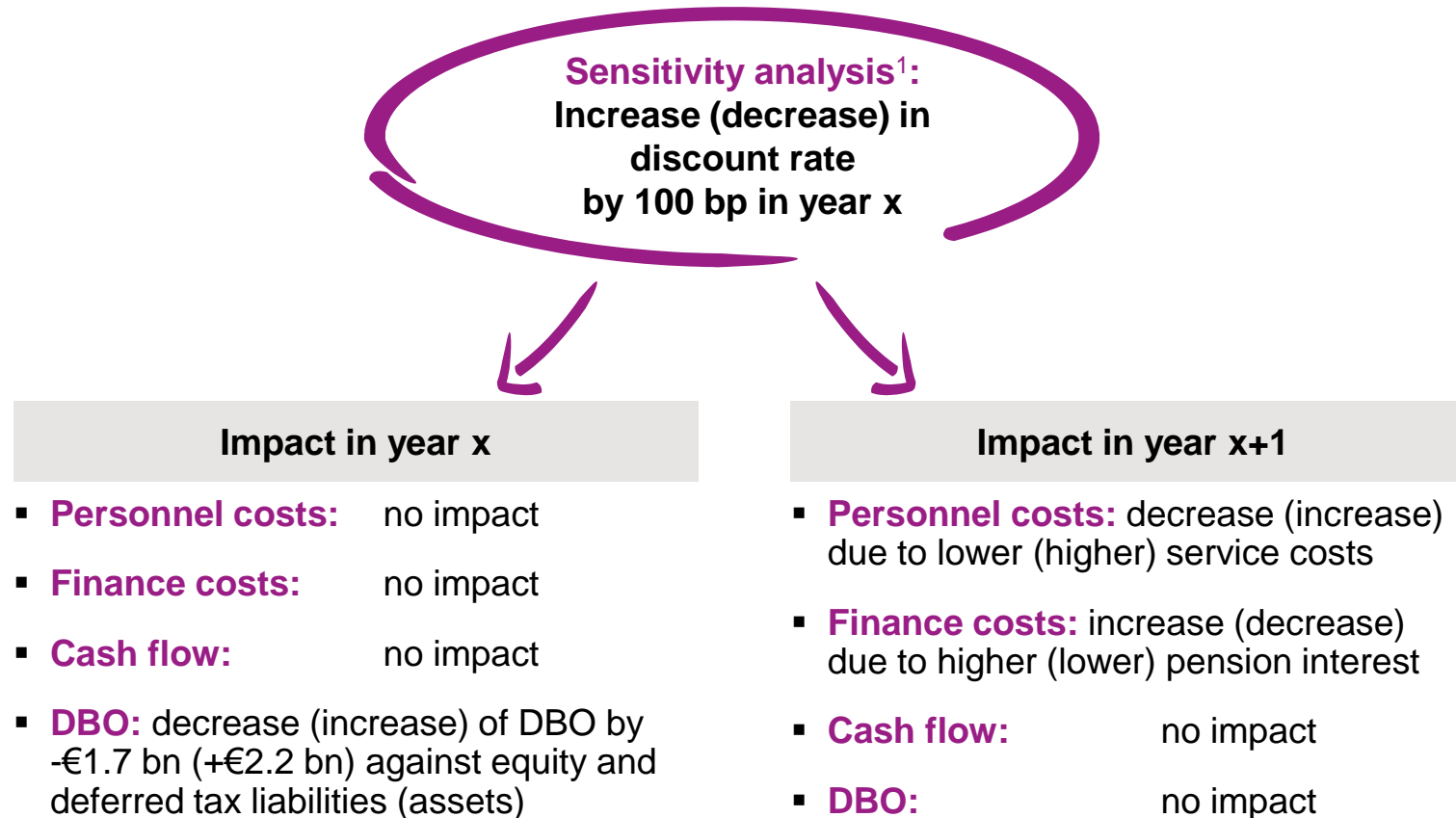


- Pensions very long-term, patient debt (>16 years) with no funding obligations in Germany
- DBO level of €11.6 bn yoy stable (interest rate unchanged at 2.00%)
- Funding ratio increased to ~70% mainly due to positive development of pension asset

