



Evonik

Company Presentation 2025



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Evonik at a glance

With new segment structure since April 2025

€15.2 bn

Sales

€2.1 bn (13.6%)

Adj. EBITDA (margin)

€873 m (42%)

Free Cash Flow (conversion)

7.1%

ROCE

€1.17 (>6%)

Dividend (yield)

**LEADING
BEYOND
CHEMISTRY**

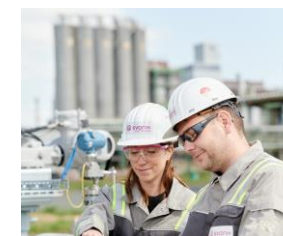
Custom Solutions

Innovation-driven
businesses with
tailored and
science-based
solutions



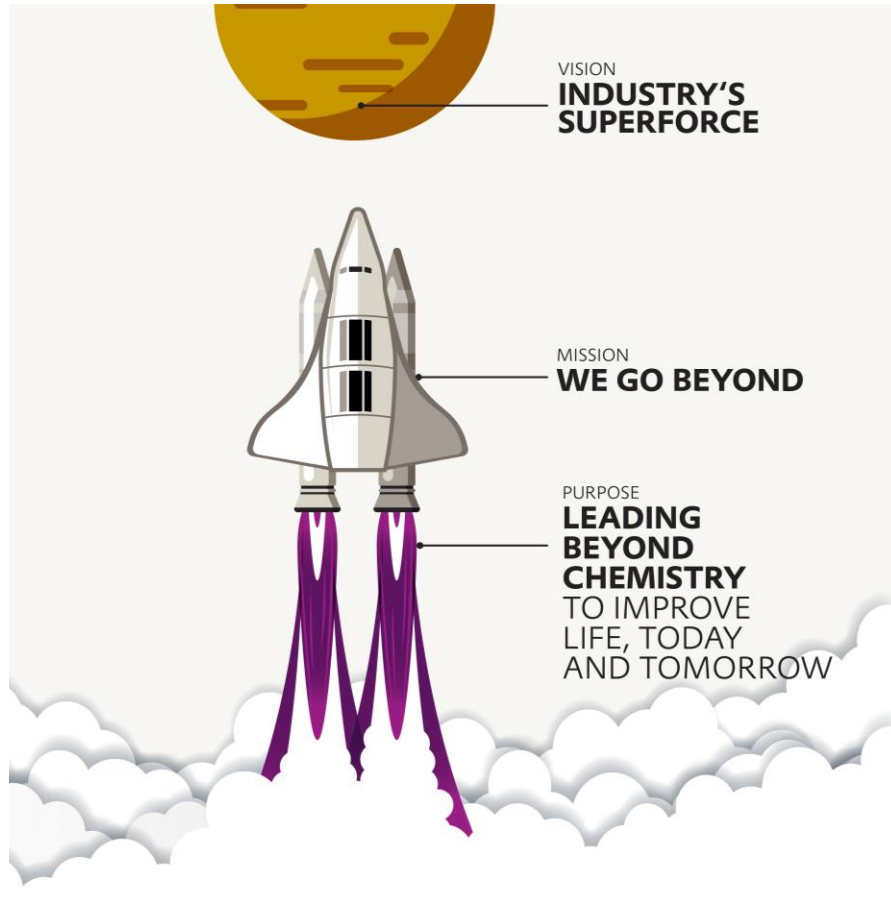
Advanced Technologies

Efficiency-driven
businesses with a high
level of **technological**
expertise and
operational
excellence



PURPOSE – MISSION – VISION

How Evonik is becoming Industry's Superforce



- Our experts are among the **world's best, offering tailored innovations** perfectly dovetailed with our customers' needs.
- We harness our **leading technological know-how and high-performance plants** to set benchmarks across Europe, Asia and the Americas – efficient, scalable and reliable.
- This **one-of-a-kind symbiosis of innovation and industrial excellence** from a single source makes us a strong partner to industry.
- We deliver **sustainable products and solutions that improve the lives of millions of people** – and guarantee our customers that all-important competitive edge.

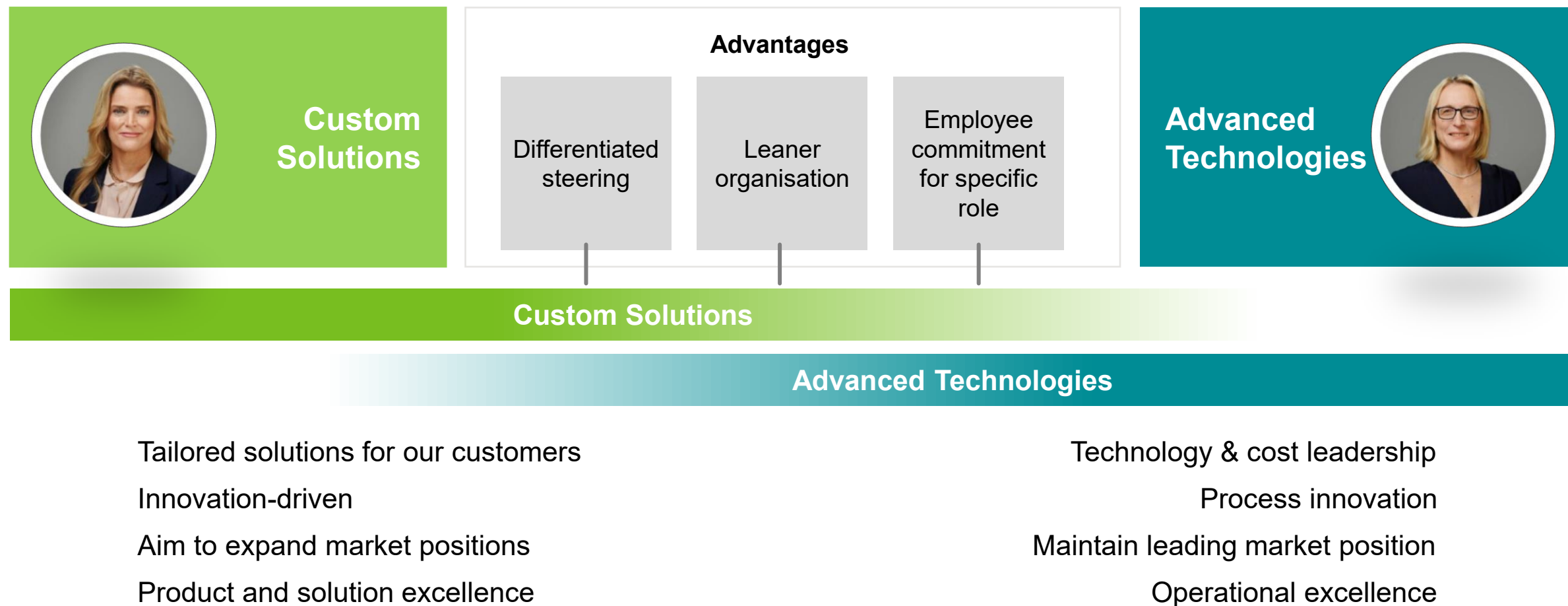
WE GO BEYOND.

Our new vision: Evonik is Industry's Superforce



1 Leading Portfolio:

New segment structure with tangible benefits











① Leading Portfolio:

Having both segments under one roof creates value






	Custom Solutions (CU)	Examples	Advanced Technologies (AT)
Secured independent financing of growth	Strong cash generation in AT finances innovation and growth		
Innovation synergies and know-how sharing	Innovation Growth Areas spread across both segments Process optimization know-how of high relevance in AT and CU – and product innovation in CU also of use for AT		
Complementary people skills	Different focus areas in each segment allow for better division of labor and creation of complementary competencies		
Scale benefits	Shared production & innovation hubs Raw materials procured in large volumes for AT also used in CU		

1 Leading Portfolio: Custom Solutions and Advanced Technologies – Overview and KPIs

	Custom Solutions		Advanced Technologies	
Financials 2024	 Sales €5.7 bn	 EBITDA €978 m	 Sales €6.1 bn	 EBITDA €1.0 bn
	 ROCE 13%	 EBITDA margin 17%	 ROCE 9%	 EBITDA margin 17%
Role	Stronger role as growth driver with superior EBITDA growth		Stronger financing role with superior cash flow generation	
Internal focus KPI's	Innovation-centric KPIs		Technological KPIs	
	Customer-centric KPIs <ul style="list-style-type: none"> ▪ Share of new product sales ▪ Share of “Next Generation Solutions” ▪ Speed of idea to market 		<ul style="list-style-type: none"> ▪ Off-spec ratio ▪ Cost to build ▪ Net overall equipment effectiveness 	
	<ul style="list-style-type: none"> ▪ Customer / Service satisfaction ▪ Order fulfilment / reliability ▪ Opportunity management ▪ Share of customized products 		Operating KPIs <ul style="list-style-type: none"> ▪ Range-of-coverage (inventory) ▪ Opportunity management ▪ Forecast accuracy ▪ Pricing excellence 	

FY 2024 financials

① Leading Portfolio: Custom Solutions and Advanced Technologies – Main products & end markets

		Custom Solutions		Advanced Technologies	
Sub-segments	Additives	Care	Organics	Inorganics	Animal Nutrition
					
