Evonik
Leading Beyond Chemistry

Company Presentation Q4 2022

Challenging year-end finish: Strong volume declines – record FCF

Innovation growth & resilience in specialty businesses expected to continue in 2023

FY 2022 adj. EBITDA of €2.5 bn at **lower end of outlook range**:
Record first half followed by weak H2 with strong volume declines

Strong FCF finish: **active NWC management** in Q4 resulting in **strongest-ever quarterly FCF of €603 m** – bringing FY cash conversion to >30%

Portfolio management on track:
Divestments in Performance Materials progressing well

Innovation success story continues:
FY 2022 with **20% sales growth in Innovation Growth Fields** – driven by Cosmetic Solutions and Sustainable Nutrition

Outlook FY 2023: **Resilience in Specialty Additives, Health & Care and Smart Materials**;
lower prices in Animal Nutrition and Performance Materials

EVONIK
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Leading Beyond Chemistry – Our purpose

Evonik on the way to become a best-in-class specialty chemicals company

Video “We are Evonik”

Leading …

- Leading market positions in **80%** of our business
- Leading **key financial indicators**

… Beyond …

- **Connecting skills** and perspectives
- Develop **solutions** together with partners
- **Sustainability** key driver of growth

… Chemistry

- Clear focus on **specialty chemicals**
- Target **100% specialty** portfolio

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Evonik well equipped as "Enabler of Sustainable Change"

Portfolio circled around our four "Sustainability Focus Areas"

ENSURE HEALTH & WELL-BEING

DRUG DELIVERY SYSTEMS

- ⊕ Advanced oral & parenteral drug delivery systems (e.g. mRNA LNP)

SPECIALTY ADDITIVES

- ⊕ for environmentally-friendly solutions, e.g. water-based artificial leather

FIGHT CLIMATE CHANGE

FUTURE MOBILITY

- ⊕ Lightweight solutions
- ⊕ Solutions for hybrid & full battery cars

ECO-SOLUTIONS

- ⊕ Specialty peroxides solutions
- ⊕ Membranes for gas separation

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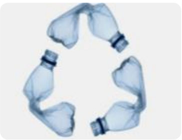
DRIVE CIRCULARITY

CIRCULAR ECONOMY

- ⊕ Circular plastic & circular polyurethanes additive solutions



BIO-BASED SOLUTIONS

- ⊕ Bio-based & fully bio-degradable surfactants
- ⊕ Natural active cosmetics ingredients

SAFEGUARD ECOSYSTEMS

SUSTAINABLE NUTRITION

- ⊕ Omega-3 fatty acids from natural marine algae
- ⊕ Gut health solutions

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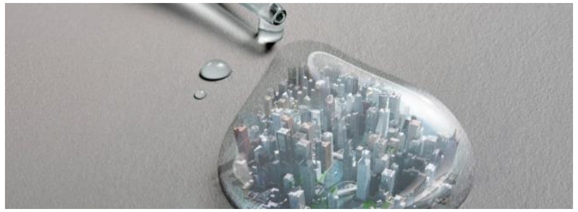
Leading Beyond Chemistry – Growth divisions

Specialty chemicals portfolio with strong positioning and attractive financials

	Specialty Additives	Nutrition & Care	Smart Materials
			
Strong positioning …	Wide range of additives for **maximum performance** which make the key difference	Sustainable solutions for basic human needs in **resilient end markets** like pharma, personal care and animal nutrition	Innovative materials that enable **environmentally-friendly solutions** for mobility, environment and urbanization
… and attractive financials[1]	Sales: €4,184 m Margin: 23% ROCE: 16%	Sales: €4,237 m Margin: 16% ROCE: 9%	Sales: €4,833 m Margin: 14% ROCE: 7%

1: FY 2022

Leading Beyond Chemistry – Growth divisions
Ambition and promising growth drivers

Discover more in our Factbook!

	Specialty Additives	Nutrition & Care	Smart Materials
			
Ambition	"Small amount – **Big effect**"	"Bringing Nutrition & Care to Life – **for life and living**"	"We find solutions for the **needs of today and tomorrow**"
… and promising growth drivers	✓ Making the difference ✓ Enabling circular economy ✓ Digital solutions	✓ Active cosmetics ingredients ✓ Drug delivery systems ✓ Sustainable & healthy nutrition	✓ Future Mobility ✓ Eco-Solutions

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Next Generation Evonik: Embarking on the next phase of our transformation

Sustainability fully integrated into all three strategic levers

Three major strategic levers…

Next Generation Portfolio

+ Exit Performance Materials
+ Full focus on three attractive growth divisions

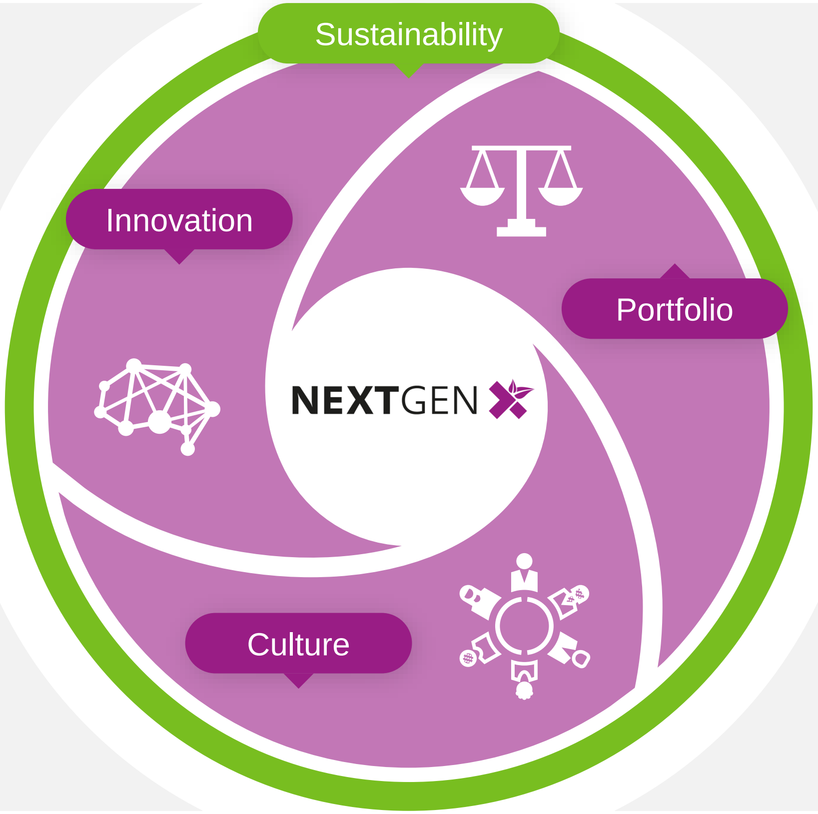
Next Generation Innovation

+ €1 bn new sales well on track
+ Growth areas beyond 2025 launched

Next Generation Culture

+ Diversity as key to successful strategy execution
+ ESG targets integrated into mgmt. compensation

… with sustainability fully integrated …



… delivering on ambitious targets

ESG Targets[1]

+ >50% sales share of NEXTGEN Solutions
+ -25% CO_2 emission reduction, e.g. via NEXTGEN Technologies

Financial Targets

+ Organic growth >4%
+ EBITDA margin 18-20%
+ ROCE ~11%
+ FCF Conversion >40%

1. Until 2030

Leading in Innovation – Growth fields and sales target

On track to achieve target of >€1 bn sales from innovation

Innovation Growth Fields

Advanced Food Ingredients

Additive Manufacturing

Sustainable Nutrition

Cosmetic Solutions

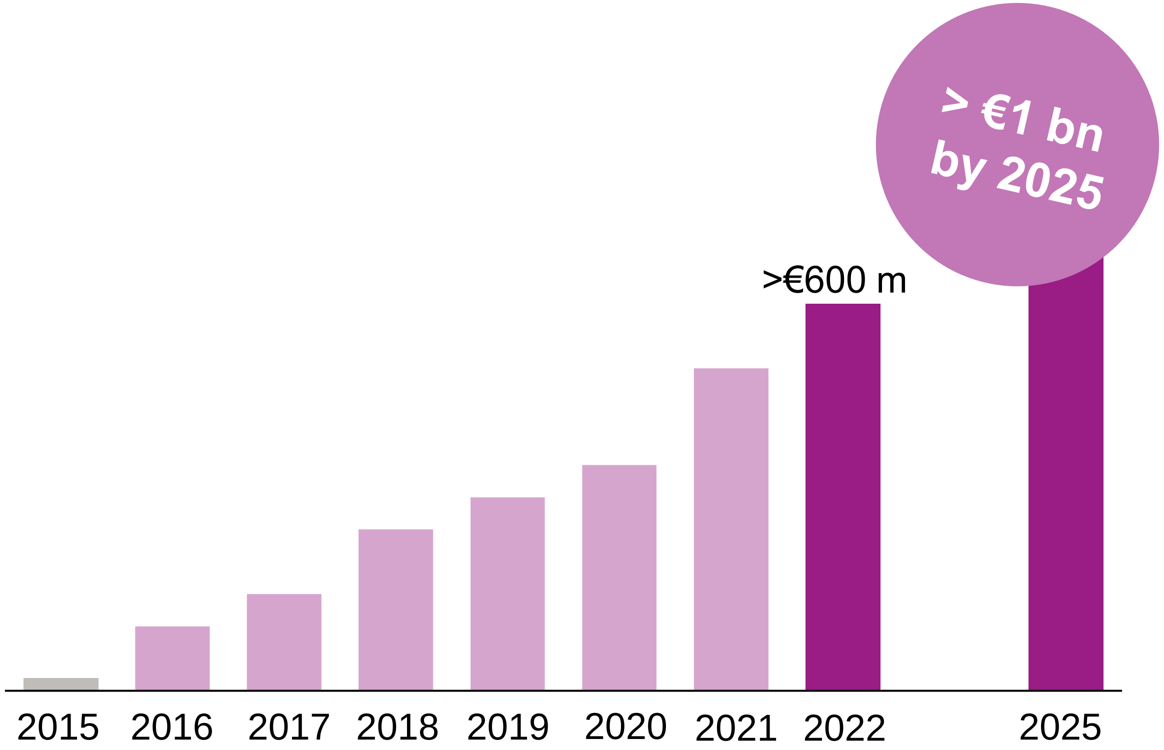
Membranes

Healthcare Solutions

Sizeable sales base established in all growth fields

Above-average margin contribution

Sales contribution Innovation Growth Fields



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Evonik aligned to sustainability
Sustainability as part of portfolio and strategic management processes

Excellent Rankings	Environmental Targets	Portfolio Management

Sector leading rankings

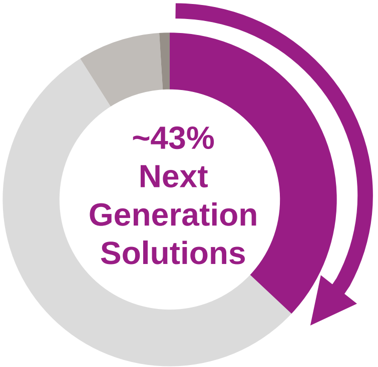
Evonik amongst leaders in all relevant ratings – “AA” MSCI ESG rating, EcoVadis “Platin” rating, “B-” ISS Oekom and “A-” CDP rating

-25%

reduction of scope 1 and scope 2 emission until 2030 (vs. 2021)

Ambitious environmental targets

Evonik’s sustainability strategy with ambitious targets
Evonik will be climate neutral by 2050



Portfolio aligned to sustainability

Sales share with solutions with a clearly positive sustainability profile; target of >50% by 2030

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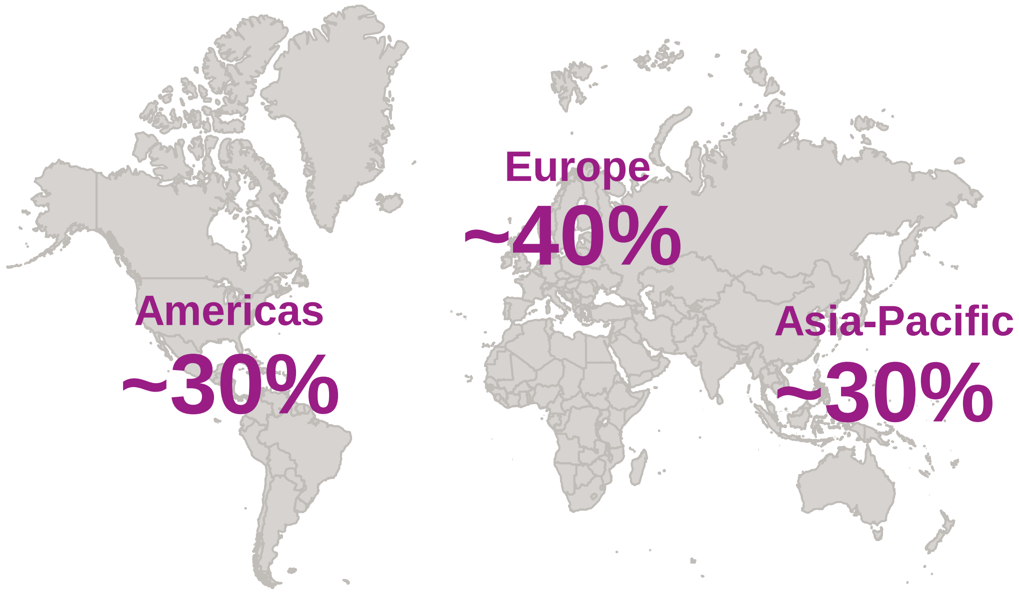
Balanced global footprint – Clearly profitable in all regions