Funding level increased to ~70%

Pensions

Sensitivity to discount rate changes



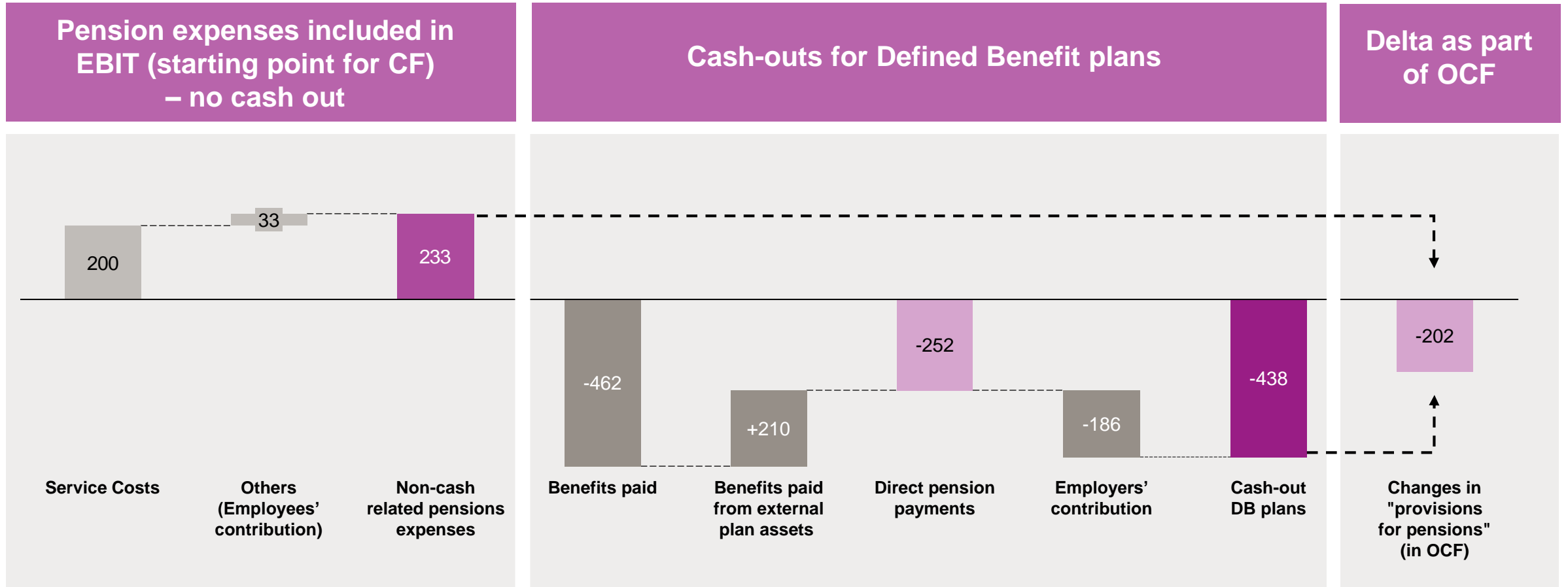
1. Excluding any effects from potential actuarial changes and changes in the valuation of plan assets

Pensions

Breakdown of P&L and cash flow effects

		in € m		P&L item / KPI	2016	2017	Annual report '17
P&L	Current service costs			Adj. EBITDA	-180	-200	p. 131
	Interest costs			Net interest expense	-297	-243	p. 131
	Exp. return on plan assets			Net interest expense	+207	+166	p. 132
	Other			Adj. EBITDA	-44	-33	p. 133
	Total pension expense				-316	-310	
		in € m			2016	2017	Annual report '17
Cash flow	Benefits paid				-428	-462	p. 131
	Benefits paid from plan assets			From defined benefit plans	+181	+210	p. 132
	Contribution to plan assets (excl. CTA)				-152	-186	p. 132
	Payments under defined contribution plans				-166	-178	p. 133
	Total cash out for pensions (excl. CTA)				-565	-616	