Main products	<ul style="list-style-type: none"> Coating Additives Polyurethane Additives Lubricant Additives Other Industrial Additives Catalysts 	<ul style="list-style-type: none"> Home, Lifestyle, Personal Care Health Care 	<ul style="list-style-type: none"> Crosslinkers High Performance Polymers (e.g. PA12) 	<ul style="list-style-type: none"> Hydrogen Peroxide Silica/ Silanes 	<ul style="list-style-type: none"> Amino Acids (e.g. Methionine)
Selected end markets	<ul style="list-style-type: none"> Automotive Construction Food & Beverage Agriculture Medical applications 	<ul style="list-style-type: none"> Cleaning Personal Care Pharmaceutical Industry Beauty 	<ul style="list-style-type: none"> Automotive Construction Wind power Electronics Oil & Gas 	<ul style="list-style-type: none"> Tires Pulp & Paper Oral Care Electronics Food & Beverages 	<ul style="list-style-type: none"> Animal Feed Specialty feed additives Sus. Omega-3 fatty acids

① Leading Portfolio:

We continue to transform the portfolio

— **Today** ————— **2027** ————— **Long-term** —→

New segments & differentiated business steering

Divestment of **Performance Intermediates (C4)**
(sales ~€1.9 bn)

Decision and execution on future of **Marl**
and Wesseling (sales >€1 bn)

Portfolio finetuning in **Health Care and**
Coatings & Adhesive Resins (total sales >€350 m)

Further portfolio finetuning

Ongoing portfolio management

- Focus within existing segment structure
- Strengthening innovation growth areas
- Aiming for a balanced regional split
- Continuous review of competitiveness of assets

② Sustainable Innovation: Main growth driver for the long-run

Product innovation




€1.5 bn additional sales by 2032 at >20% margin
Next Generation Solutions¹ with superior sustainability profile


NEXTGEN 
Solutions

Advance Precision Biosolutions	Enable Circular Economy	Accelerate Energy Transition
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Process innovation



Drive cost leadership and reduce GHG² emissions
Next Generation Technology projects with avg. >25% IRR

NEXTGEN 
Technologies

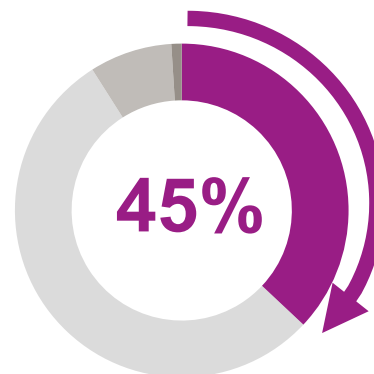
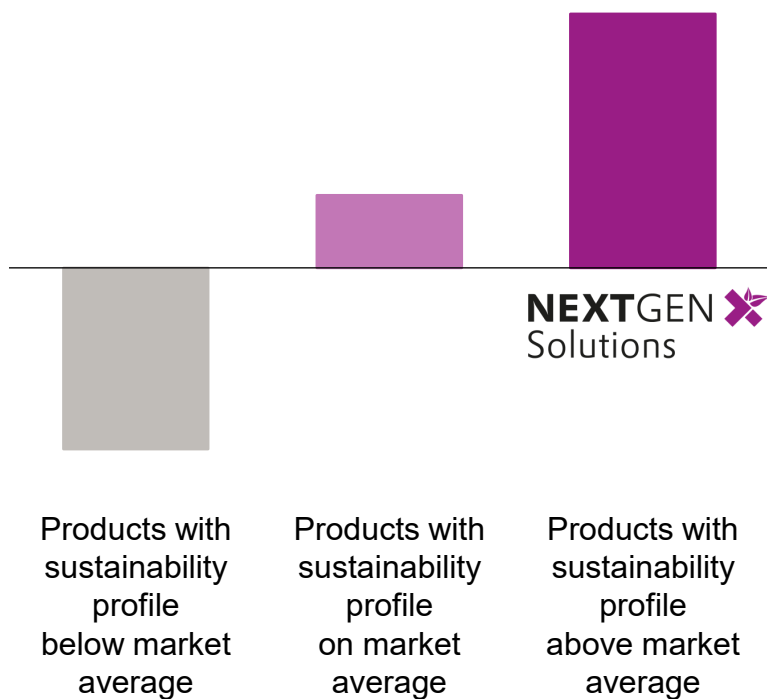
Advanced Process Control	Innovative waste heat up-cycling	Process redesign
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1. Next Generation Solutions; products with superior sustainability profile according to our PSA analysis | 2. Green house gas emissions

② Sustainable Innovation: NGS with a superior sustainability profile and above-average growth

Sales growth 2024-2030E (in %)

NGS sales share in 2024 (in %)



+2pp

Next Generation Solutions

Increased from 43 to ~45%;
well on track for target of >50%
by 2030

NEXTGEN 
Solutions

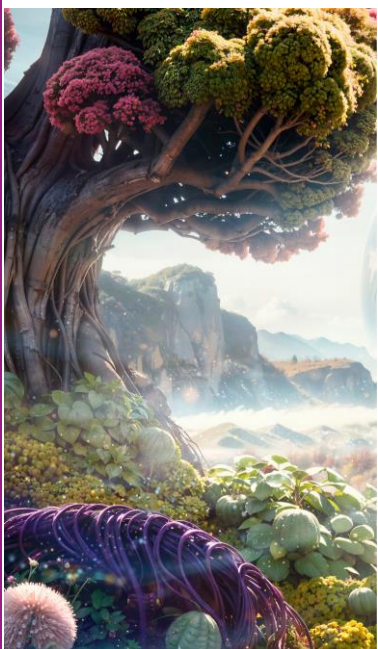
- Deliver superior sustainability benefits to our customers
- Address increasing customer demand for sustainable solutions
- Substitute less sustainable solutions in the market
- Deliver above-average growth

Next Generation Solutions (NGS) = products with superior sustainability profile according to our Portfolio Sustainability Assessment (PSA) according to the World Council for Sustainable Development (WBCSD)

② Sustainable Innovation: Future product offering circled around our three innovation growth areas

WE GO BEYOND TO ENABLE THE GREEN TRANSFORMATION

Advance Precision Biosolutions



Selected product examples:

- Biosurfactants
- SkinMicrobes Model
- Nucleic acid-based medicines

Enable Circular Economy



Selected product examples:

- Additives for PU recycling
- Devulcanization aids for rubber recycling
- Ceramic membranes for lithium battery recycling

Accelerate Energy Transition

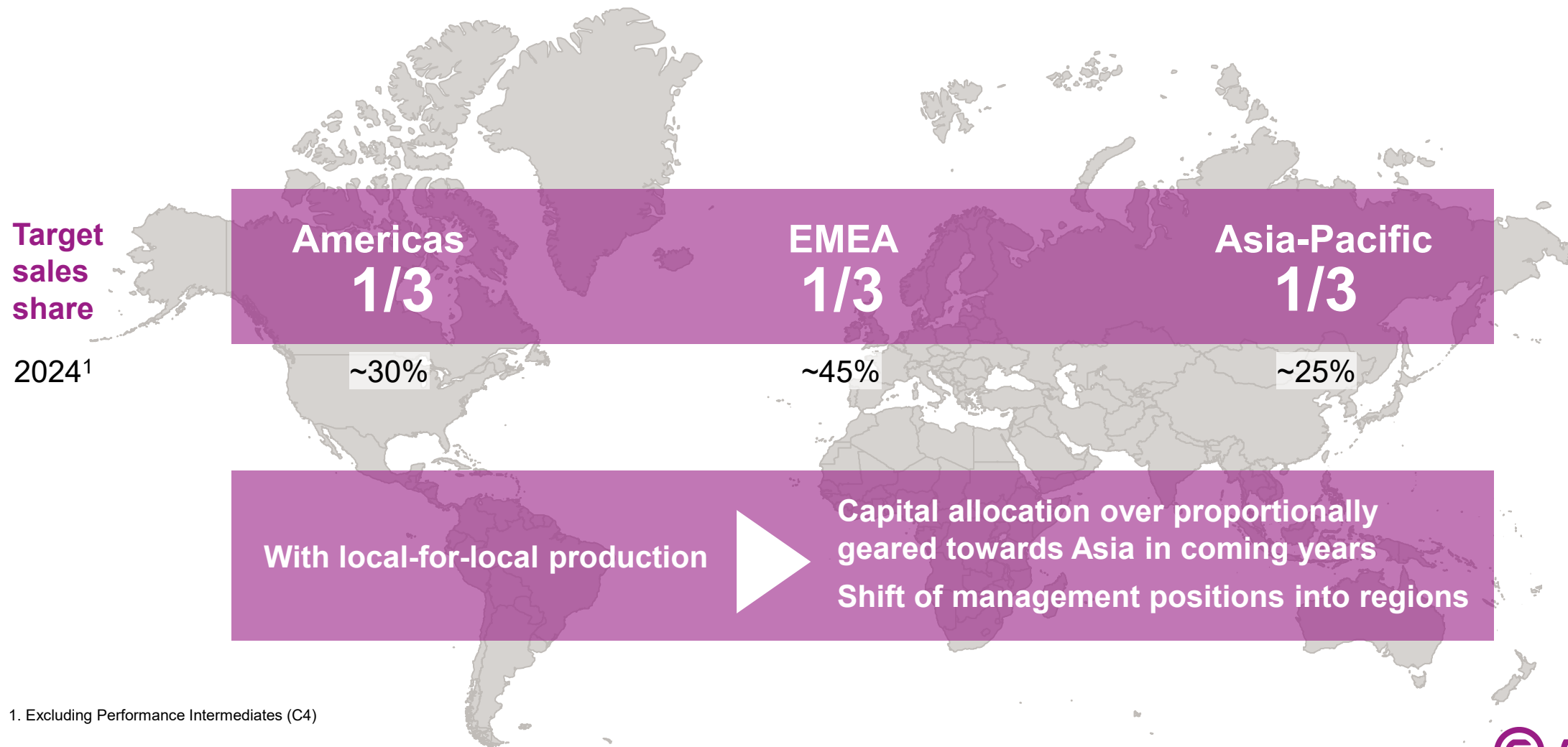


Selected product examples:

- Anion Exchange Membranes
- Solid-state batteries
- Carbon Capture (from point sources and directly from the air)

3 Regional Balance:

Aiming for 1/3 of sales in each region to be close to our customers



1. Excluding Performance Intermediates (C4)

④ We are “Team Excellence”: Derived from our core values – deeply rooted within Evonik



Excellence

- We strive for excellence in everything we do – across businesses and functions
- We set ourselves ambitious targets
- We hold ourselves accountable to reach these targets (e.g. in compensation)

Team

- We value all employees
- We foster collaboration and employee involvement through innovative approaches such as our “Open source change” program and an impactful feedback landscape

Our mid-term targets: Profitable growth and returns, while keeping cash generation high and full commitment to our ESG targets

OUR TARGETS

Fully aligned with our compensation system¹

UNTIL
2027

+€1 bn

adj. EBITDA²

~11%

ROCE³

>40%

Cash conversion rate⁴

Solid investment grade rating

UNTIL
2030

>50%

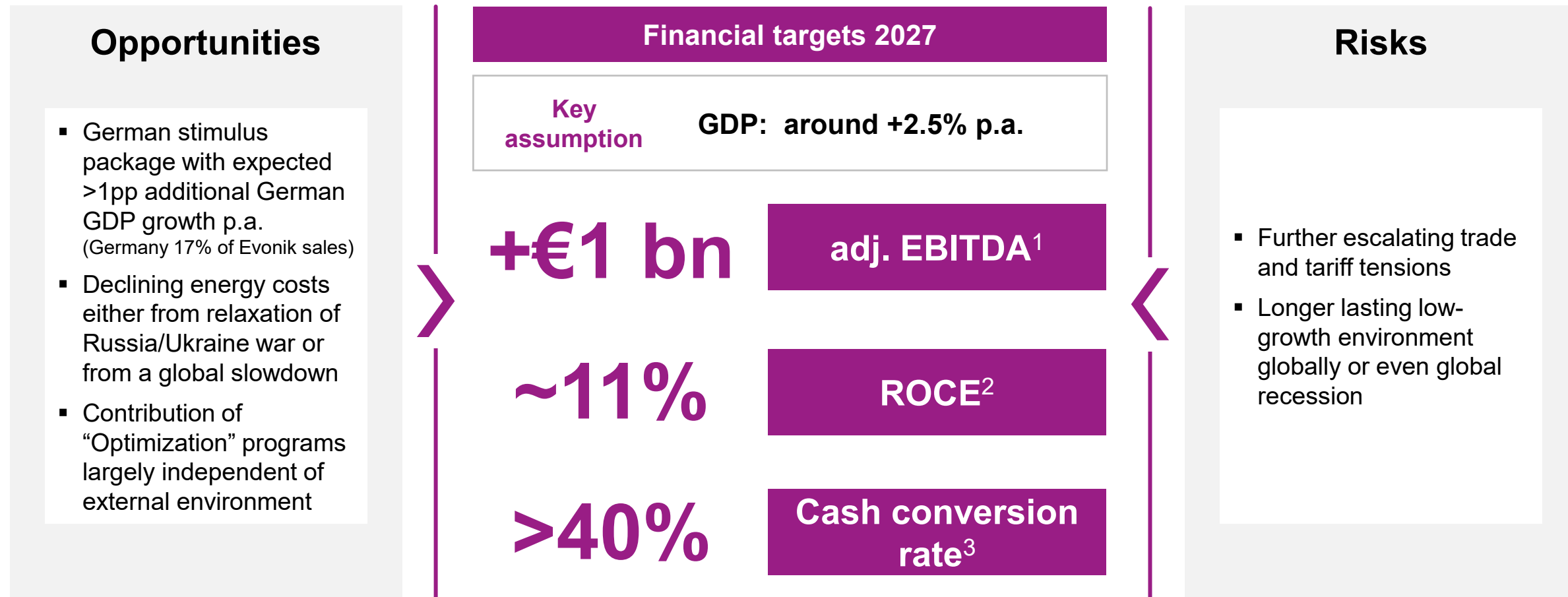
Sales share of NGS⁵

-25%

Reduction in GHG emissions⁶

1. KPIs part of annual short-term incentive system; ROCE to be decided on by 2026 AGM | 2. FY 2027 vs. FY 2023 | 3. Adj. EBIT / Capital Employed | 4. Free Cash Flow / Adj. EBITDA
5. Next Generation Solutions | 6. Green house gas emissions; scope 1 & 2 vs. base year 2021

Our mid-term targets: Factoring in both opportunities and risks



1. FY 2027 vs. FY 2023 | 2. Adj. EBIT / Capital Employed | 3. Free Cash Flow / Adj. EBITDA

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In 2027 we reach a major milestone: €1bn additional adj. EBITDA



Starting point 2023	... four years ...	Milestone 2027
Base to be restated by planned divestments until 2027	Additional EBITDA is irrespective of planned divestments, i.e. targeted adj. EBITDA in 2027 will still be €1 bn higher vs (then lower) 2023 base	Final value determined by planned divestments until 2027

We harvest our growth investments and leverage market growth and innovation

Growth investments



PA12 | Germany



Silica | United States



Alkoxides | Singapore



Metal Oxides | Japan

Market growth

Additives for coatings
Components for lithium batteries
PU foam for insulation
Active cosmetic ingredients
Gas separation membranes

3-4% relevant market growth p.a.