Europe as profitable core region for Evonik

Share of production volumes (in kt, FY 2022)[1]



All major value chains with production hubs in all three key regions

European business with high competitiveness

Portfolio

- Focus on less energy-intensive businesses
- Frontrunner in sustainability

Innovation

- Innovation-driven, customer-centric solutions
- Value-based pricing

Clearly profitable across all value chains in Europe – now and in the future

1. Excl. Performance Materials

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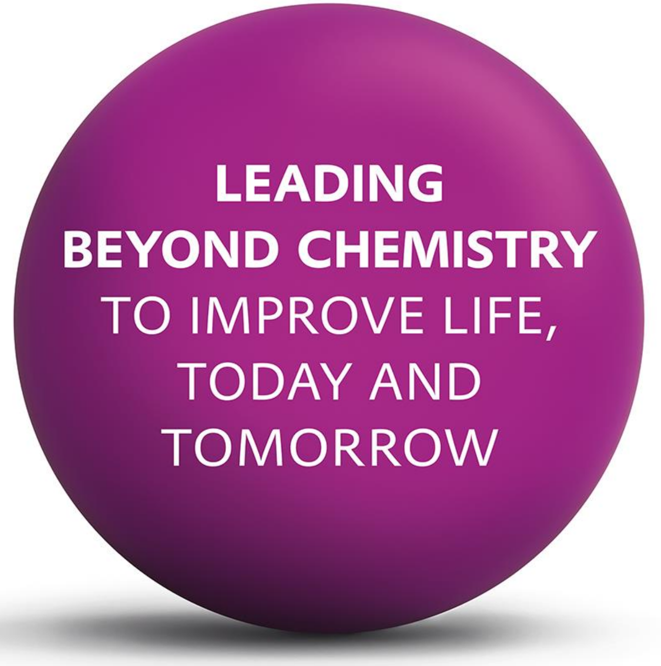
Summary of key financial & ESG targets

Financial Targets	
Organic sales CAGR	>4%
EBITDA margin	18-20%
Cash conversion ratio	>40%
ROCE	~11%
Reliable & sustainably growing dividend	
Solid investment grade rating	



ESG Targets	
Accident frequency rate[1]	≤0.26
“Next Generation Solutions”[2]	>50%
Sales Inno. Growth Fields[3]	>€1 bn
GHG emissions (scope 1&2)[4]	-25%
Gender diversity[5]	23%
Intercultural mix[6]	20%

1. Upper limit, indicator per 200,000 working hours | 2. Sales share by 2030 | 3. by 2025
4. Gross emissions, reference year 2021, target year 2030 | 5. Executive & senior management positions by 2023 | 6. Executive positions by 2023

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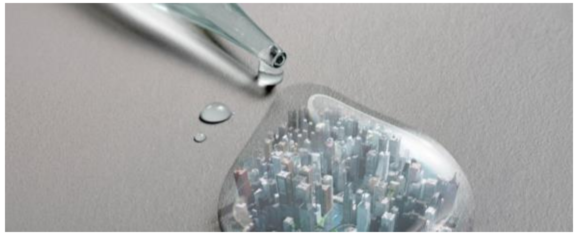
Portfolio transformation – Clear portfolio roles

Focus on three growth divisions - Exit Performance Materials

Specialty Additives	Nutrition & Care	Smart Materials	Performance Materials
			
Growth focus			**Exit**

Growth focus

- Strong innovation pipeline
- High sustainability focus: Expand portfolio share of “Next Generation Solutions”
- Targeted M&A in complementary products and technologies
- Selected efficiency measures to strengthen cost leadership and improve portfolio quality

Exit

- Aiming to find new owners for each of the three businesses in the course of 2023

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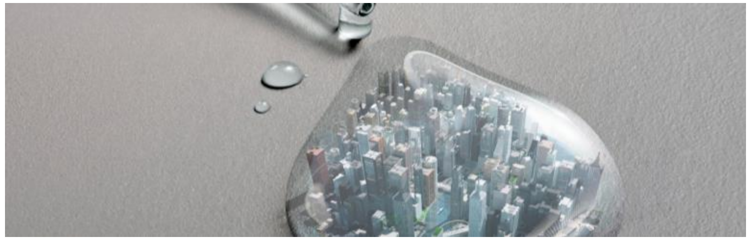
Portfolio: Full focus on three attractive growth divisions

Investments in R&D, organic & inorganic growth

Specialty Additives



Additive Technologies

- **Modular expansion of Silicones & Amine platforms** via >€100 m investments (2022 – 2024)
- **Addition of new effects, functionalities and technology platforms** to Additives portfolio

Nutrition & Care

Drug Delivery Systems

- **mRNA**: Sizeable investments into lipids, formulation and fill-finish

Care Solutions

- Three-digit million € investment into **world's first industrial-scale biosurfactants production** (start-up 2023/24)
- Targeting market leadership in **Active Cosmetics Ingredients** market by 2025 via organic growth and M&A

Smart Materials

Membranes

- Modular investments into **capacity expansion for gas-filtering membranes** (~€50 m)
- Breakthrough of electrolytic production of green hydrogen via **DURAION® AEM membranes**

Specialty Peroxides Solutions

- Investments into **purification capacities** to capture growth potential of Specialties applications
- Growth option in highly efficient and sustainable **HP+ technologies** (HPPO, HPPG)

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Portfolio transformation – Active M&A management
Decisive and value-accretive portfolio management

Divestments	Acquisitions

~€2 bn cyclical sales

sold at attractive valuation
(**8.5x** EV/EBITDA)

Ø EBITDA margin: **~15%**[1]

>€2 bn resilient sales

Ø multiple of **9.1x** EV/EBITDA
(incl. synergies)

Ø EBITDA margin: **~22%**

Delivery of synergies on track (€80 m by end of 2020)

Decisive and value-accretive portfolio management

- Portfolio cyclicality & Capex intensity reduced
- More resilient EBITDA margin and improved cash profile

Divestments: Methacrylates business sold for EV of €3 bn (8.5x EV/EBITDA) in 07/2019
Acquisitions: Air Products specialty additives business for US$3.8 bn (9.9x EV/EBITDA incl. synergies & tax benefits) in 01/2017 I Dr. Straetmans cosmetics business in 05/2017
Huber Silica business for US$630 m (~7x EV/EBITDA incl. synergies & tax benefits) in 09/2017 I PeroxyChem for US$640 m (7.6x EV/EBITDA incl. synergies) in 02/2020 I Porocel for US$210 m (9.1x EV/EBITDA) in 11/2020
1: 2014-2019

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Exit of Performance Materials underway

Progress in divestments of all three business lines

Superabsorber

~ €900 m sales[1]

- Carve-out completed July 1st, 2021
- Start of divestment process on the basis of improved market dynamics and positive financial outlook for 2023
- Teaser will be sent out shortly

Functional Solutions

~ €650 m sales[1]

- Successful carve-out of Lülsdorf site on January 1st, 2023
- Investor negotiations at an advanced stage
- Alkoxides (biodiesel catalysts; ~€407 m sales) moved to Smart Materials

Performance Intermediates

~ €2,100 m sales[1]

- Carve-out process ongoing
- Closely monitoring market environment for value-enhancing start of divestment process

Aiming to find new owners/partners for each of the three businesses in the course of 2023

1. FY 2022

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RD&I at a glance

Facts & Figures

RD&I AT EVONIK

>€460 m SPENT

>€600 M SALES IN 2022 FROM INNOVATION GROWTH FIELDS

~24,000 PATENTS[1]

>2,700 EMPLOYEES

100% SUSTAINABILITY-INTEGRATED

FIGHT CLIMATE CHANGE

DRIVE CIRCULARITY

SAFEGUARD ECOSYSTEMS

ENSURE HEALTH & SAFETY

1. Patents and patents pending

RD&I steers innovation based on clear alignment and continuous exchange across the entire Evonik organization

RD&I Council

Research, Development & Innovation

Divisional RD&I

- Specialty Additives
- Nutrition & Care
- Smart Materials
- Performance Materials

Business Incubation

- Creavis

Venturing

- Evonik Venture Capital

Consistent focus on the same strategic direction as a Group

Knowledge sharing and use of different technology platforms

Efficient use of resources and competencies; flexible setup of interdisciplinary project teams

Full integration of sustainability criteria into decision making and allocation of resources

Sustainability as backbone of Evonik’s purpose and strategy

Clear commitment to growing handprint and reducing footprint

Sustainability is an integral part of our purpose

LEADING BEYOND CHEMISTRY TO IMPROVE LIFE, TODAY AND TOMORROW

“We see profitable growth and assuming responsibility as **two sides of the same coin**.”

Key growth driver…

Our Handprint

“**Sustainability is a key growth driver** and the cornerstone of our product portfolio, our investments and our innovation management.”

…and saving resources

Our Footprint

“We **take responsibility** by **caring about our resources**.”

Core elements of our sustainability approach

1. Evonik fully integrates sustainability in its **Strategic Management Process**
2. Evonik intends to **increase the portfolio share** of products with **sustainability benefits**
3. Evonik is committed to foresighted **resource management**
4. Evonik with high standards for **governance** and continuous **improvement of its reporting**

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Ambitious commitments on handprint and footprint

In line with Science Based Targets

NEXTGEN Solutions

Sales by 2030

Next Gen Solution (*Leaders + Drivers*)	**>50%**
Challenged Products	**<5%**

SCIENCE BASED TARGETS

NEXTGEN Technologies

CO_2 reduction 2030

Scope 1+2 (*Well below 2 degrees*)	**-25%**
Scope 3	**-11%**

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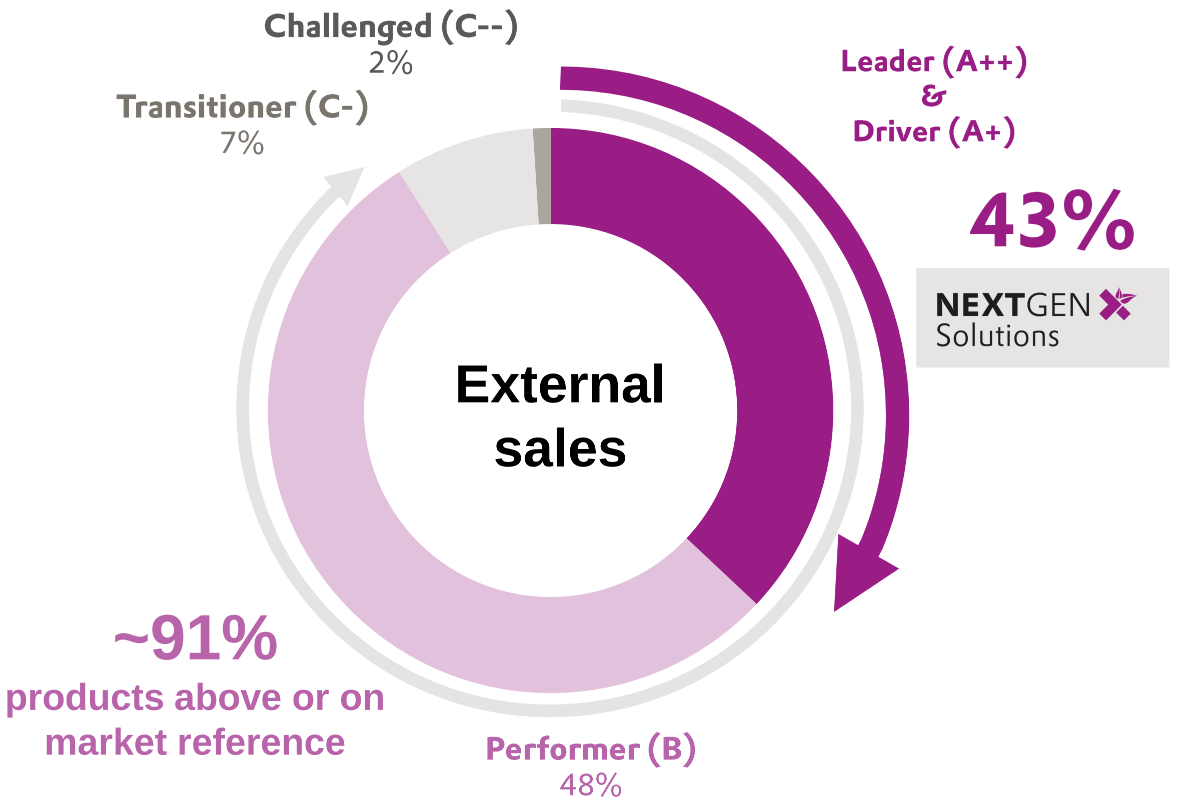
Handprint: “Next Generation Solutions”

