

Welcome to your CDP Water Security Questionnaire 2023

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Evonik is one of the world's leading specialty chemicals companies. Our strengths include the balanced spectrum of our business activities, end-markets, and regions. Around 80 percent of sales generated by our growth divisions come from marketleading positions, which we are systematically expanding. This strong competitive position is based on collaboration with customers, innovative capability, and integrated technology platforms. Our specialty chemicals products make an indispensable contribution to the benefits of our customers' products, which generate their success in global competition. Close cooperation with customers enables us to build up a deep knowledge of their business, so we can offer products tailored to their specifications and extensive technical service. Technology centers and customer competence centers play an important role in this around the world. Market-oriented research and development is an important driver of profitable, resource-efficient growth. Sustainability is integrated into our strategic management process. Our goal for the future is to substantially increase the proportion of sales from attractive growth businesses with a clear focus on sustainability (Next Generation Solutions). Evonik supports the objectives of the Paris Agreement on Climate Change. That is underscored by our commitment to the Science Based Targets initiative (SBTi) 3. We aspire to be climate-neutral by 2050.

Evonik has a presence in more than 100 countries, and 84 percent of sales are generated outside Germany. We have production facilities at 104 locations in 27 countries on six continents and are therefore close to our markets and our customers. Our largest production sites, for example, in Marl, Wesseling, and Rheinfelden (Germany), Antwerp (Belgium), Mobile (Alabama, USA), Shanghai (China), and Singapore, have integrated technology platforms, most of which are used by several operating units.

Consequently, our procurement activities also have a global focus. Raw materials and supplies, technical goods and services, energy, and other operating supplies are sourced either regionally or globally.

Forward-Looking Statements: The following answers to the questions of the Carbon Disclosure Project prepared by Evonik include forward-looking statements that are subject to risks and uncertainties, including those pertaining to the anticipated benefits to be realized from the proposals described herein. Evonik has based these forward-looking statements on its views

with respect to future events and financial performance. Actual financial performance could differ materially from that projected. Forward-looking statements represent estimates and assumptions only as of the date that they were made. The information contained in these answers is subject to change without notice and Evonik does not undertake any duty to update the forward-looking statements, and the estimates and assumptions associated with them, except to the extent required by applicable laws and regulations.

W-CH0.1a

(W-CH0.1a) Which activities in the chemical sector does your organization engage in?

- Specialty organic chemicals
- Specialty inorganic chemicals

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	Januar 1, 2022	Dezember 31, 2022

W0.3

(W0.3) Select the countries/areas in which you operate.

- Argentina
- Australia
- Austria
- Belgium
- Canada
- China
- France
- Germany
- Hungary
- India
- Indonesia
- Italy
- Japan
- Netherlands
- New Zealand
- Poland
- Portugal
- Singapore
- Slovakia
- South Africa
- Spain
- Sweden
- Taiwan, China
- Thailand

Turkey
 United Kingdom of Great Britain and Northern Ireland
 United States of America

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

EUR

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
due to subordinate importance (<5% in total)	Very small leased office spaces and production sites (fewer than 10 employees) where water use is minimal. It is provided through the lease and managed by our landlord. Our divisions and regions are subject to annual audits to monitor compliance with DIN EN ISO 14001 validation at our production locations. The proportion of output covered by this validation varies because of the addition of newly acquired units. However, it is always between 95 and 100 percent; associated companies, joint ventures and companies whose influence on the asset, financial and earnings situation individually and as a whole is of subordinate importance (<5% in total), are not considered.

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	DE000EVNK013

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Vital	<p>Primary use in direct operations: Evonik mainly uses water for cooling and for process purposes in production facilities, to generate steam in power plants, and for sanitary requirements. Around 97 percent of our total water intake was for cooling purposes in energy generation and production. This includes our use of seawater for cooling purposes about 1/3. 2/3 of our cooling water demand is sourced from freshwater.</p> <p>Reason for chosen importance in direct operation: Without well functioning cooling processes no production could take place.</p> <p>Primary use in indirect operations: The main use of freshwater within the supply chain is for the production of raw materials.</p> <p>Reason for chosen importance in indirect operation: It is ranked as vital because a lack of availability could influence the security of supply.</p> <p>We expect our future dependency in direct and indirect operations to remain the same as freshwater will remain vital for our production and raw material supply.</p>
Sufficient amounts of recycled, brackish and/or produced water available for use	Not very important	Not very important	<p>Direct use in operation: Wherever possible we do use recycled water for cooling purposes</p> <p>Use in indirect operation: Usually surface or municipal water is used along the value chain upstream e.g. for irrigation in agriculture based raw materials production like sugar for our fermentation processes or chemical processes.</p> <p>Reason for chosen importance in direct operation:</p>