Transition of “Changes in provisions for pensions” in Operating Cash Flow

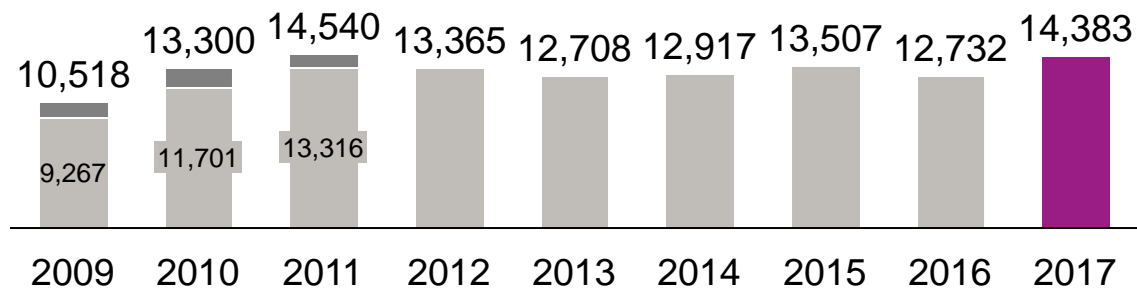


Based on 2017 financials

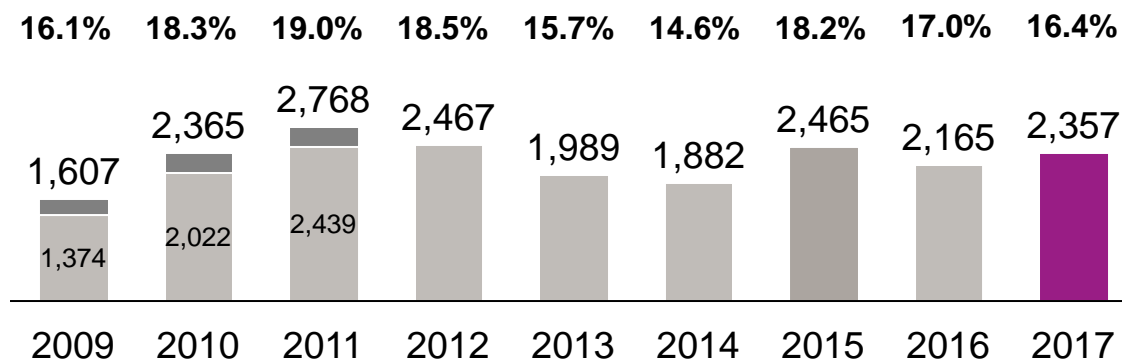
Financial track record

Sales (in € m)

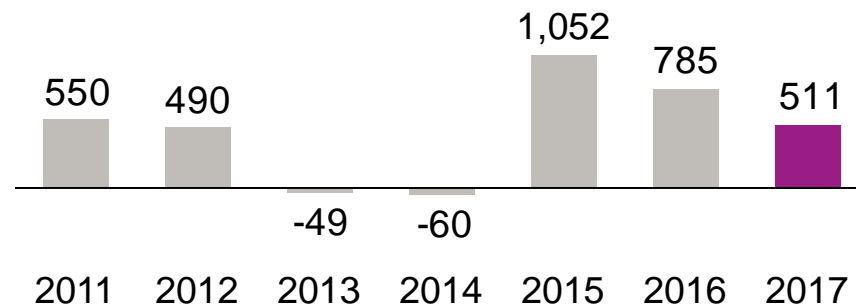
Carbon Black/Real Estate



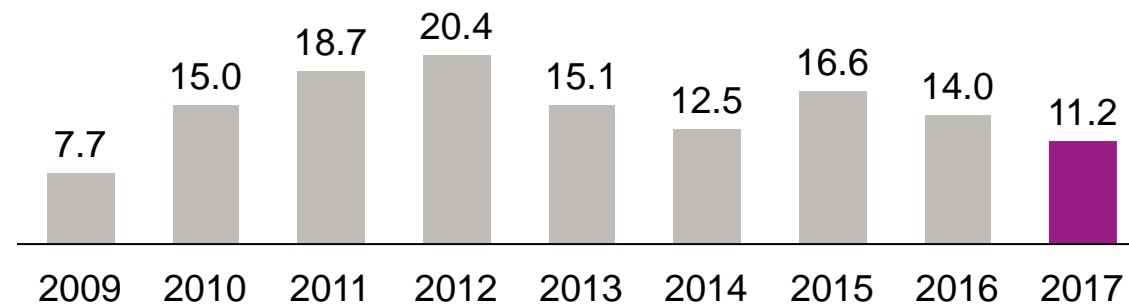
Adj. EBITDA (in € m) / margin¹



Free Cash Flow (in € m)