43% of Evonik’s portfolio with superior sustainability benefits

Result of PSA analysis



Best-in-class products in Evonik’s portfolio which…

…deliver **above-average growth**

…address **increasing customer demand** for sustainable solutions

NEXTGEN Solutions

…deliver **superior sustainability benefits** to our customers

NGS: “Next Generation Solutions” include “Leader” (A++) and “Driver” (A+) products and solutions

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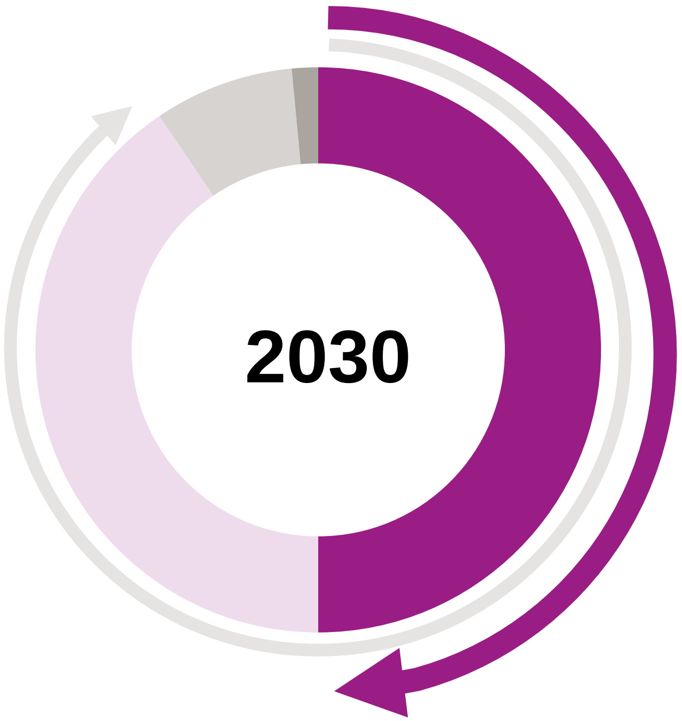
Handprint: “Next Generation Solutions” to grow beyond 50% by 2030

Ambitious new sales share target to be achieved through three levers

Increase “Next Generation Solutions”



>50%

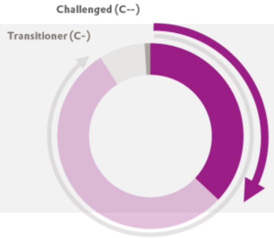
NEXTGEN Solutions

Three levers to increase the share of NGS

Existing “Next Generation Solutions” with **superior sales growth rates**

New sales from **innovations** becoming “Next Generation Solutions”

“**Challenged**” and “**Transitioner**” products exiting or with new formulations



1. NGS: “Next Generation Solutions” include “Leader” (A++) and “Driver” (A+) products and solutions

Handprint: Above-average growth of “Next Generation Solutions”

Selected examples addressing our four Sustainability Focus Areas

Future Mobility solutions

- Lightweight applications: PA12 portfolio
- Batteries: additives for electrodes / separators
- “Green tire” technology

+11%

Additives for durability in construction

+9%

- Water-repellents for building materials
- Additives for integrated protection and self-healing of concrete structures

- Global development partner & solutions provider for delivery systems for effective drugs and vaccinations
- Evonik as pioneer in Lipid Nano Particle (LNP) field for mRNA technology

+14%

Drug Delivery Systems

+13%

- High-quality proteins with essential amino acids
- Production of omega-3 fatty acids from microalgae

Modern aquaculture solutions

% values: Target CAGR 2021-2030 defined in Strategy Dialogue

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Footprint: Further reduction underway

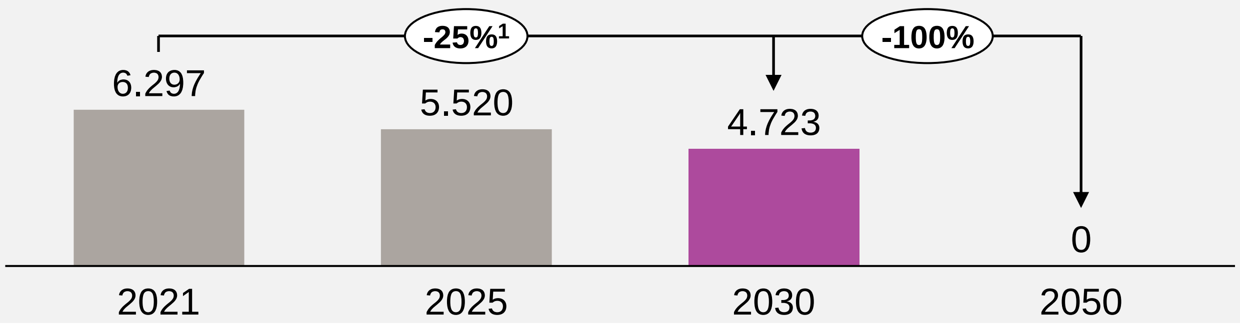
Holistic and measurable set of environmental KPIs in place

Emission reduction with good progress already in 2022

Scope 1&2

2022 **-6%** ▶ **2030** **-25%**

Our path to climate neutrality



New water & waste targets until 2030

Reduce specific production waste[2] **-10%**

Reduce specific freshwater intake[2] **-3%**

1. Gross emissions in Scope 1 and 2; reference year 2021 and target year 2030 | 2. Corresponding to the production volume; reference year 2021

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Footprint: Targeting 100% green sourced electricity until 2030

Increasing independence from fossil energy sources

Europe: Long-term PPA with EnBW starting in 2026

- First PPA (100 MW) concluded in Q4 2022
- Second long-term agreement (50 MW) in February 2023
- Covering 33% European electricity needs of Evonik with wind energy (~150 kt CO_2 emission reduction p.a.[1])

Asia: Further PPAs at production locations

- Nanning site (Health Care) switching from coal-fired power to green electricity from wind
- PPAs at five Chinese locations for electricity from wind power and photovoltaic plants in 2022

Increase of share of green sourced electricity to ~50% in 2026, targeting 100% until 2030

1. CO_2 reduction occurs in GHG protocol scope 1 or 3

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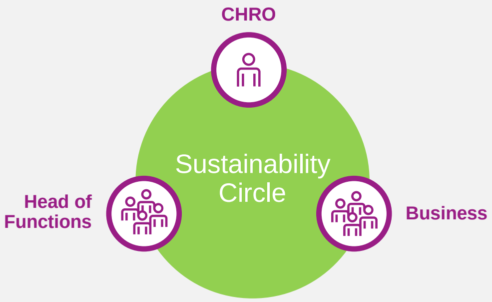
Complementing the governance on ESG
Reflected in organizational set-up and remuneration

Clear responsibilities

- **Executive Board** has overall **responsibility** for sustainability
- Setting **strategic framework** and **executing measures** in close cooperation with operating divisions

Cross-functional & business alignment



Steering & decision-making

Part of remuneration

- Occupational safety part of remuneration of the executive board since more than a decade
- New ESG goals **integrated in remuneration schemes** of Executive Board

20% ESG

Long-term incentives linked to ESG KPIs:

- **Sales share of “Next Generation Solutions”**
- **CO_2 emission reduction**
- **Employee commitment**

ONE Evonik. ONE Culture
… with unifying elements for a diverse company

Our Purpose
inspires us

LEADING BEYOND CHEMISTRY

TO IMPROVE LIFE, TODAY AND TOMORROW

Our Values
guide us

Safety first as foundation:

- Accident frequency as part of management compensation
- Low level secured over the last years[1]

Diversity as basis of our economic success:

- Ambitious targets defined
- Inclusive mindset and behavior ultimately utilize diversity successfully

Attractive employer:

- Employee commitment with increase of 5 pp in latest employee survey

1. below upper limit of 0.26 (number of accidents per 200,000 working hours)

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Financial targets
Evonik Group

Mid-term targets (excl. PM)

Organic sales CAGR >4%

Unchanged

- EBITDA margin in the range of 18-20%
- Cash conversion ratio of >40%
- ROCE ~11% - well above cost of capital
- Reliable and sustainably growing dividend
- Solid investment grade rating

Capital allocation into our green transformation
Priority on growth investments and targeted M&A

Significant cash inflow …

Increasing Operating Cash Flow

Attractive cash conversion with steadily growing earnings

Divestment proceeds Performance Materials

… invested into our green transformation

>€3 bn 2022-2030	NEXTGEN Solutions	▪ Growth investments into our sustainability leaders ▪ Attractive growth rates and returns (IRR >11%)
~€700 m 2022-2030	NEXTGEN Technologies	▪ Investments into infrastructure, production and processes ▪ Significant energy & emissions reduction as well as reduction of operating costs (>€100 m by 2030)
	Targeted M&A	▪ Acceleration of portfolio transformation ▪ Expansion of businesses with above-average growth, sustainability profile and returns
	Attractive dividend	▪ Reliable and sustainably growing

Solid investment grade rating

1. 80% of growth capex for Next Generation Solutions (~€350 m p.a.) | 2. Additional capex for Next Generation Technologies (~€75 m p.a. on average)

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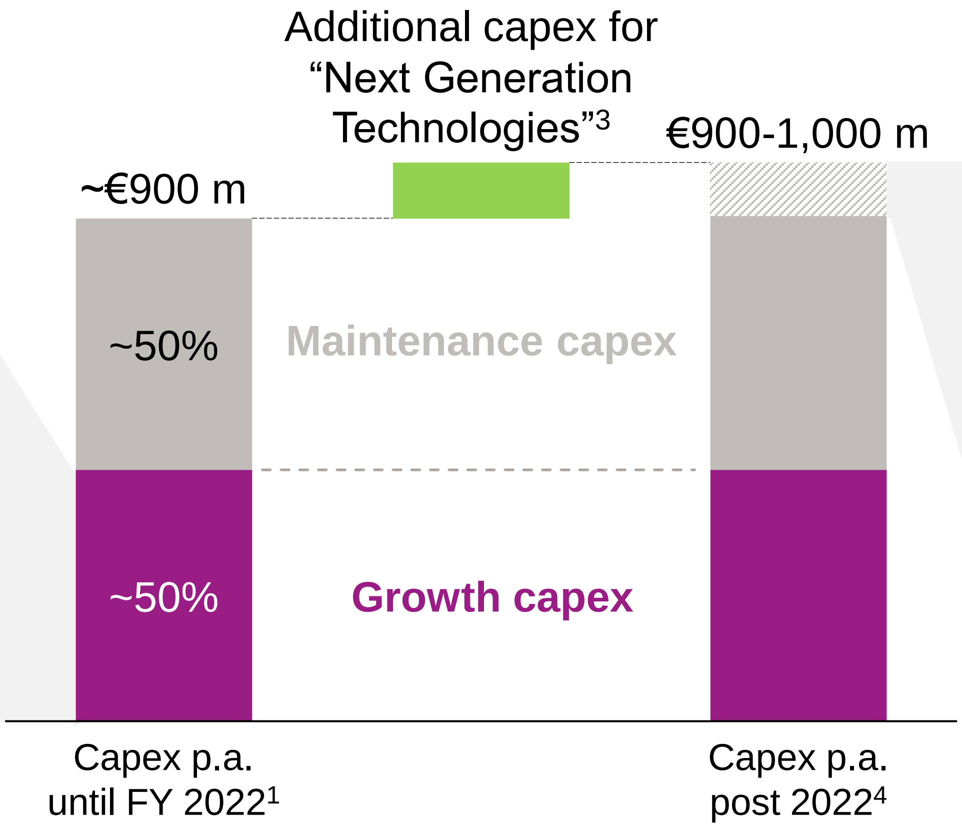
Capex as key element for investments into handprint & footprint

WE INCREASE OUR HANDPRINT

80% of growth capex for "Next Generation Solutions"

>€3 bn

2022-2030[2]



WE REDUCE OUR FOOTPRINT

Additional capex for "Next Generation Technologies" mainly on top of maintenance

~€700 m

2022-2030[3]

1. Incl. ~€50 m p.a. for Performance Materials | 2. ~€350 m p.a. | 3. ~€80 m p.a. on average incl. ~€15 m p.a. for PM, ramping up gradually over the coming years | 4. Incl. ~€75 m p.a. for NGT

Clear value generation with investments into “Next Generation Solutions” and “Next Generation Technologies”

	NEXTGEN Solutions	NEXTGEN Technologies
Target & benefit	NEXTGEN Solutions **>50%** sales share Products with superior sustainability[1] and financial performance	**-25%**[2] **2030** Scope 1+2 Projects to lower CO_2 emissions with value-enhancing, positive NPVs
Value creation	**Clear investment criteria – aligned with strategic, sustainability and financial targets** ▪ Above-average market growth ▪ Superior sustainability profile (PSA analysis) ▪ IRR above ROCE target (>11%) ▪ CO_2 pricing implemented	**€700 m capex** (2022-2030) **…** ▪ For NPV-positive projects ▪ For advanced levers, innovative waste heat up-cycling and process re-design **… resulting in >€100 m opex savings** (p.a.)