Innovation



Biosurfactants | Slovakia

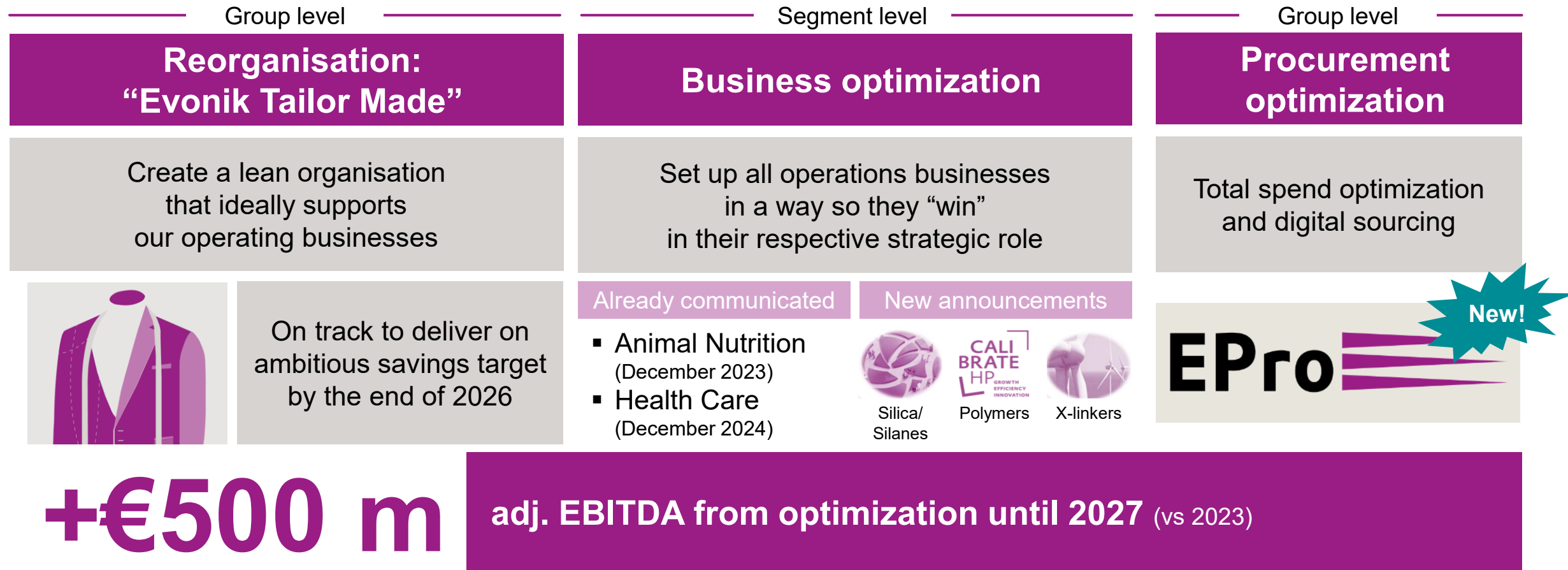


Membranes | Austria

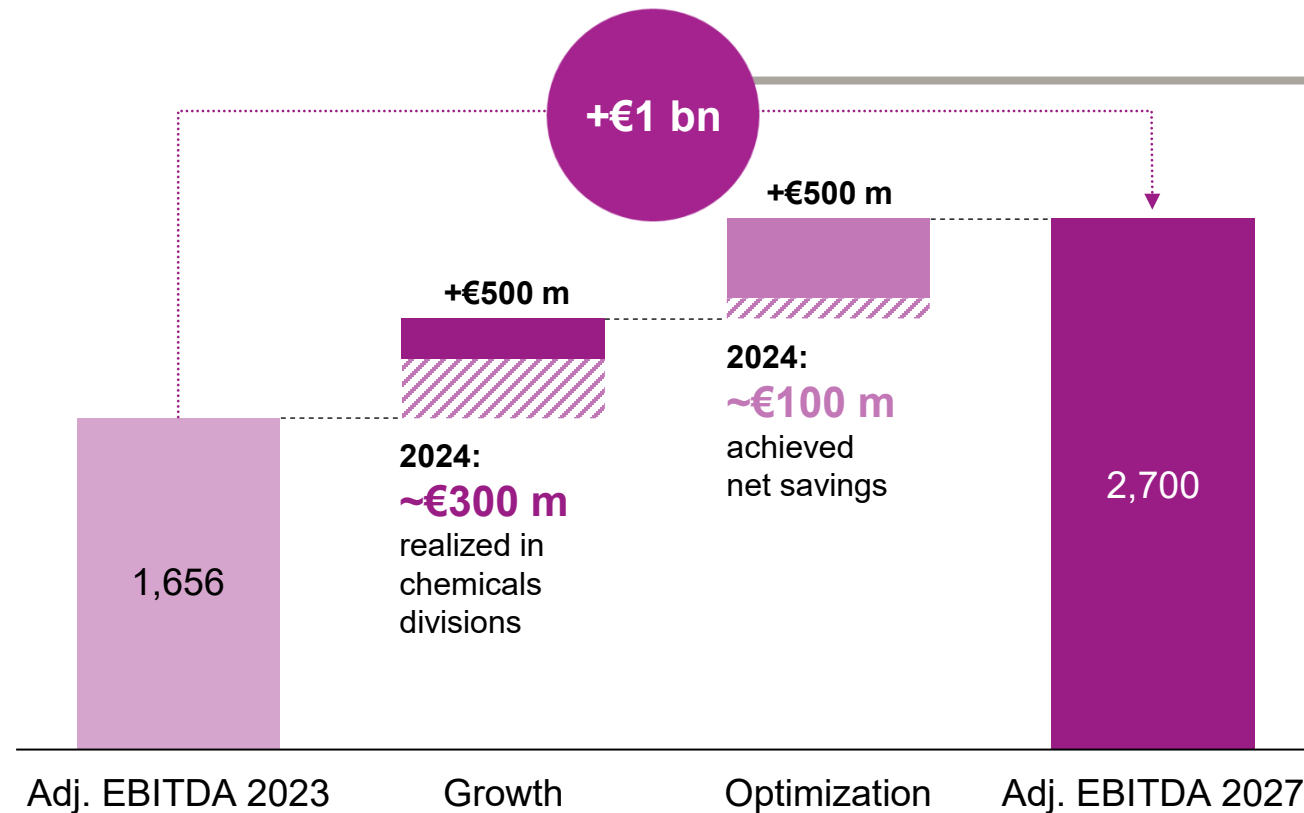
+€500 m

adj. EBITDA from growth until 2027 (vs 2023)

We set our organization and businesses up for long-term success



Status 2025 for our commitment 2027: +€1 bn adj. EBITDA



+€500 m: Growth

(including usual erosion in existing businesses)

To go (2025-2027): €200 m from

- Growing into new capacities
- New products from innovation pipeline
- Market growth



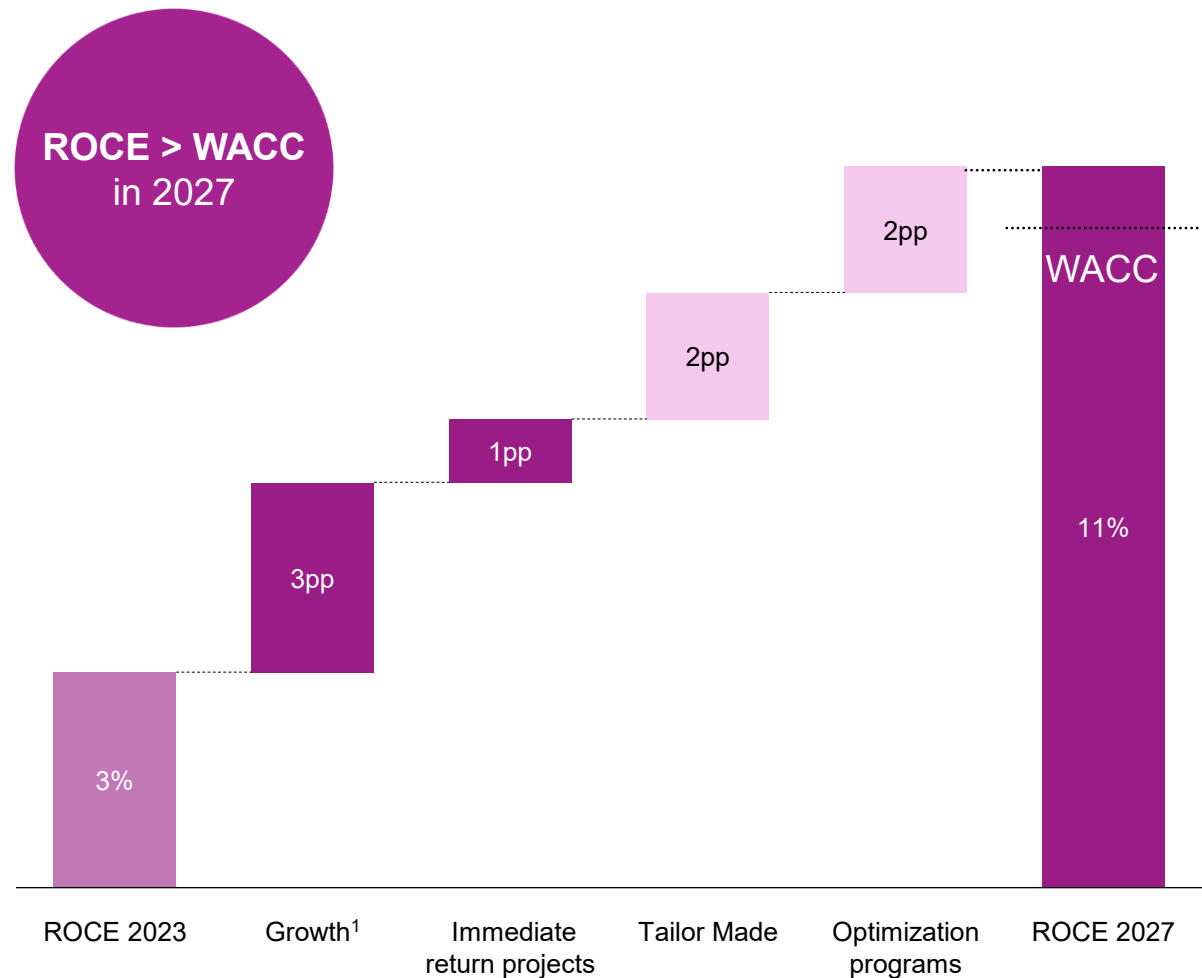
+€500 m: Net savings from optimization

(including cost inflation)

To go (2025-2027): €400 m from

- Evonik Tailor Made
- Business optimization programs
- Procurement optimization

Commitment 2027: Improvement of ROCE to ~11 %



1. Increase based on growth investments, market growth & innovation net by erosion

Path towards ROCE Improvement until 2027

- +3pp** Grow into existing capacities
Innovation with short-term ROCE increase
- +1pp** Prioritizing small CAPEX projects
with quick payback time
- +4pp** Evonik Tailor Made
and business optimization programs