ROCE (in %)



1. Excluding Carbon Black

Segment overview by quarter

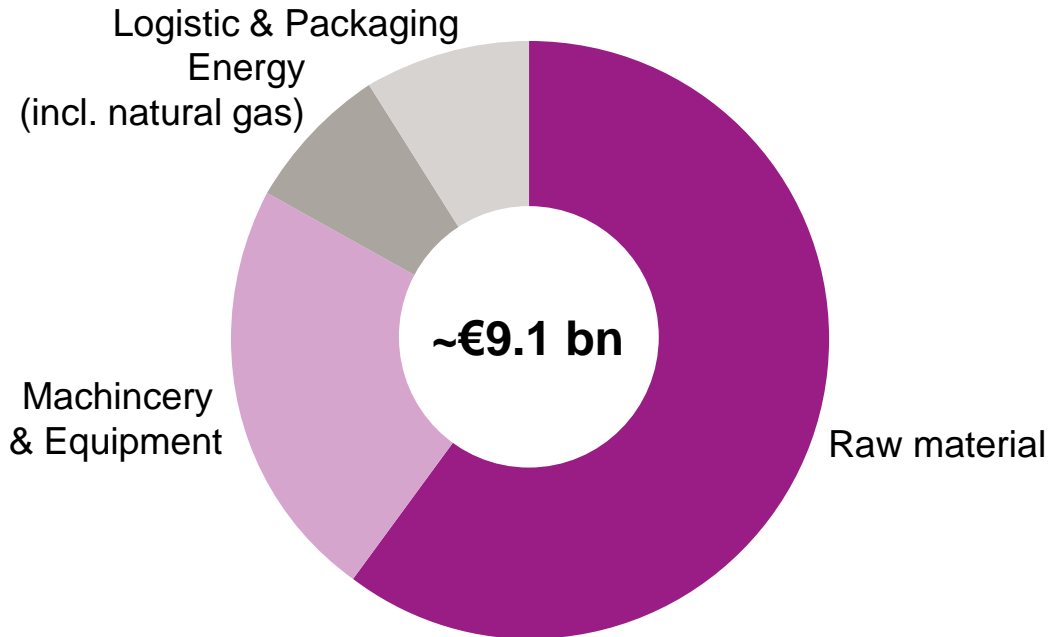
Sales (in € m)	FY 2016	Q1/17	Q2/17	Q3/17	Q4/17	FY 2017	Q1/18	Q2/18
Nutrition & Care	4,316	1,120	1,163	1,110	1,114	4,507	1,119	1,189
Resource Efficiency	4,473	1,360	1,367	1,358	1,308	5,393	1,398	1,479
Performance Materials	3,245	959	910	913	970	3,751	995	1,025
Services	683	193	174	172	178	717	163	172
Corporate / Others	15	4	4	3	3	15	3	3
Evonik Group	12,732	3,636	3,618	3,556	3,573	14,383	3,678	3,870

Adj. EBITDA (in € m)	FY 2016	Q1/17	Q2/17	Q3/17	Q4/17	FY 2017	Q1/18	Q2/18
Nutrition & Care	1,006	187	201	188	172	747	209	222
Resource Efficiency	977	297	318	311	247	1,173	325	366
Performance Materials	371	157	168	172	161	658	179	196
Services	151	43	38	49	3	133	49	35
Corporate / Others	-340	-89	-85	-80	-100	-354	-83	-77
Evonik Group	2,165	595	640	640	483	2,357	679	742

2017 financials restated for IFRS 15

Raw material split

Total procurement volume 2017 (in € m)



Breakdown of raw material spend¹ (examples)