1. “Next Generation Solutions” include “Leader” (A++) and “Driver” (A+) products and solutions
2. Commitment letter signed and handed in for SBTi, 25th April 2022, gross emissions reduction with reference year 2021, target year 2030

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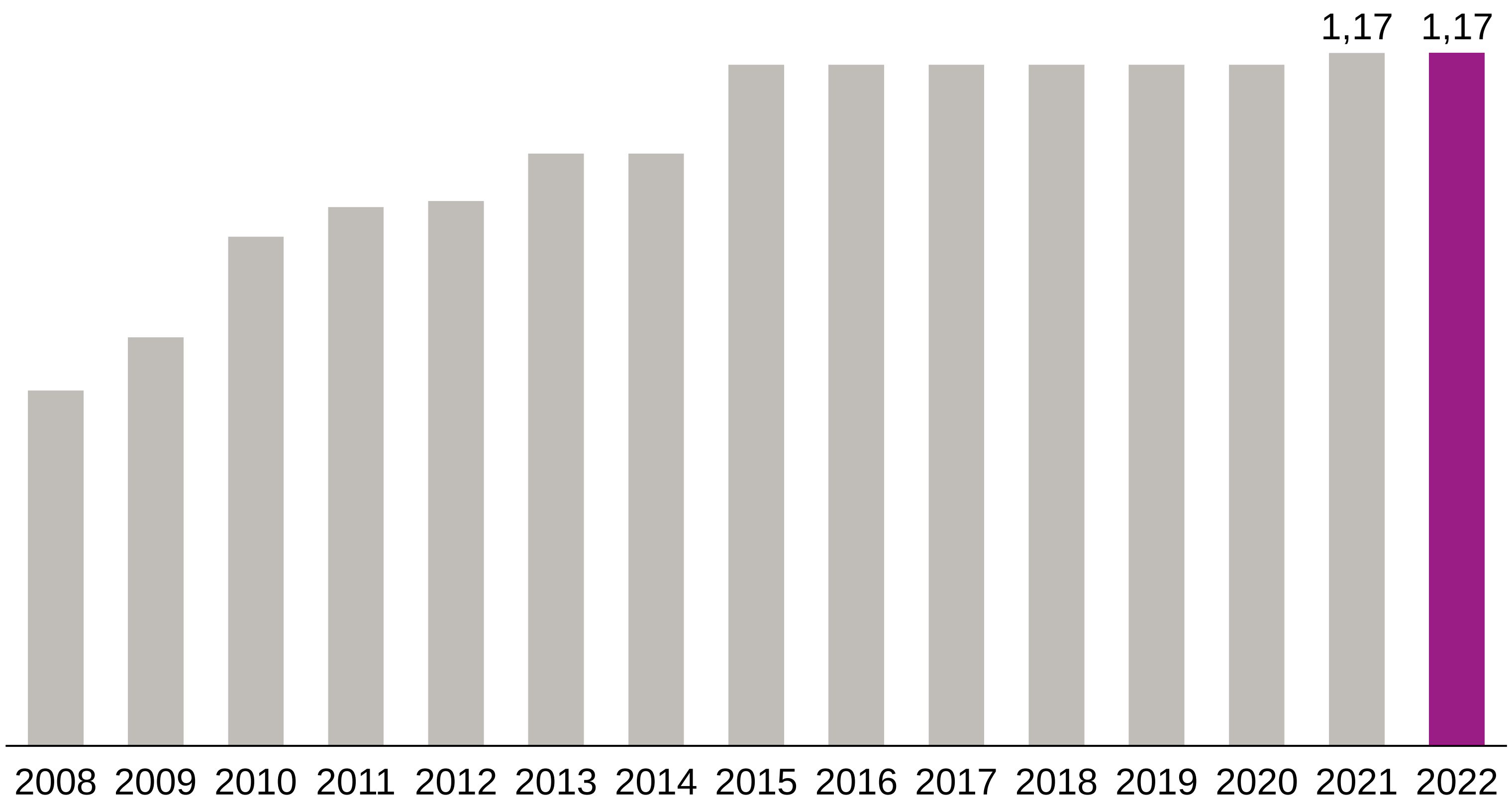
Spotlight on shareholder returns
Reliable and attractive dividend policy

Dividend (in €) for FY



- **Stable with** €1.17 in FY 2022
- **Attractive dividend yield of ~6%**

- Reliable dividend policy targeting:
  - **Dividend continuity**
  - **Adj. EPS and FCF growth** with potential for sustainable **dividend growth** going forward

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FY 2022 results

Earnings at 10-year high – strong FCF catch-up in H2

Sales (in € m)	**EBITDA** (in € m)	**Free cash flow** (in € m)	**Dividend** (in €)
18,488 (FY 2021: €14,955 m)	**2,490** (FY 2021: €2,383 m)	**785** (FY 2021: €950 m)	**1.17** (FY 2021: 1.17 €)
Pricing holding up well throughout the year, compensating cost inflation; clear volume losses in H2	Adjusted EBITDA at 10-year high driven by strong H1	NWC build-up in H1 largely reversed in H2, resulting in strongest-ever quarterly FCF of €603 m in Q4	Continuation of reliable and attractive dividend

FY 2022 results
A year of two halves for EBITDA and FCF

2022

	H1	H2	FY 2022
Adj. EBITDA growth (yoy, in %)	**+18%** Strong volumes & pricing	**-10%** Volume driven due to destocking and weak demand	**4.5%** Achieving a 10-year high adj. EBITDA of €2,490 m
Free Cash Flow (in € m)	**-106** NWC build-up due to higher raw material prices and supply chain issues	**+891** Active inventory management: Highest-ever cash-inflow for a half-year	**785** Cash conversion of 32% achieved

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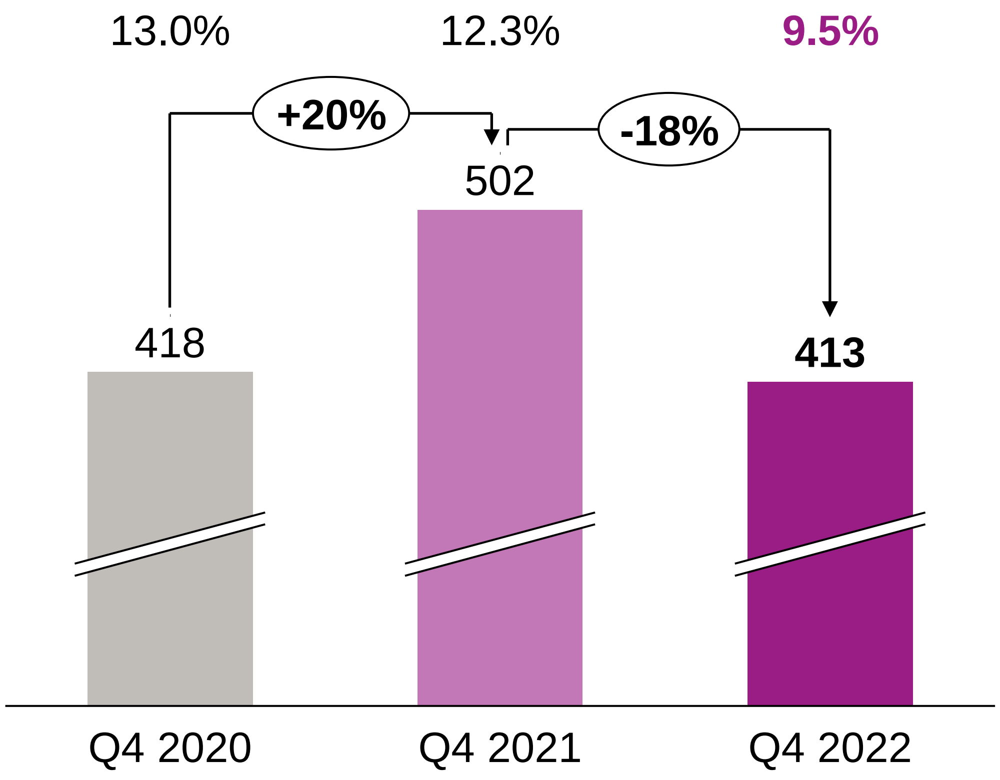
EBITDA – Q4 2022 Results
Challenging year-end finish characterized by strong volume declines

Adj. EBITDA (in € m)

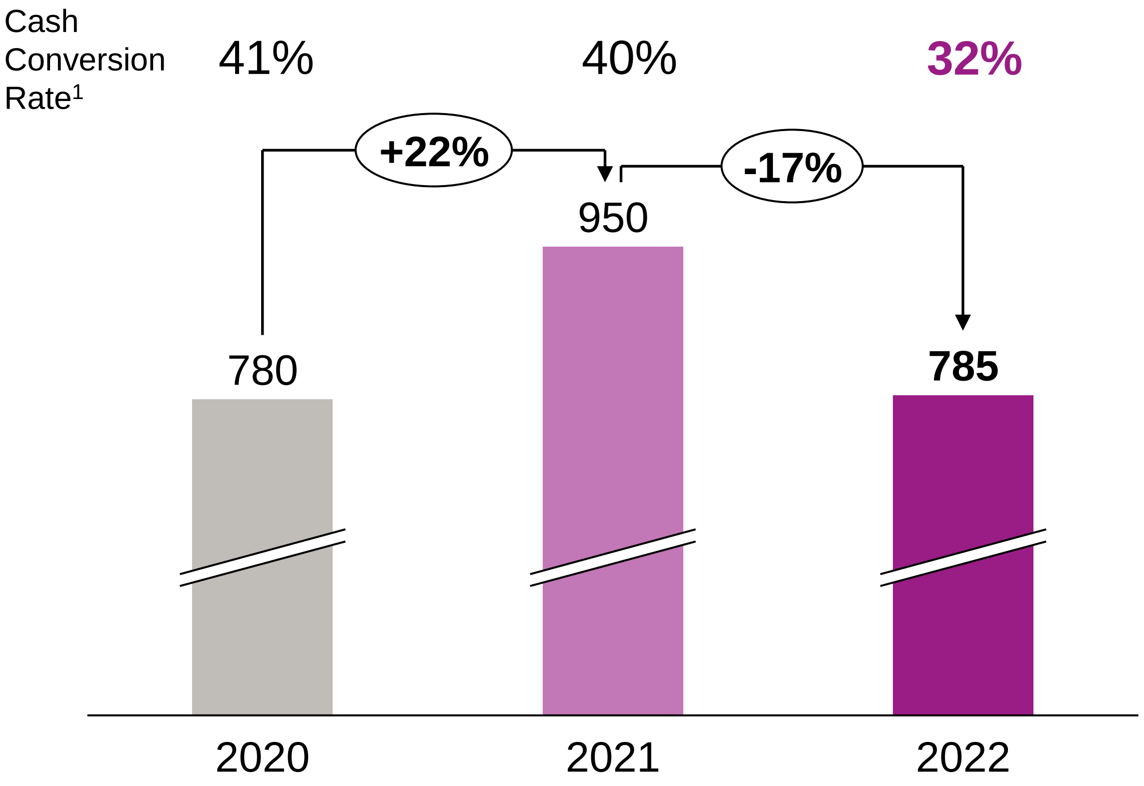


- **Q4 EBITDA** down due to significant **volume** declines across all divisions (-11% yoy)
  - Result of de-stocking – following a period of very high safety stocks (peak in summer months)
  - … and weakening end customer demand
- **Prices** holding up well (+11% yoy)
- Focus on NWC management positive for FCF…
- ...led to under-absorption of fixed costs with negative impact on adj. EBITDA

FCF – FY 2022 Results

Strongest-ever quarterly FCF of €603 m in Q4

Free Cash Flow 2022 (in € m, continuing operations)