Planned portfolio adjustments have no material negative effect on ROCE

Capital allocation priorities: Balancing growth and shareholder return

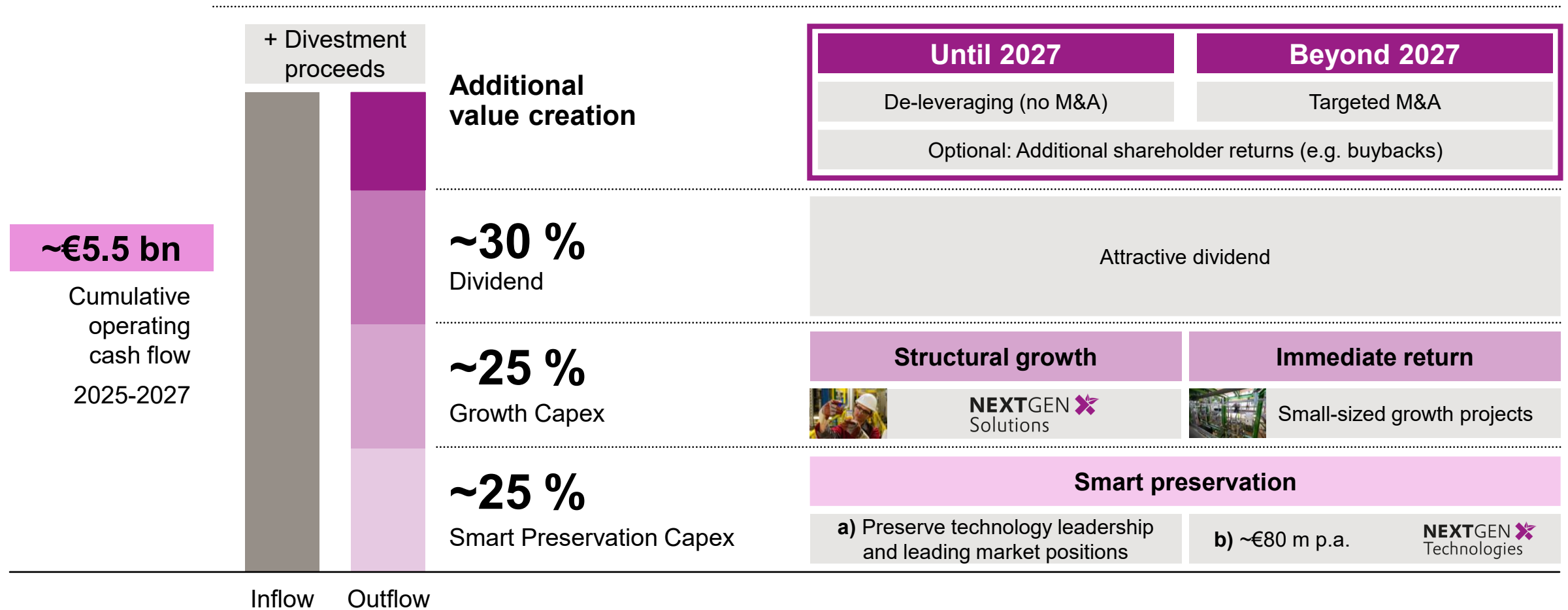


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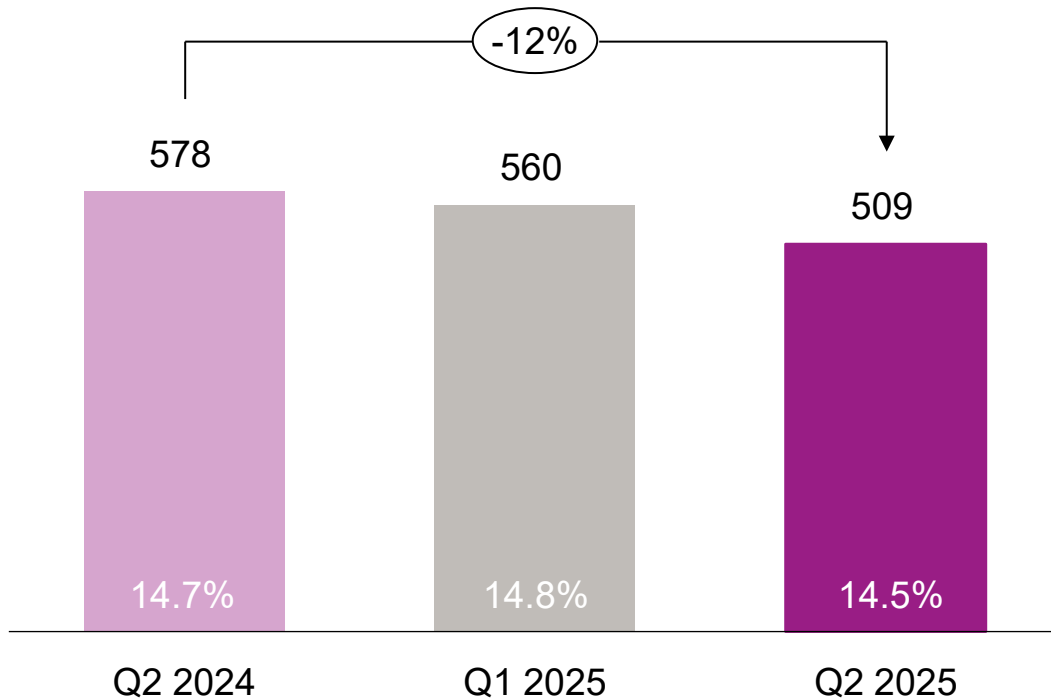
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Q2 2025 results overview

Sales (in € m)	Adj. EBITDA (in € m)	Free cash flow (in € m)	Adj. EPS (in €)
3,499 (Q2 2024: 3,930)	509 (Q2 2024: 578)	-211 (Q2 2024: 217)	0.34 (Q2 2024: 0.50)
Half of -11% sales decline explained by FX and Superabsorber sale; prices holding up well (-1%)	Earnings impacted by challenging macro conditions, several one-time effects and unfavorable FX	Higher bonus payout yoy and increase in NWC temporarily weigh on FCF	Financial result and tax rate in line with FY expectations

Short-term headwinds outweigh tailwinds in Q2 results

Adj. EBITDA (in € m) / Margin (in %)



Factors impacting Q2

- + Group pricing holding up well (-1%)
- + Greater China sales +5% yoy
- + Continued strength in Animal Nutrition
- Low consumer confidence and customer cautiousness
- Weaker USD
- Weak Oxeno (C4 business)

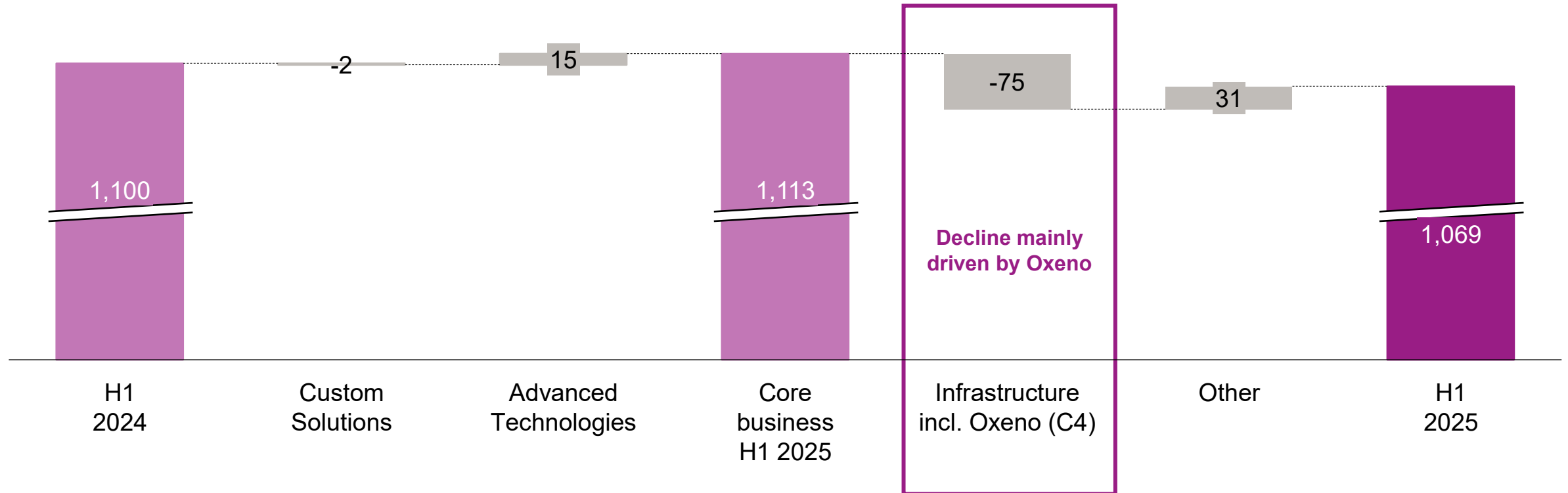
Extraordinary effects in Q2 (in total: +€20 m)

- + One-time effect related to ACA¹ (similar as in Q1, termination of take-or-pay contract)
- + License income in Hydrogen Peroxide
- + Release of bonus provisions
- Crosslinkers with unplanned production outages; planned maintenance shutdowns in PA12 and Animal Nutrition