Bio

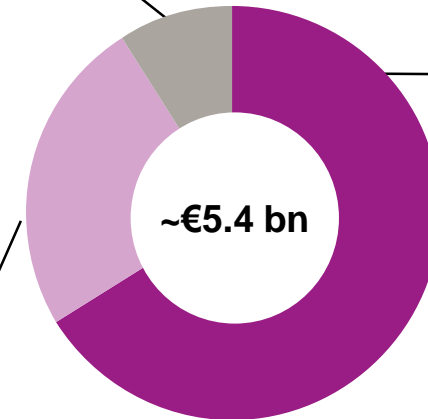
- Dextrose
- Fatty alcohols
- Tallow fatty acid
- Fatty acids
- tallow

Inorganic & other

- Sodium silicate
- Sodium hydroxide
- Silicon metal

Fossil

- Crack C4
- Propylene
- Acrylic acid
- Acetone
- Methanol



1. Raw material spend 60% of total procurement volume in 2017

Management compensation

<p>Fixed salary ~1/3</p>	<ul style="list-style-type: none"> ▪ To be paid in cash for each financial year on a monthly basis 	
<p>Bonus ~1/3</p>	<ul style="list-style-type: none"> ▪ Pay-out calculated on the basis of the achievement of focused KPIs; aligned to mid-term strategic targets: <ol style="list-style-type: none"> 1. Progression towards EBITDA margin target 2. EBITDA growth (yoy) 3. Contribution to group's FCF target 4. Accident performance 	<ul style="list-style-type: none"> ▪ Factor of between 0.8 and 1.2 to take into account the achievement of further individual targets ▪ Bonus capped at 200% of initial target
<p>Long-term incentive plan ~1/3</p>	<ul style="list-style-type: none"> ▪ Granted LTI target amount is calculated in virtual shares (4-year lock-up) ▪ Value of LTI to mirror the development of Evonik's share price (incl. dividends) ▪ Amount payable is determined by two performance elements 	<ul style="list-style-type: none"> ▪ Absolute performance: Real price of the Evonik share ▪ Relative performance against external index benchmark (MSCI Chemicals) ▪ Bonus capped at 300% of initial amount ▪ To be paid out in cash after lock-up period

Six strong Innovation Growth Fields within the growth engines

Leveraging our core competencies into new highly attractive markets

Growth engines



Health & Care



Smart Materials



Animal Nutrition



Specialty Additives

Innovation Growth Fields

Advanced Food Ingredients



Additive Manufacturing



Sustainable Nutrition



Cosmetic Solutions



Membranes









Healthcare Solutions



more than
€1 billion
by 2025

Additional contribution to sales from all six Innovation Growth Fields

Our sustainability targets 2017 and beyond

Strategy and Growth 	Governance and Compliance 	Employees 
<ul style="list-style-type: none">Development of methods and indicators for sustainable portfolio management	<ul style="list-style-type: none">20% women at 1st and 2nd management level below Executive Board (2019)	<ul style="list-style-type: none">Establish a learning strategy for the ongoing development of various employee groups
Value chain and Products 	Environment 	Safety 
<ul style="list-style-type: none">20 supplier sustainability audits according to TfS¹> €1 bn additional sales in R&D growth fields (2025)	<p>Reduce</p> <ul style="list-style-type: none">specific GHG emissions by 12% (2020)specific water intake by 10% (2020)	<ul style="list-style-type: none">Accident frequency rate ≤ 1.3Incident frequency rate ≤ 48Occupational Health Performance Index ≥ 5

Sustainability Ratings & Rankings: Evonik well positioned

Our commitment has been recognized by

- ✓ CDP Climate Change (A-, Index-Leader MDAX)
- ✓ CDP Water (B)
- ✓ Oekom Research (prime standard B-)
- ✓ Sustainalytics (among Top 5 within chemical sector)
- ✓ Together for Sustainability/ecoVadis (“Gold Standard”)
- ✓ FTSE4Good Europe, FTSE4Good Global
- ✓ STOXX® Global ESG Leaders



Appendix

1. Strategy
2. Segment overview
3. Financials
- 4. Upcoming events**

Upcoming IR events

Conferences & Roadshows

26 September	Bernstein SDC Conference, London
26 September	Berenberg/Goldman Sachs German Corporate Conference, Munich
27 September	Baader Investment Conference, Munich
27 September	J.P. Morgan Investor Forum, Milan

Upcoming Events & Reporting Dates

6 November 2018	Q3 2018 reporting
5 March 2019	FY 2018 reporting

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EVONIK

POWER TO CREATE