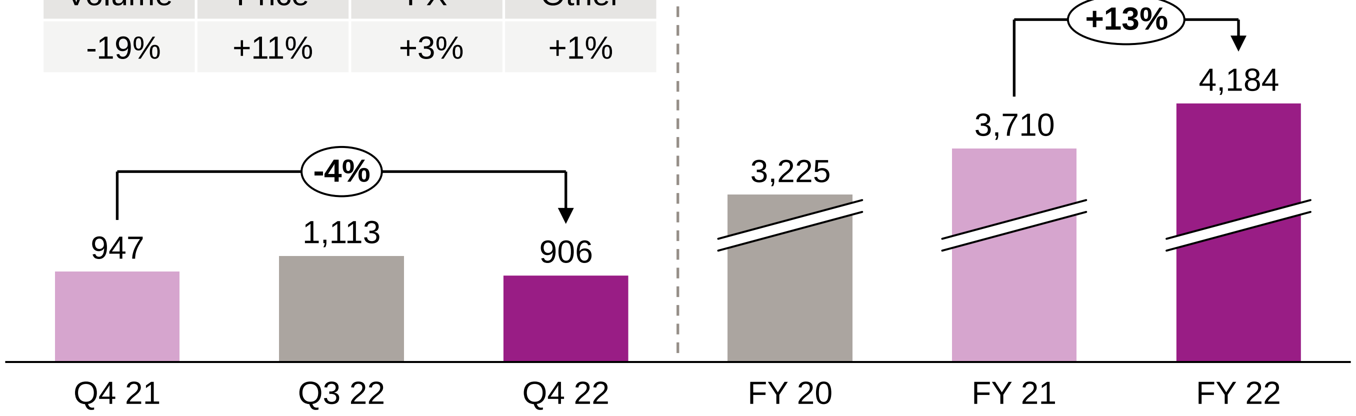
- **Q4 FCF** (€603 m vs €13 m prior-year)
  - Significantly higher cash inflow from NWC release vs prior-year (+€541 m vs. +€114 m)
  - Lower tax pre-payments (+€14m vs -€230 m)
- **FY FCF** lower yoy due to
  - Slightly higher build-up of net working capital
  - Higher bonus payments (yoy) for FY 2021

1. Free cash flow conversion (FCF / adj. EBITDA)

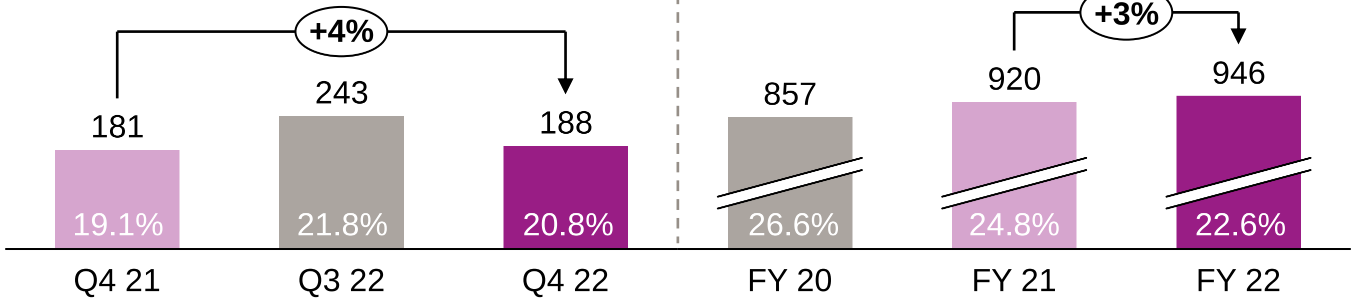
Specialty Additives

Sales (in € m)

Q4 22 vs Q4 21			
Volume	Price	FX	Other
-19%	+11%	+3%	+1%



Adj. EBITDA (in € m) **/ margin**



- Q4 with quite pronounced volume declines, reflecting customer destocking from high levels during a year of supply chain constraints
- Exception: strong Crosslinkers demand from wind power customers in China
- Another quarter of double-digit price increases, compensating for still elevated variable costs
- Despite lower volumes and utilization, yoy slightly higher earnings and margins
- Compared to Q3, lower utilization and fixed cost absorption

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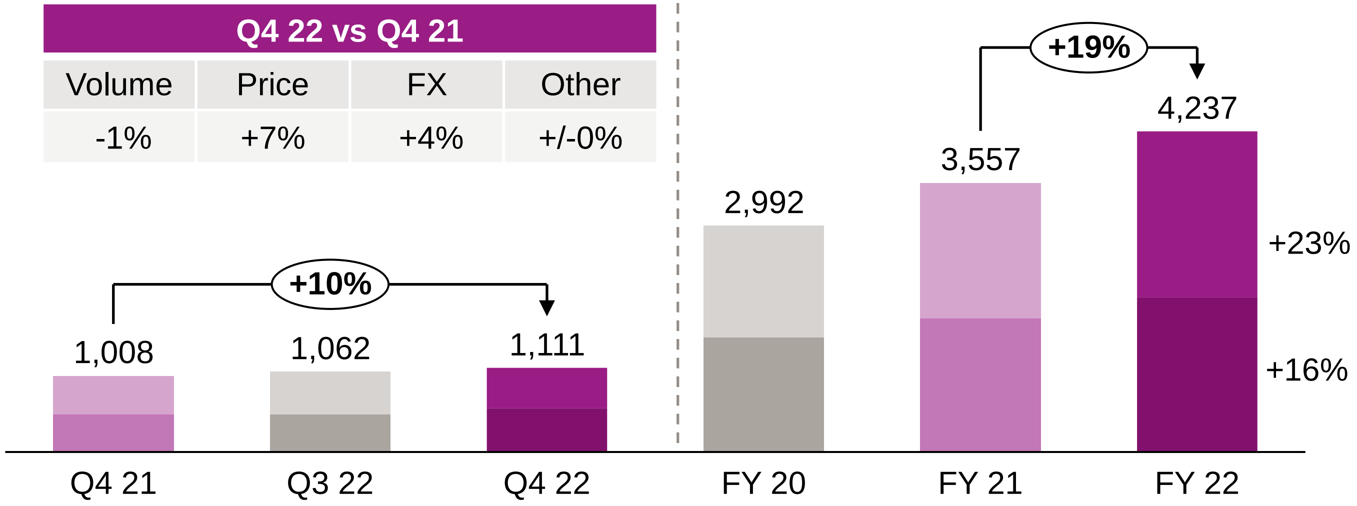
Nutrition & Care

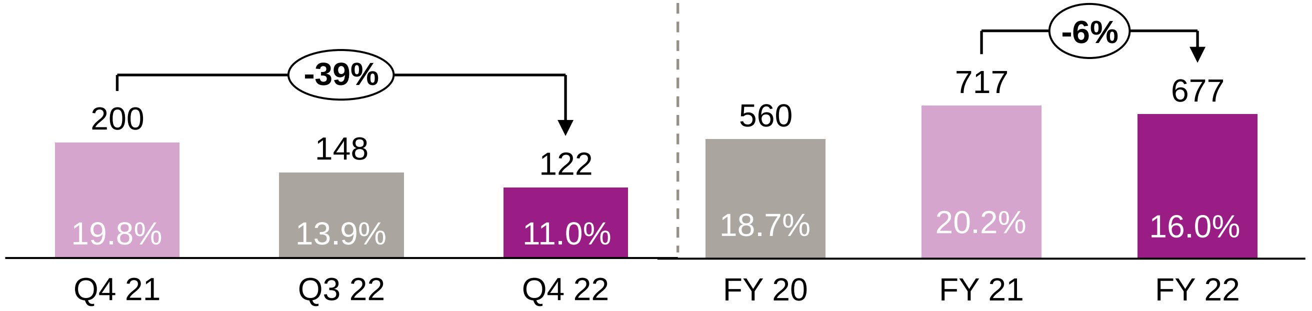
Sales
(in € m)

Split Animal Nutrition and Health & Care

Q4 22 vs Q4 21			
Volume	Price	FX	Other
-1%	+7%	+4%	+/-0%



Adj. EBITDA
(in € m)
/ margin



Health & Care

- Care Solutions: Positive pricing esp. for cosmetic solutions and active cosmetic ingredients overcompensates lower volumes
- Health Care: Strong operational performance for both drug delivery and substance resulted in clear catch-up from Q3

Animal Nutrition

- Ongoing customer destocking in Q4
- Selling prices with expected step-down, still elevated variable costs

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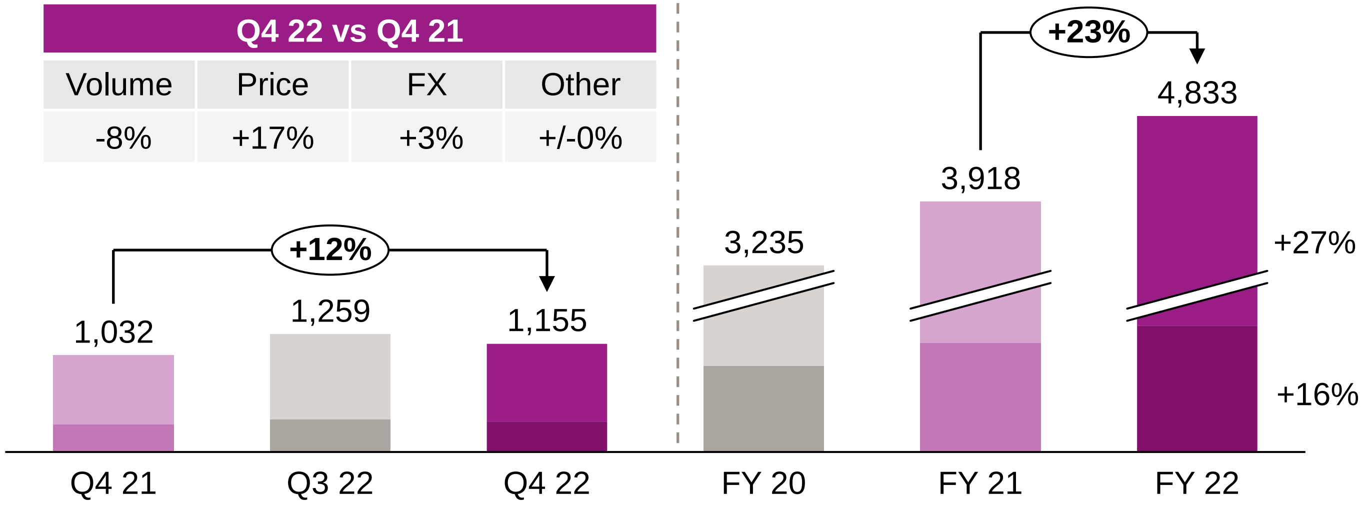
Smart Materials

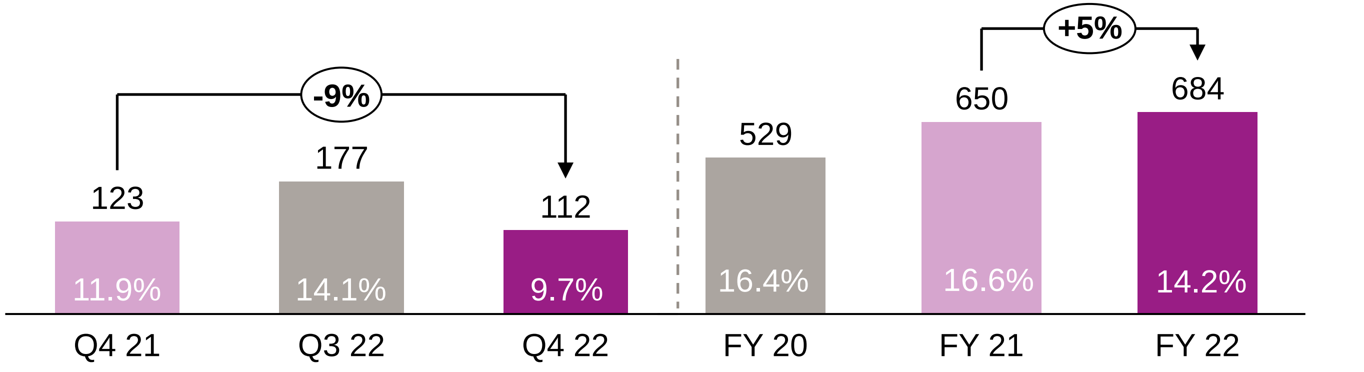
Sales
(in € m)

Split Inorganics & Polymers

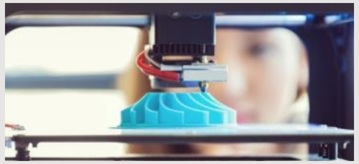
Q4 22 vs Q4 21			
Volume	Price	FX	Other
-8%	+17%	+3%	+/-0%