1. Acrolein cyanohydrinacetate business in Animal Nutrition

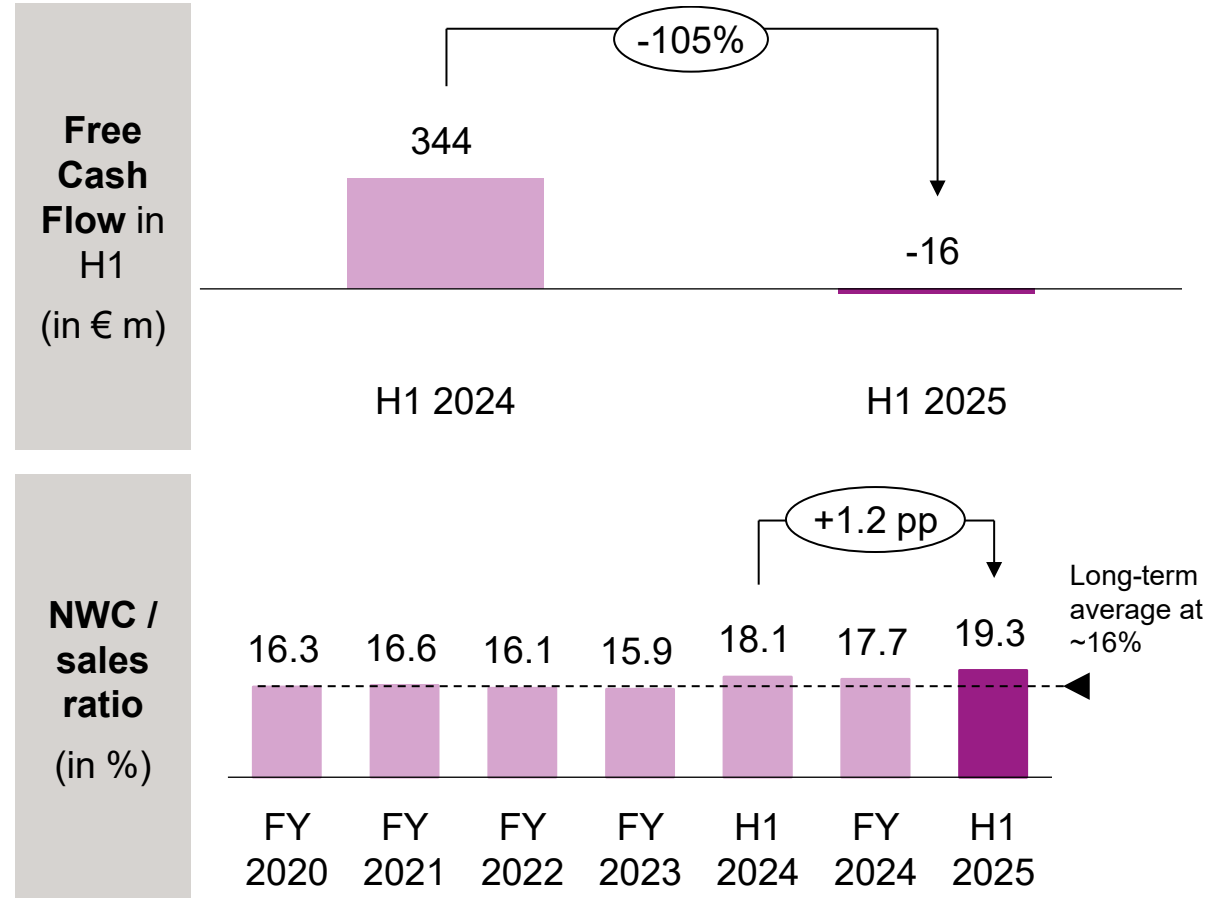
Core earnings slightly up in H1 – Oxeno mainly responsible for yoy decline

Adj. EBITDA (in € m) – Half year bridge by segment (yoy change)



Free Cash Flow in H1 below last year's strong level

Catch-up in H2 to reach 40% conversion



Free Cash Flow

- Notably weaker yoy in H1 due to
 - higher bonus payout yoy
 - temporary increase in NWC

Net Working Capital

- NWC / sales ratio intentionally above long-term average end of last year
- Demand situation has not allowed for intended reduction in H1 (and esp. in Q2)
- Proven track record of NWC management stands for reduction potential in H2 (historical average of 16%)

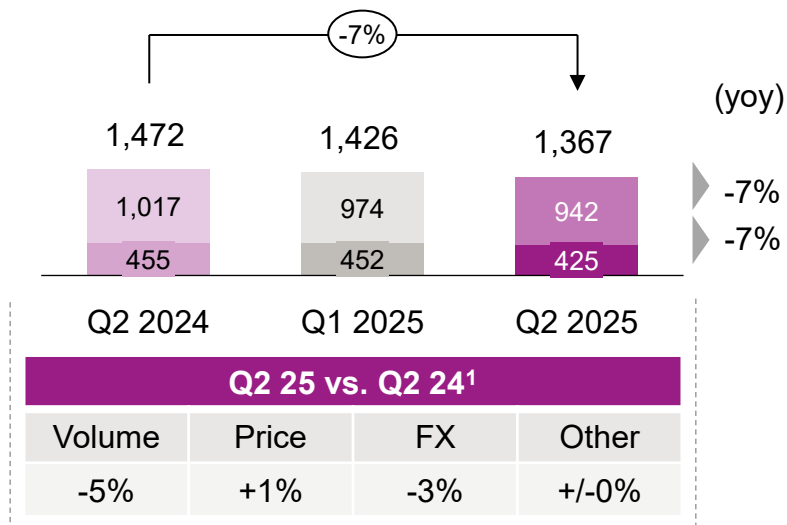
Custom Solutions

Sales

(in € m)

Additives

Care



Additives (adj. EBITDA down yoy)

- Earnings yoy impacted by lower volumes in all businesses, after strong demand in prior year (partly based on restocking)
- Catalysts (alkoxides) weaker due to soft market environment in EMEA and US
- Sequentially stable earnings overall, positive in coatings

Care (adj. EBITDA down yoy)

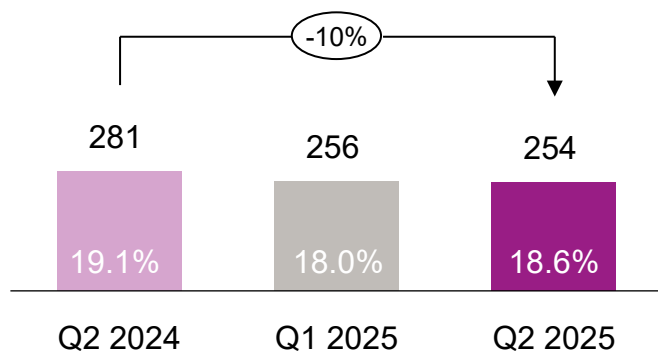
- Health Care with higher earnings yoy as expected, with better utilization and further improvement expected in H2
- Care Solutions facing softer demand, especially in base business and US

Adj. EBITDA

(in € m)

/ margin

(in %)



1. Volume, Price, FX and Other development for subsegments available in "Evonik Financials" table on our website

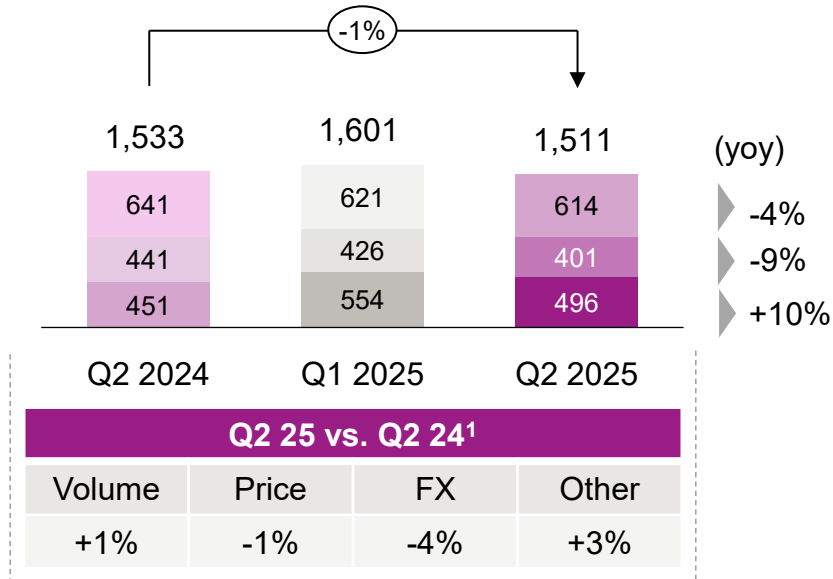
Advanced Technologies

Sales
(in € m)

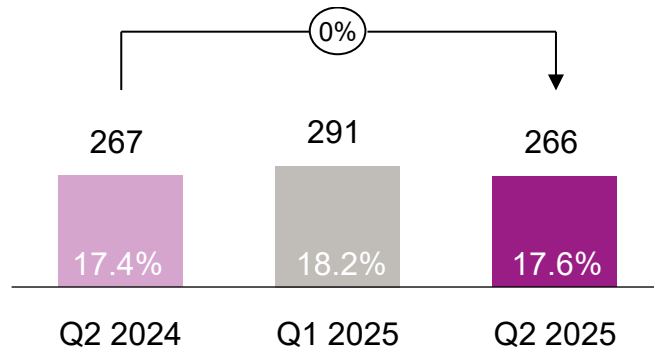
Inorganics

Organics

Animal
Nutrition



Adj. EBITDA
(in € m)
/ margin
(in %)



Inorganics (adj. EBITDA stable yoy)

- Hydrogen Peroxide benefiting from license income
- yoy development mainly explained by strong PY volumes in Silica (mainly tires)

Organics (adj. EBITDA down yoy)

- High Performance Polymers burdened by maintenance shutdown in PA12
- Crosslinkers with unplanned production outages and ongoing margin pressure mainly in EMEA and Asia

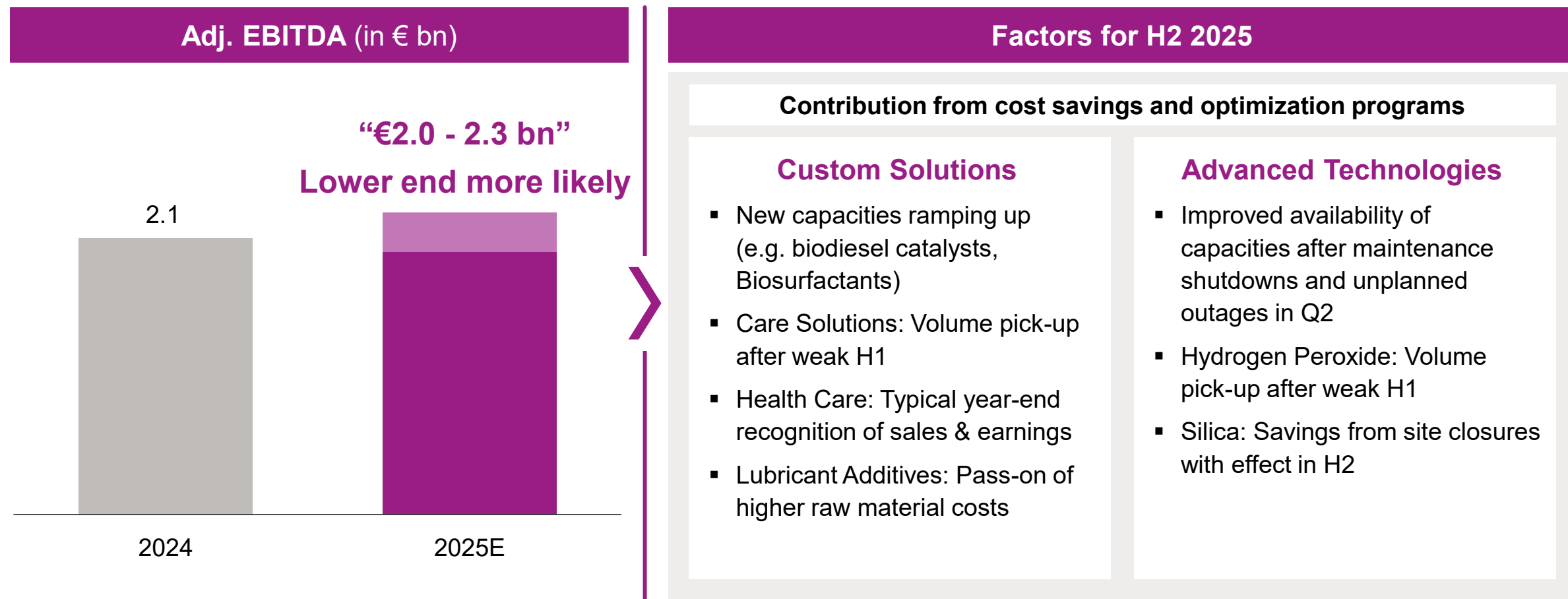
Animal Nutrition (adj. EBITDA up yoy)

- yoy EBITDA increase: higher volumes (good market demand and last year's expansion shutdown Singapore) as well as 2nd ACA compensation payment in Q2 (similar to Q1)
- Lower sales sequentially due to planned maintenance shutdown in Q2

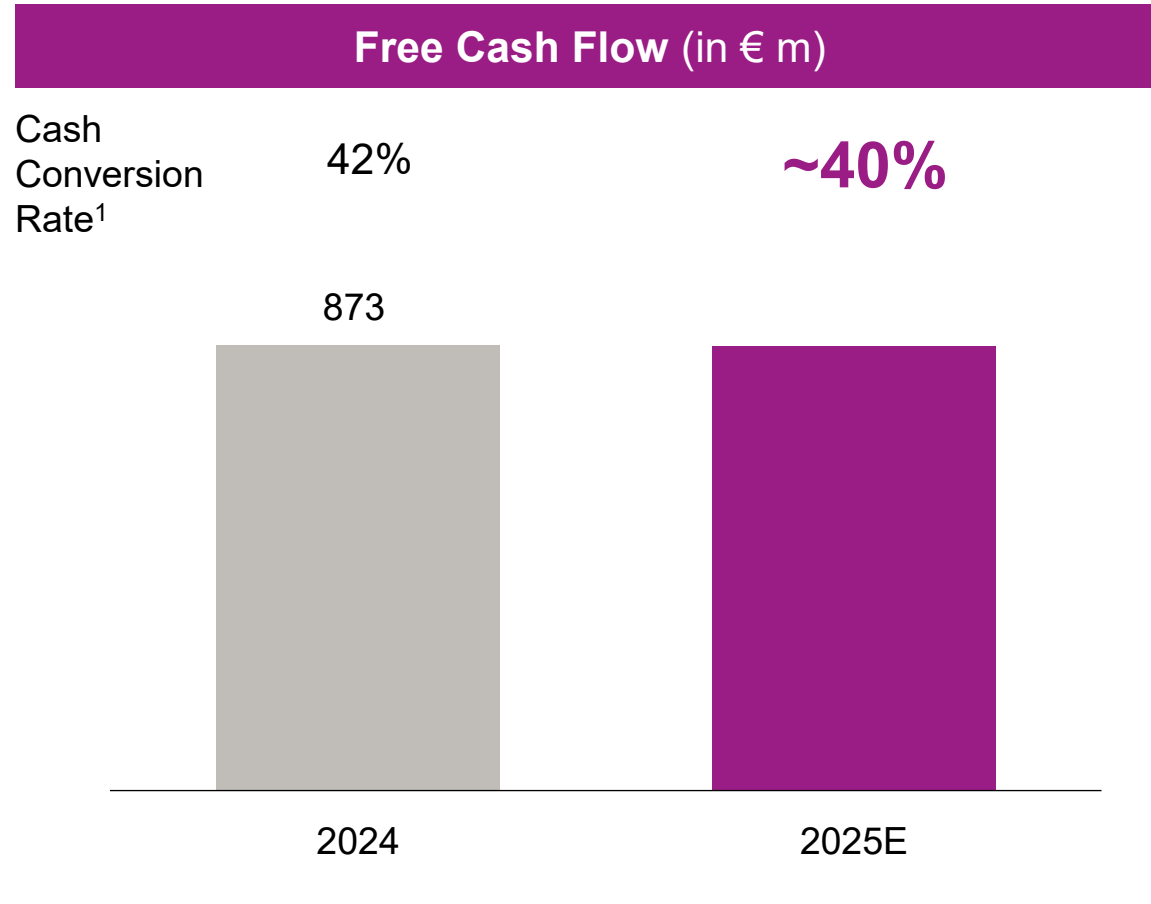
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Guidance confirmed – Lower end of range more likely

Upside potential in H2 2025 while macro environment stays challenging



Free Cash Flow: Confidence to again deliver ~40% cash conversion



Expected building blocks for FCF development

NWC

Q2 level at 19.3% of sales, clearly above historic average of ~16% - i.e. strong reduction potential (proven track record of NWC normalization towards year-end)

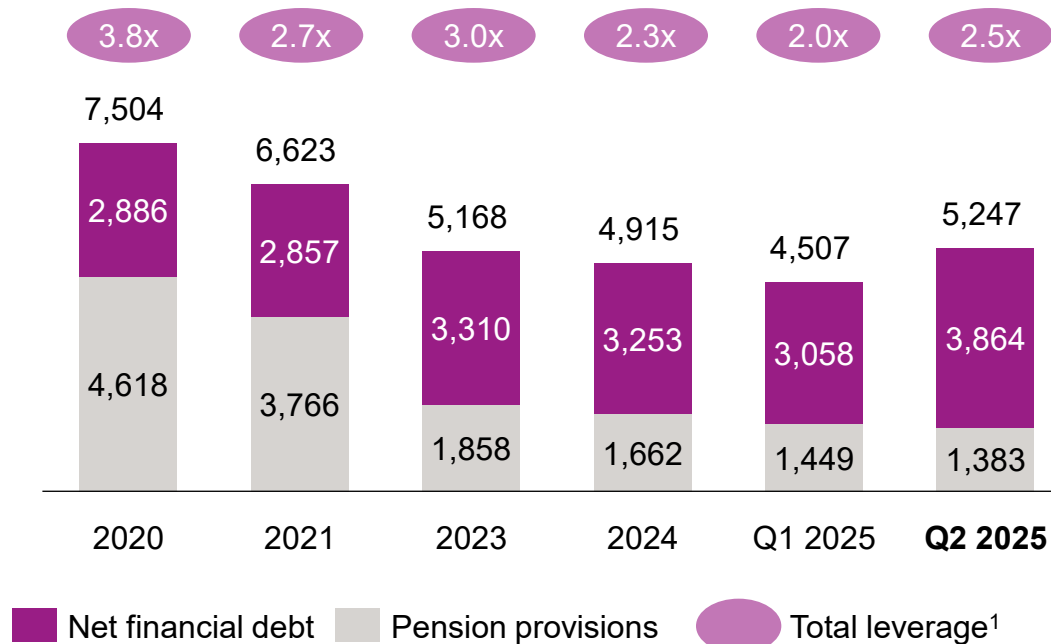
Capex

Reduction to ~€750 m in FY 2025 from initially planned €850 m (FY 2024: €840 m) (i.e. ~€60 m lower capex yoy in H2)

1. Free Cash Flow conversion (FCF / adj. EBITDA)

Development of debt and leverage over time

(in € m)



Adj. net debt ²	7,254	6,373	4,918	4,665	4,258	4,997
Adj. EBITDA (last 12 months)	1,906	2,383	1,656	2,065	2,103	2,034
German pension discount rate (%)	0.90	1.30	3.50	3.60	4.00	4.00

1. Adj. net debt / adj. EBITDA | 2. Net financial debt – 50% hybrid bond + pension provisions
3. (Net financial debt – 50% hybrid bond) / adj. EBITDA

Net financial debt (€3,864 m)

- Net financial debt increase vs Q1 due to dividend payout combined with negative FCF
- Resulting in higher net financial debt leverage of 1.8x³