Adj. EBITDA
(in € m)
/ margin



- Strong sales progression, mainly driven by double-digit price increases, compensating for higher raw material and energy costs
- Q4 burdened by lost volumes, mainly due to lower demand and plant shutdowns (HPPO)
- Exception: double-digit volume growth for High-Performance Polymers based on strong and broad-based demand
- Positive top line not reflected in earnings, additionally impacted by negative inventory effects and higher logistic costs



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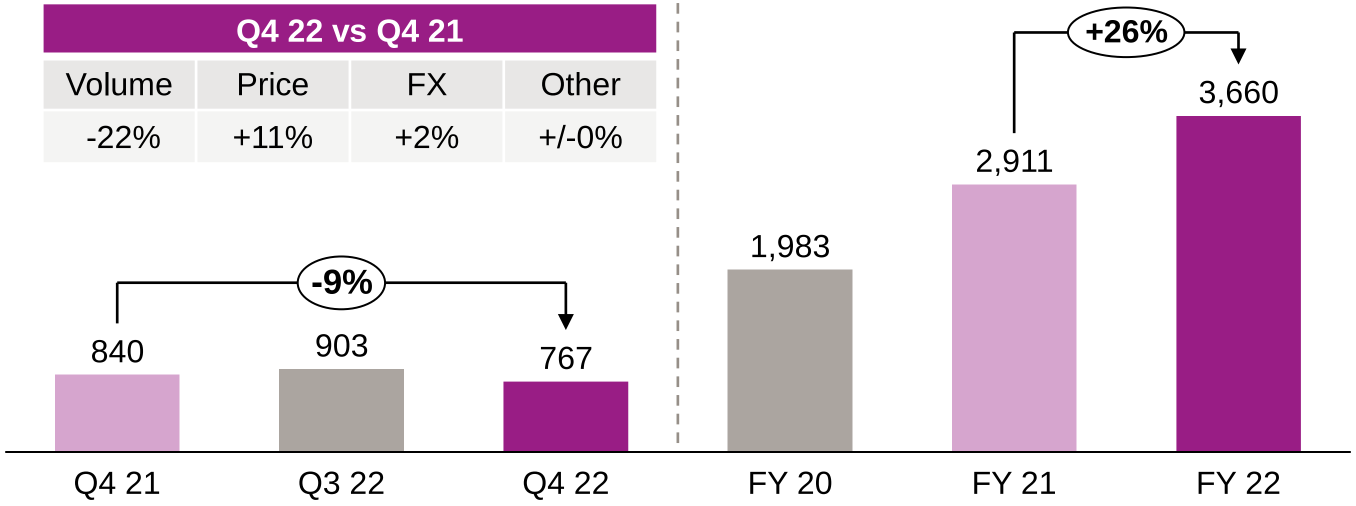
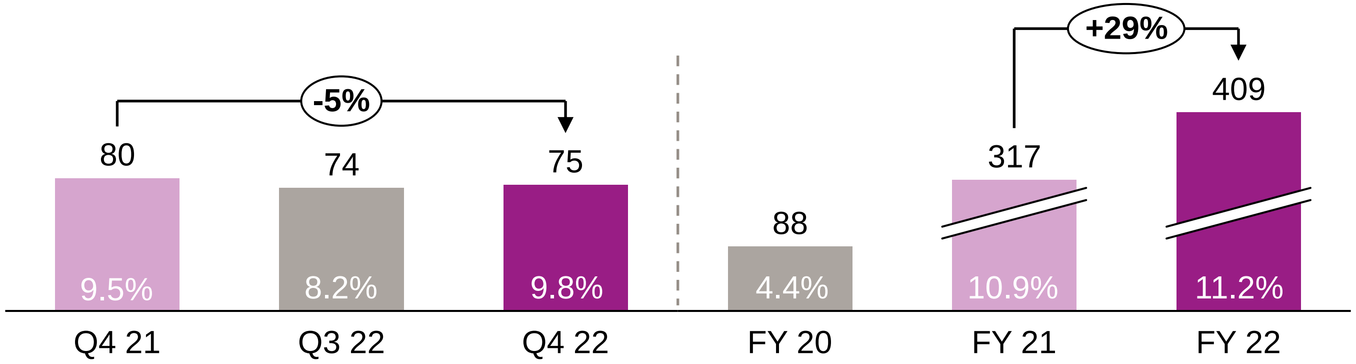
Performance Materials

Sales
(in € m)

Q4 22 vs Q4 21			
Volume	Price	FX	Other
-22%	+11%	+2%	+/-0%



Adj. EBITDA
(in € m)
/ margin



- Less pronounced seasonal volume decline in Q4 (qoq) as Q3 was impacted by longer maintenance shutdown in C_4
- Spreads in Q4 on average similar to Q3 levels for MTBE and Butene-1
- However, underlying demand for C_4 products remains negatively impacted by weak economic environment and customer end markets
- Clear sequential decline expected for Q1 in C_4 spreads and weak demand

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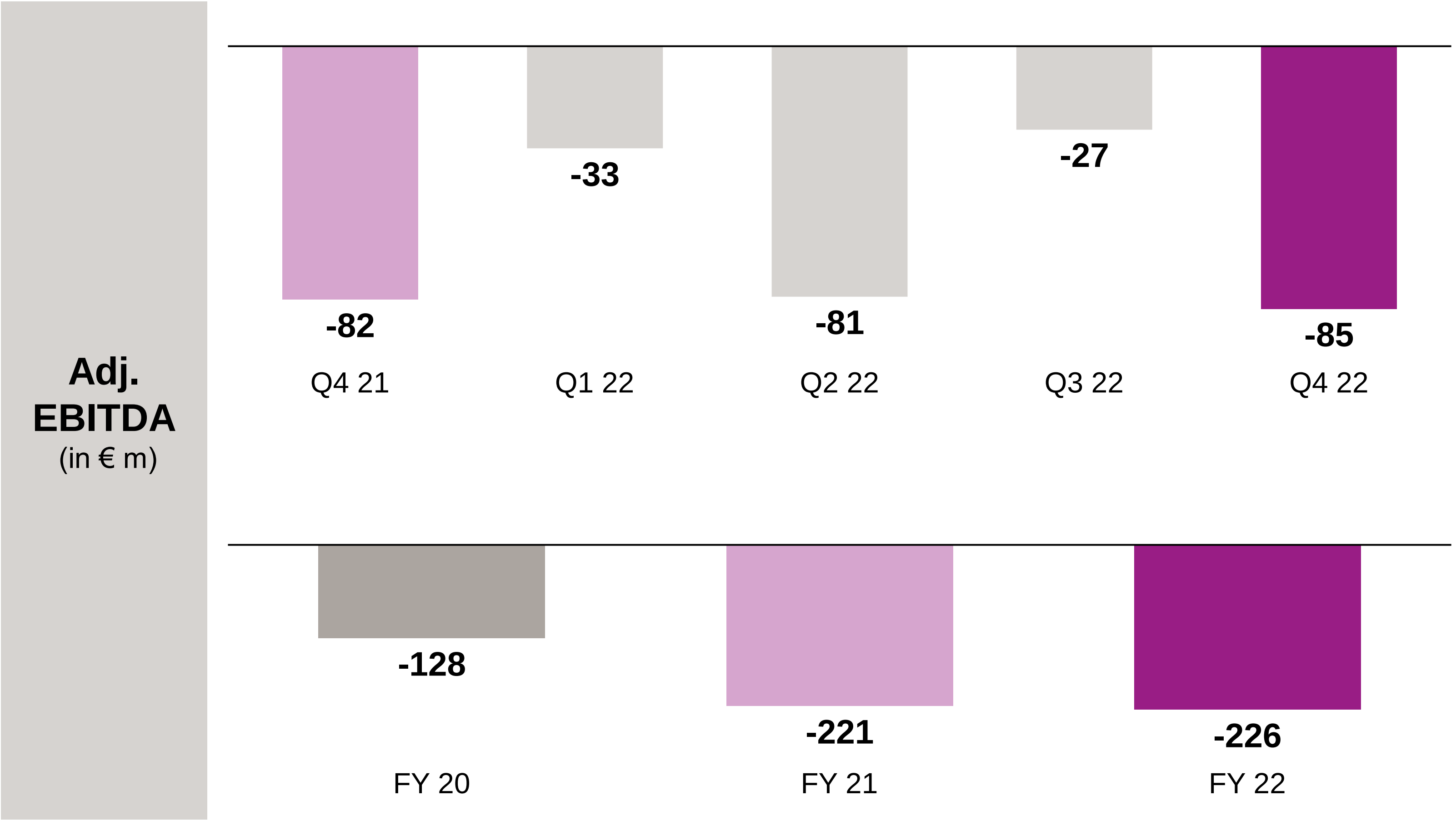
Technology & Infrastructure / Other

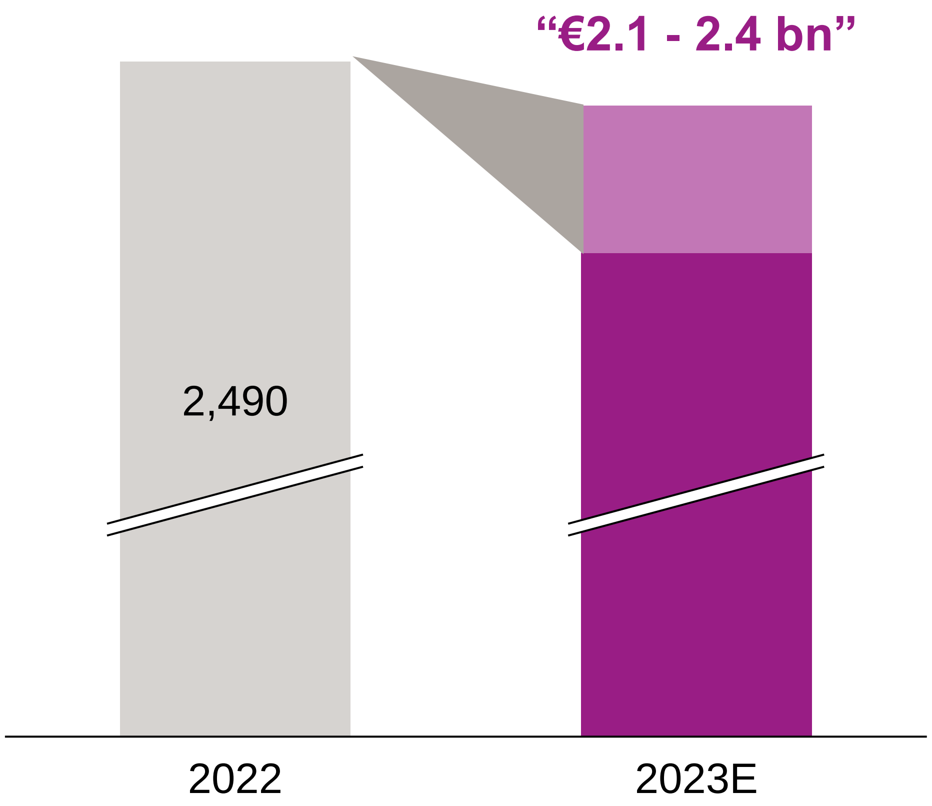


- FY 2022 earnings burdened by higher costs for power plants and energy purchasing
- Visible esp. in Q2 and Q4 – before redistribution of negative effects to operating businesses (e.g. in Q3)
- Q4 with additional year-end effects and one-time payment to employees as part of the tariff agreement reached in October
- Earnings will be significantly less negative in 2023 yoy as contingency measures will have a positive effect

Outlook 2023: Adj. EBITDA

Resilience in Specialty Additives, Smart Materials, Health & Care
Earnings decline in Animal Nutrition and Performance Intermediates

Adj. EBITDA (in € m)



Outlook by division

Specialty Additives		▪ Applications for energy efficiency to develop positively
Nutrition & Care	Health & Care	▪ Unbroken positive trends esp. in Care Solutions
Nutrition & Care	Animal Nutrition	▪ Slightly higher volumes, noticeable normalization of prices, lower raw material costs
Smart Materials		▪ Inorganics with positive demand for H_2O_2 specialties and catalysts ▪ Polymers to benefit from additional capacities for PA12
Performance Materials		▪ Baby Care up ▪ Performance Intermediates down significantly

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Indications for adj. EBITDA FY 2023 on division level

Specialty Additives

- Specialty Additives to benefit from mission-critical solutions geared towards sustainability
- e.g. solutions for the energy transition or to improve efficiency
- Supply chain disruptions experienced in 2022 should not repeat

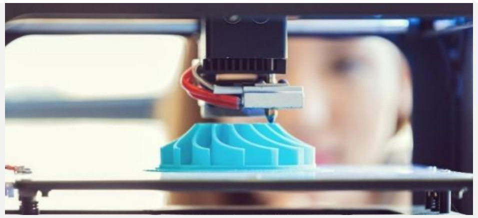
"stable at around prior-year level"

Nutrition & Care

- Health & Care with increasing share of "System Solutions" at above-average margins
- Animal Nutrition: Return to volume growth while prices expected well below prior year's levels; easing raw material and logistic costs in H2
- Continued active cost management

"considerably lower than prior-year level"

Smart Materials



- Ongoing positive development in "Eco Solutions", especially for specialties in Active Oxygens and Catalysts
- "Future Mobility": New PA12 capacities into tight market
- Alkoxides (bio-diesel catalysts) now part of Catalysts business line

"slightly above prior-year level"[1]

Performance Materials

- Significant pressure on margins in the C_4 business
- Baby Care with higher earnings, benefiting from improving market environment and long-term customer relationships

"significantly lower than prior-year level"[1]

1. Outlook for Smart Materials and Performance Materials based on restated prior-year figures: alkoxides moved from PM to SM as of January 1st, 2023; €59 m EBITDA in FY 2022, for further details see backup slide

Assumptions for our FY outlook

Macro & Phasing

- Challenging macroeconomic environment (GDP +1.9%; 2022: +3.0%)
- **Weak business** performance expected **in Q1**, continuation of weak momentum of year-end 2022
- **Successive acceleration** in business development **from Q2 onwards**

Volume & Price

- **Prices** in specialty chemicals businesses expected to remain **stable or decline only slightly** during the course of the year
- In Animal Nutrition and Performance Intermediates, more significant price declines anticipated from high previous year level
- Sales **volumes** expected to **decline only slightly** overall (still clearly negative in H1, growing again in H2)

Energy costs

- Energy cost trend in Europe more beneficial, but uncertainty remains for 2023
- **Only slight increase** of ~€100 m expected vs previous year (from €1.2 bn to €1.3 bn; previous expectation in Nov 2022: increase of €300m), based on long-term hedging strategy

Inflation

- **Slightly lower raw material costs** vs previous year
- **Rising factor costs** expected to be **largely offset** by implementation of €250 m contingency measures

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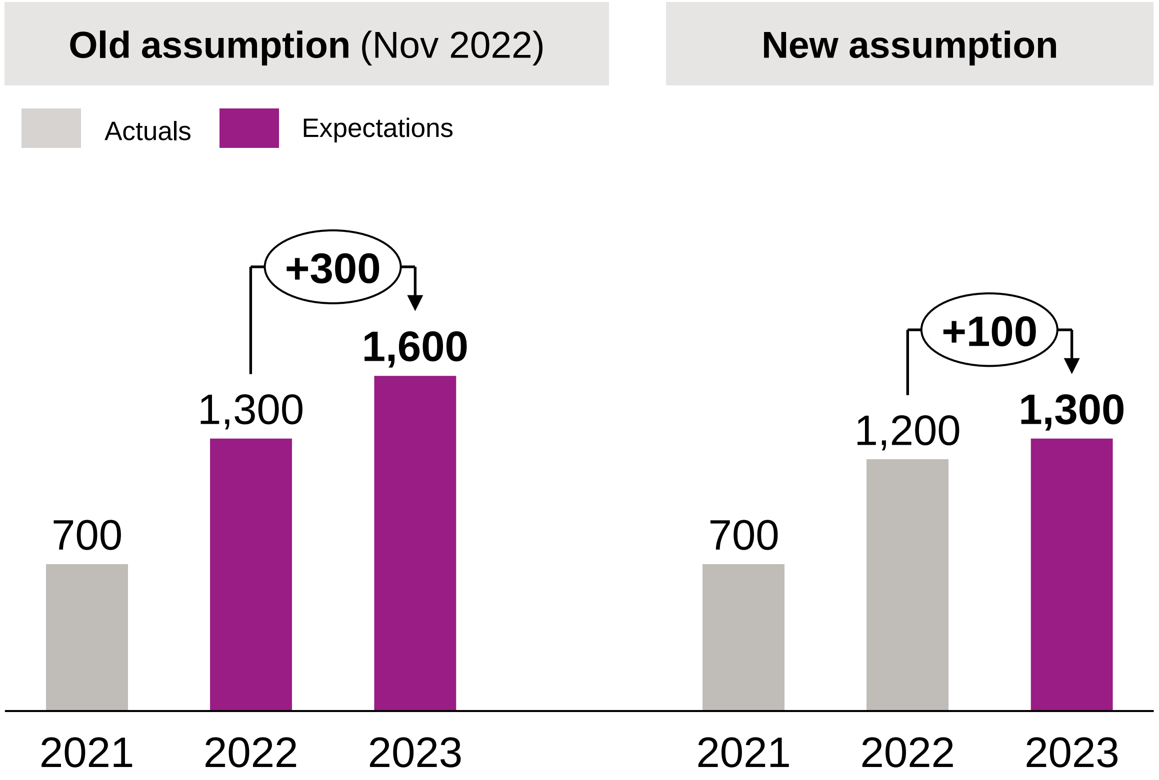
Energy cost development

€100 m increase yoy, lower than assumed in November 2022

Energy cost development (in € m)



Expected energy cost development influenced by:

- Large parts of exposure hedged via physical forwards

Changes mainly driven by remaining unhedged part:

- Lower energy cost in **2022** due to quickly falling energy prices at year-end (€1.2 instead of €1.3 bn)
- Energy cost **2023** lower than previous expectation due to lower energy price level in Europe (€1.6 vs €1.3 bn)
- **Energy cost increase (yoy) €200 m lower than assumed in November 2022** (+€100 vs +€300 m)

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Contingency measures to counterbalance cost inflation
Strict cost control in place

~25%
Operations

e.g. optimized maintenance plans, discipline in non-essential projects

~25%
Others

e.g. less use of consultants, reduced fair & event participation, reduced sponsoring, optimized IT costs

Cost savings of
€250m
in FY 2023

Established controlling process

Consolidated cost overview enables close **deviation analyses** at group and management level

Monthly reporting across all divisions on group and management level

Regular monitoring by Executive Board

~50%
Personnel

e.g. discipline in hiring & wage, overtime work, secondments, promotions, travel, car policy

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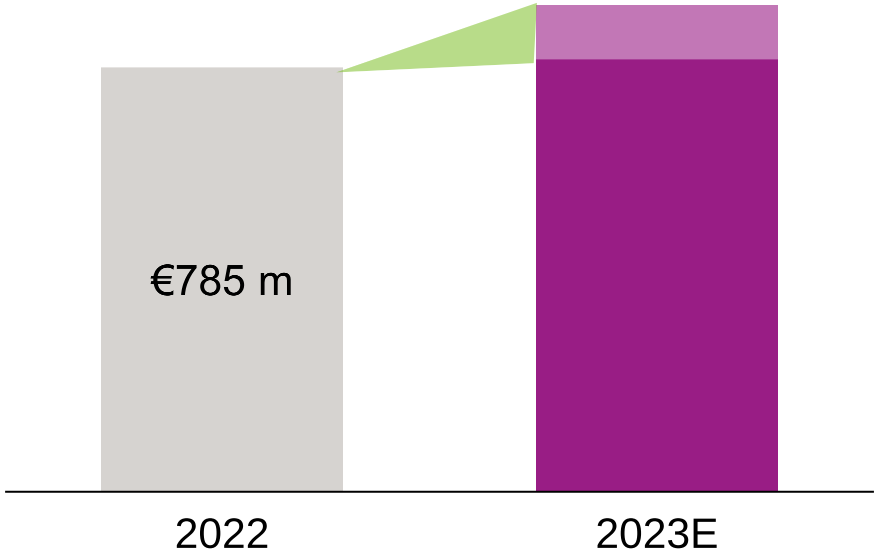
Outlook 2023: Free Cashflow

Better cash conversion and higher absolute FCF

“Develop cash conversion towards target of 40%”

Cash Conversion Rate[1]	32%	**towards 40%**

Higher absolute FCF



Higher absolute FCF in FY 2023 driven by:

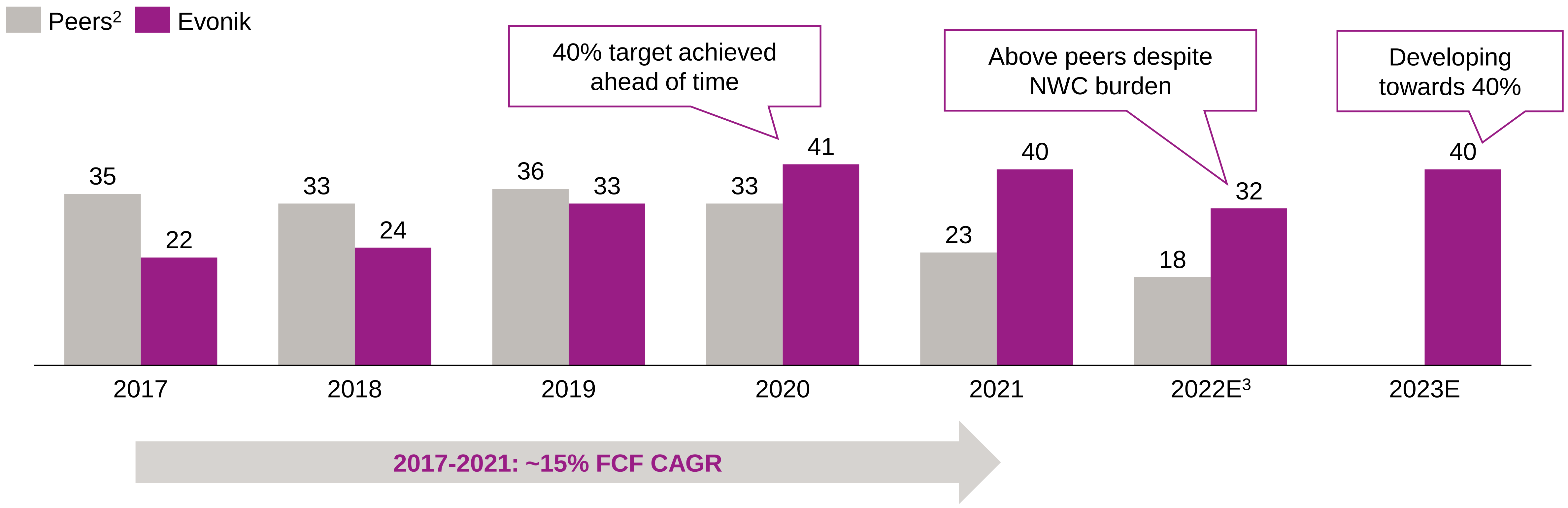
- Positive contribution from **NWC** management
- Continued **capex** discipline: unchanged base budget of €900 m despite inflationary environment

  … plus investments in "Next Generation Technologies”[2] of ~€75 m
- Lower **bonus** payments for fiscal 2022

1. Free cash flow conversion (FCF / adj. EBITDA) | 2. Measures to increase efficiency and reduce CO_2 emissions in production

Evonik with structural cash generation improvement – above peers

FCF conversion (in %)[1]



1. Free cash flow conversion (FCF/adj. EBITDA) | 2. Average of peer group: Arkema, BASF, Clariant, Covestro, DSM, Lanxess, Solvay | 3. Visible Alpha Consensus for peers, outlook for Evonik

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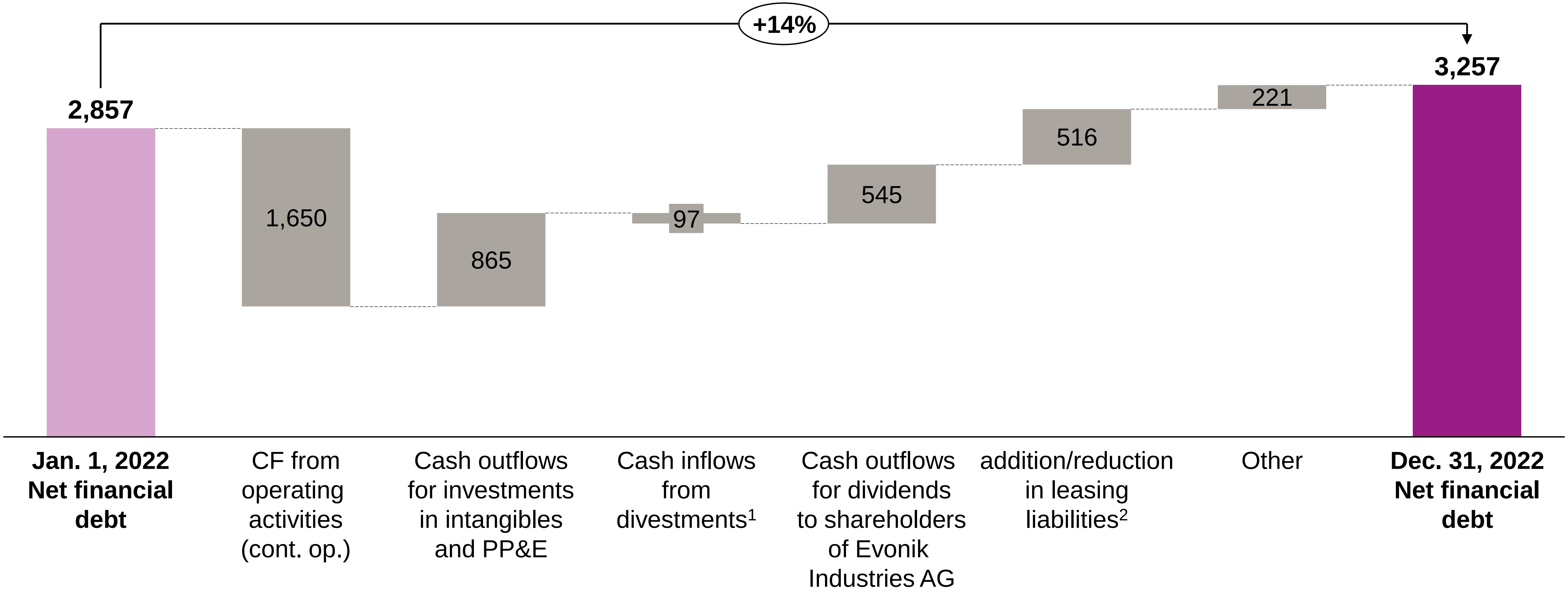
Additional indications for FY 2023