Pension provisions (€1,383 m)

- Decrease vs Q1 due to higher discount rate
- Solid funding ratio of >80%
- Long-dated pension obligations with ~13 years duration
- Pension provisions partly balanced by corresponding deferred tax assets of ~€0.2 bn

Segment overview by quarter (new structure from April 1, 2025)

More detailed
financials in new
structure available on
our website

Sales (in € m)	Q2/24	Q3/24	Q4/24	FY 2024	Q1/25	Q2/25
Custom Solutions	1,472	1,465	1,408	5,737	1,427	1,367
Advanced Technologies	1,533	1,535	1,504	6,089	1,601	1,511
Infrastructure / Other ¹	925	832	687	3,331	749	621
Evonik Group	3,930	3,832	3,599	15,157	3,777	3,499

Adj. EBITDA (in € m)	Q2/24	Q3/24	Q4/24	FY 2024	Q1/25	Q2/25
Custom Solutions	281	287	179	978	256	254
Advanced Technologies	267	296	185	1,023	291	266
Infrastructure / Other ¹	30	-6	24	64	13	-11
Evonik Group	578	577	388	2,065	560	509

1. Including former Performance Materials division

Five-year financial review

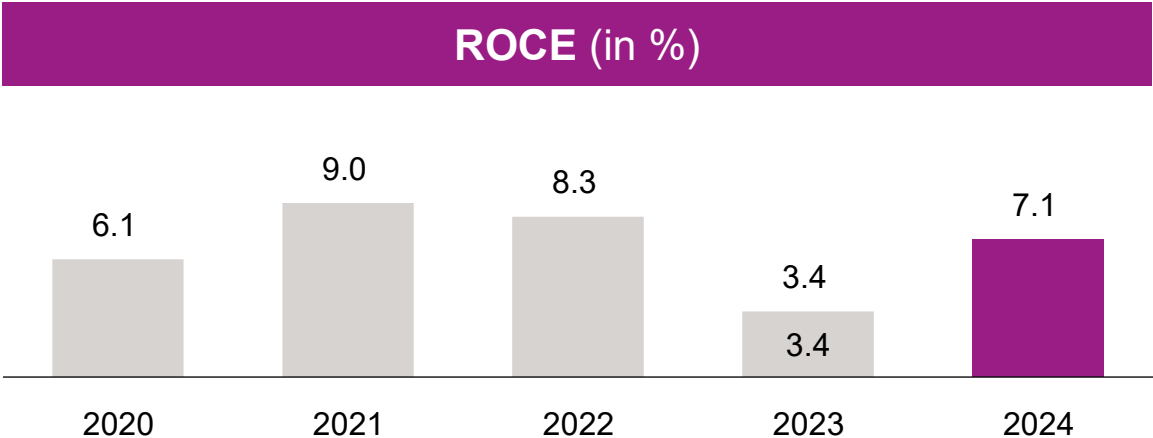
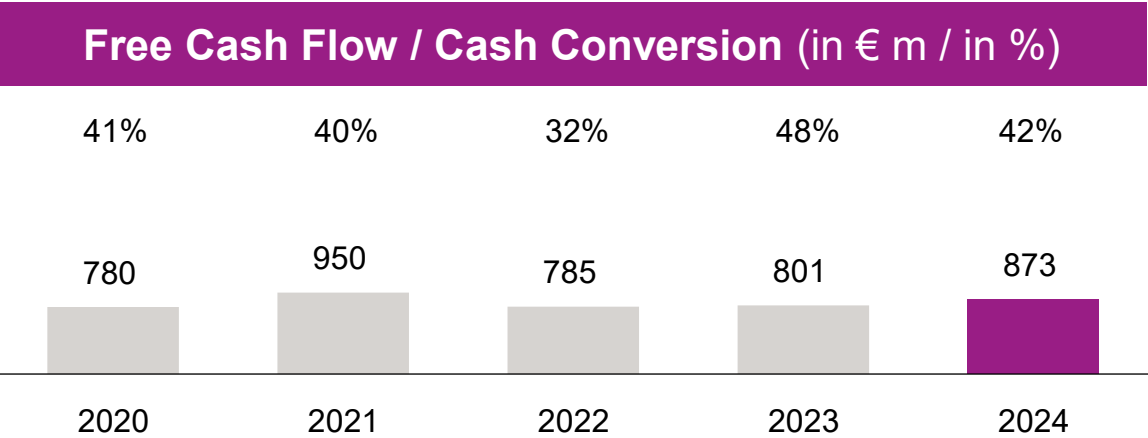
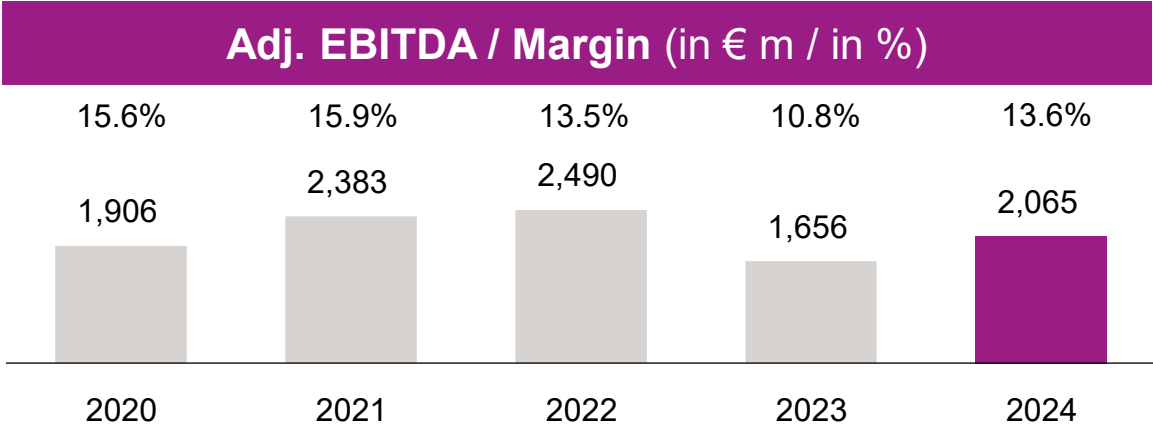
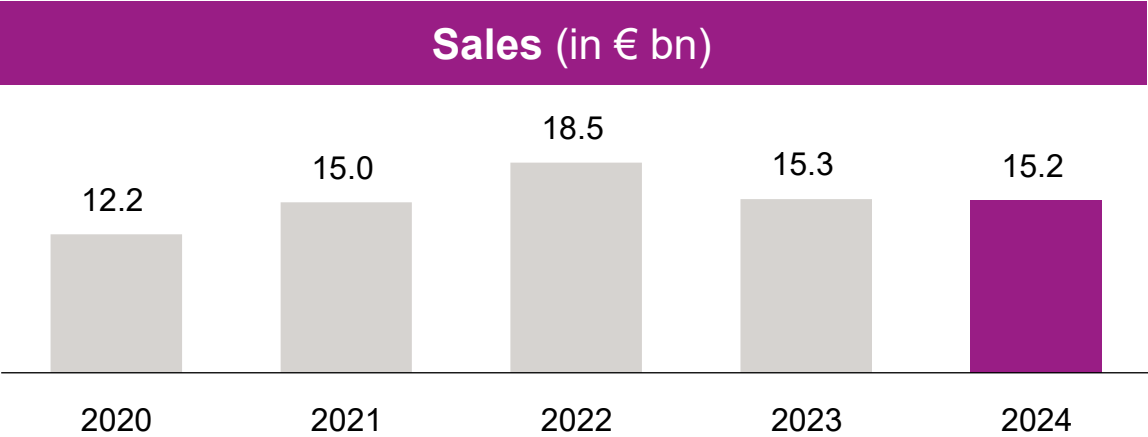
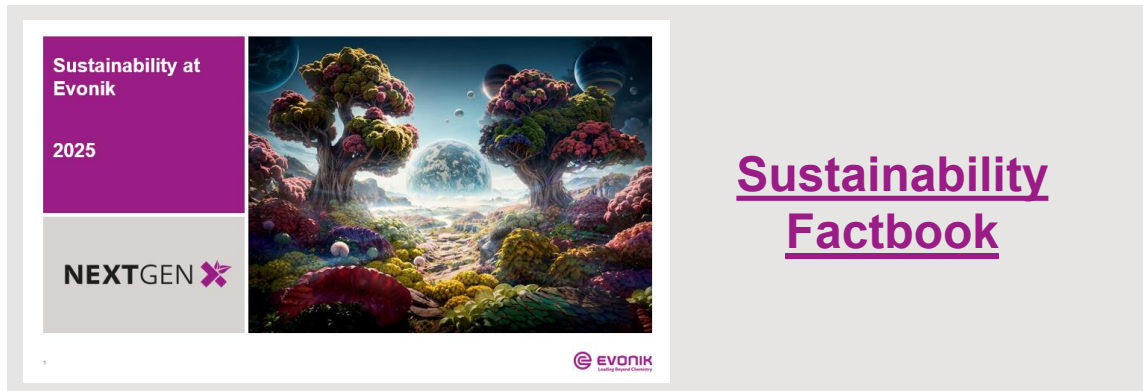


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Discover more in our presentations and factbooks



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EVONIK

Leading Beyond Chemistry