Sales	**between €17 and 19 bn** (2022: €18.5 bn)
ROCE	**slightly below the level of 2022** (2022: 8.3%)
Capex[1]	**base budget around €900 m** (2022: €865 m), plus ~€75 m for NPV-positive investment in Next Generation Technologies (€700 m until 2030)
EUR/USD sensitivity[2]	+/-1 USD cent = **-/+ ~€10 m** adj. EBITDA (FY basis)
Adj. EBITDA T&I/Other	**significantly less negative than prior year level** (2022: -€226 m)
Adj. D&A	**slightly above the level of 2022** (2022: €1,140 m)
Adj. net financial result	**back to around 2021 level** (2022: -€19 m; 2021: -€97 m)
Adj. tax rate	**around** long-term sustainable level of **~30%** (2022: 29%)

1. Cash outflow for investment in intangible assets, pp&e | 2. Including transaction effects (after hedging) and translation effects; before secondary / market effects

Net financial debt development FY 2022

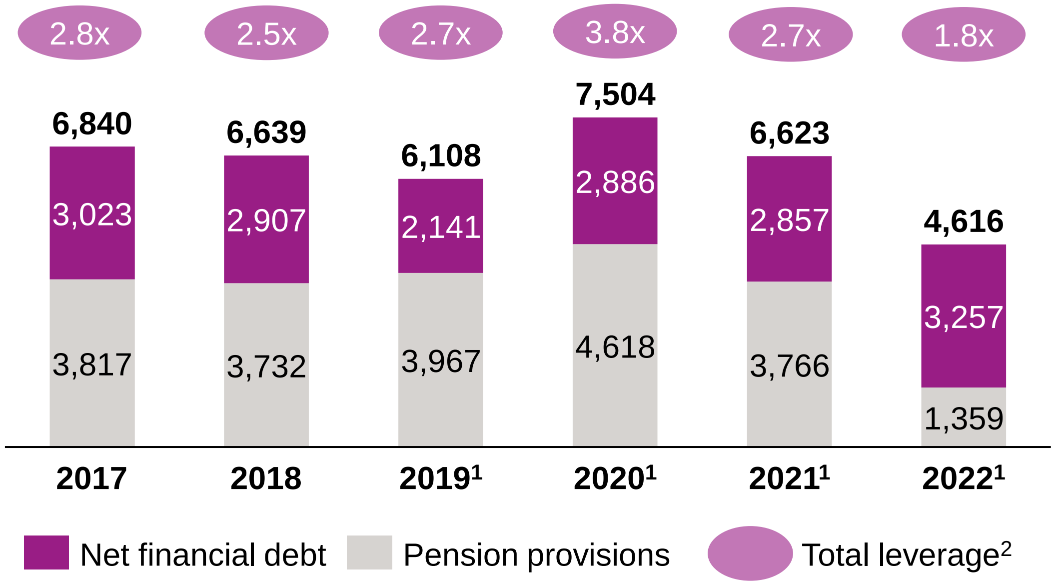
(in € m)



1. Incl. cash-in for divestment of TAA-derivatives and US betaine operations in Hopewell, Virginia | 2. Primarily due to the start-up of new gas and steam power plants in Marl

Development of debt and leverage over time

(in € m)



	2017	2018	2019[1]	2020[1]	2021[1]	2022[1]
Adj. net debt[3]	6,590	6,389	5,858[1]	7,254[1]	6,373[1]	4,366[1]
Adj. EBITDA (last 12 months)	2,357	2,601	2,153[1]	1,906[1]	2,383[1]	2,490[1]
German pension discount rate (%)	2.00	2.00	1.30	0.90	1.30	4.10

- Majority of net debt consists of long-dated pension obligations with >13 years duration
- FY 2022: Lower pension provisions from increase of pension discount rates (German pension discount rate increase from 1.3% at year-end 2021 to 4.1%)
- Pension provisions partly balanced by corresponding deferred tax assets of ~€0.5 bn
- Increased net financial debt versus year-end 2021: free cash flow counterbalanced by cash-outs for dividend and additions of leasing liabilities, primarily due to start-up of new gas & steam power plants in Marl
- Low net financial debt leverage at 1.2x[4]

1. Continuing operations (excluding methacrylate activities) | 2. Adj. net debt / adj. EBITDA
3. Net financial debt – 50% hybrid bond + pension provisions | 4. (Net financial debt – 50% hybrid bond) / adj. EBITDA

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Divisional overview by quarter

RESTATED for Alkoxides business[1]

Sales (in € m)	Q1/21	Q2/21	Q3/21	Q4/21	FY 2021	Q1/22	Q2/22	Q3/22	Q4/22	FY 2022
Specialty Additives	907	922	934	947	**3,710**	1,049	1,116	1,113	906	**4,184**
Nutrition & Care	780	838	931	1,008	**3,557**	1,038	1,027	1,062	1,111	**4,237**
Smart Materials	909	975	1,002	1,032	**3,918**	1,284	1,335	1,365	1,256	**5,240**
Performance Materials	580	708	784	840	**2,911**	844	945	797	666	**3,253**
Services, Corporate & Others	182	193	220	264	**859**	283	349	541	401	**1,574**
Evonik Group	3,358	3,636	3,871	4,091	**14,955**	4,498	4,772	4,878	4,340	**18,488**

Adj. EBITDA (in € m)	Q1/21	Q2/21	Q3/21	Q4/21	FY 2021	Q1/22	Q2/22	Q3/22	Q4/22	FY 2022
Specialty Additives	273	242	224	181	**920**	252	263	243	188	**946**
Nutrition & Care	143	183	192	200	**717**	222	185	148	122	**677**
Smart Materials	173	176	177	123	**650**	212	219	188	124	**743**
Performance Materials	42	99	97	80	**317**	82	142	63	63	**350**
Services, Corporate & Others	-43	-51	-45	-82	**-221**	-33	-81	-27	-85	**-226**
Evonik Group	588	649	645	502	**2,383**	735	728	615	413	**2,490**

1. Alkoxides business moved from Performance Materials to Smart Materials as of January 1st, 2023; 2022 financials restated

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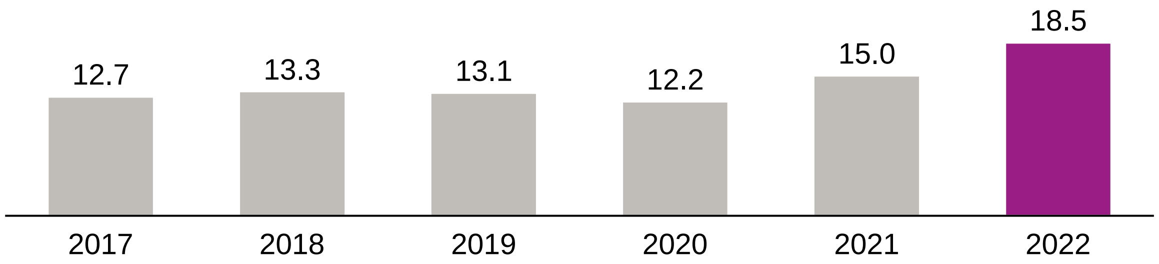
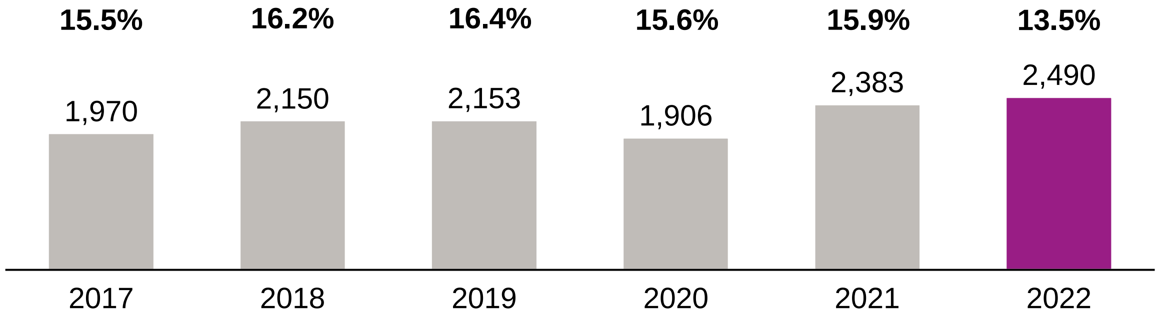
Financials[1]

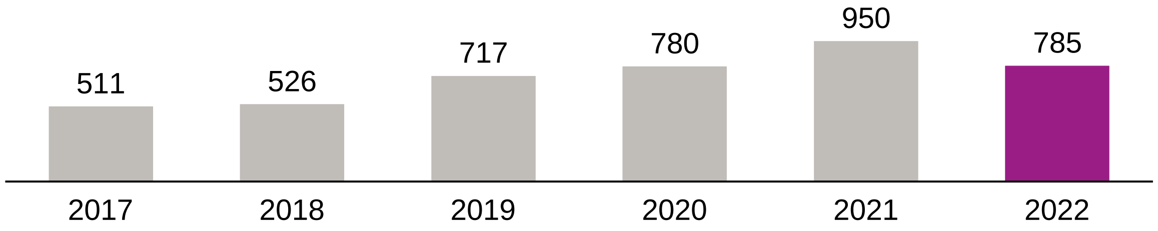
Sales (in € bn)



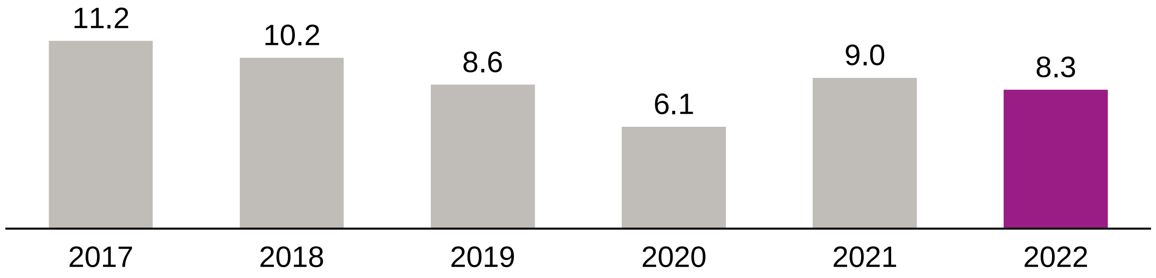
Adj. EBITDA (in € m) **/ margin**



Free Cash Flow (as reported, in € m)



ROCE (as reported, in %)



1. Continuing operations

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Upcoming IR events

Conferences & Roadshows	
March 8, 2023	Management Roadshow Frankfurt, Bankhaus Metzler
March 9, 2023	Goldman Sachs Chemicals & Consumer Ingredients Conference, London
March 15, 2023	Exane Consumer Ingredients Conference, London
March 16, 2023	Management Roadshow London, JP Morgan
March 27, 2023	Management Roadshow New York, Bernstein
March 29, 2023	Société Générale European ESG Conference, Paris
March 30, 2023	Stifel Conference, Copenhagen

Upcoming Events & Reporting Dates	
March 2, 2023	Q4 / FY 2022 Reporting
May 9, 2023	Q1 2023 Reporting
May 24, 2023	Sellside Dinner London
May 31, 2023	Annual General Meeting
August 10, 2023	Q2 2023 Reporting
November 7, 2023	Q3 2023 Reporting

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