			<p>We are committed to responsible use of water and want to save water wherever possible in order to achieve a further reduction in our emissions into water.</p> <p>However currently water intake sourced from recycled water is less than 1% of water intake in total. Therefore we do consider the availability of non-freshwater as not very important.</p> <p>Reason for chosen importance in indirect operation:</p> <p>As water recycling is no important issue in our indirect operation currently and we do not have other indication from our suppliers for the years to come we selected "not very important".</p> <p>We expect our future dependency in direct and indirect operations to remain the same as we do expect a comparable water availability situation across the majority our sites as of today based on forecasts and we expect our suppliers to continue using surface or municipal water.</p> <p>However as some of our sites are located in water scarce areas we assume the reuse of water is becoming more important in future site-specifically. (closed cooling cycles) or use seawater instead.</p>
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W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water withdrawals – total volumes	100%	Continuously	Water withdrawals are measured and recorded continuously by water meters on site during controlled operation, monitored monthly on-site and reported to	Water withdrawals data for 2022 are based on 102 production sites in 27 countries and thus cover our entire production volume . The data are compiled using our

			<p>corporate center for company-wide aggregation and evaluation quarterly.</p>	<p>internal developed and SAP-based SuRe-System (sustainability reporting) which is verified annually by an external auditor. All sites do report their site-specific environmental data online thus evaluation of environmental data can take place centralized according to business level, facility-wise, region-wise etc.</p>
<p>Water withdrawals – volumes by source</p>	<p>100%</p>	<p>Continuously</p>	<p>Water withdrawals - volumes by source - are measured and recorded continuously by water meters on site during controlled operation, monitored monthly on-site and reported to corporate center for company-wide aggregation and evaluation quarterly.</p>	<p>Water withdrawals by source data for 2022 are based on 102 production sites in 27 countries and thus cover our entire production volume . The data are compiled using our internal developed and SAP-based SuRe-System (sustainability reporting) which is verified annually by an external auditor. All sites do report their site-specific environmental data online thus evaluation of environmental data can take place centralized according to business level,</p>

				facility-wise, region-wise etc.
Water withdrawals quality	100%	Continuously	Water withdrawals quality is analysed partly continuously and partly daily in Evonik-owned laboratories on-site according to applicable water chemistry standards and recorded by water analysis systems on site during controlled operation, monitored daily on-site and reported to corporate center for company-wide aggregation and evaluation quarterly. The data are compiled using sustainability reporting software developed specially for this purpose.	Water withdrawals quality data for 2022 are based on 102 production sites in 27 countries and thus cover our entire production volume. The data are compiled using our internal developed and SAP-based SuRe-System (sustainability reporting) which is verified annually by an external auditor. All sites do report their site-specific environmental data online thus evaluation of environmental data can take place centralized according to business level, facility-wise, region-wise etc.
Water discharges – total volumes	100%	Continuously	Water discharges - total volumes - are measured and recorded continuously by water meters on site during controlled operation, monitored monthly on-site and reported to corporate center for company-wide aggregation and evaluation quarterly.	Water discharges data for 2022 are based on 102 production sites in 27 countries and thus cover our entire production volume. The data are compiled using our internal developed and SAP-based SuRe-System (sustainability reporting) which is verified annually by

				<p>an external auditor. All sites do report their site-specific environmental data online thus evaluation of environmental data can take place centralized according to business level, facility-wise, region-wise etc.</p>
Water discharges – volumes by destination	100%	Continuously	<p>Water discharge volumes are measured and recorded continuously by water meters on site during controlled operation, monitored monthly on-site and reported to corporate center for company-wide aggregation and evaluation quarterly.</p>	<p>Water discharges - volumes by destination data for 2022 are based on 102 production sites in 27 countries and thus cover our entire production volume . The data are compiled using our internal developed and SAP-based SuRe-System (sustainability reporting) which is verified annually by an external auditor. All sites do report their site-specific environmental data online thus evaluation of environmental data can take place centralized according to business level, facility-wise, region-wise etc.</p>
Water discharges – volumes by	100%	Continuously	Water discharges volumes by treatment method	Water discharges - volumes by treatment method

treatment method			are measured and recorded continuously by water meters on site during controlled operation, monitored monthly on-site and reported to corporate center for company-wide aggregation and evaluation quarterly.	data for 2022 are based on 102 production sites in 27 countries and thus cover our entire production volume . The data are compiled using our internal developed and SAP-based SuRe-System (sustainability reporting) which is verified annually by an external auditor. All sites do report their site-specific environmental data online thus evaluation of environmental data can take place centralized according to business level, facility-wise, region-wise etc.
Water discharge quality – by standard effluent parameters	100%	Continuously	Water discharge quality (by standard effluent parameters) is analysed partly continuously and partly daily and recorded by water analysis systems on site and reported to corporate center for company-wide aggregation and evaluation quarterly. We monitor water discharge quality by standard effluent parameters at the facility level using	Water discharge quality by standard effluent parameters data for 2022 are based on 102 production sites in 27 countries and thus cover our entire production volume . The data are compiled using our internal developed and SAP-based SuRe-System (sustainability reporting) which is verified annually by an external auditor.

			automatic water samplers and lab testing.	All sites do report their site-specific environmental data online thus evaluation of environmental data can take place centralized according to business level, facility-wise, region-wise etc.
Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)	100%	Continuously	Water discharge quality also considered as Wastewater loads (nitrates, phosphates, sulphate, chlorine, heavy metals, COD, AOX) is analysed partly continuously and partly daily and recorded by water analysis systems on site and reported to corporate center for company-wide aggregation and evaluation quarterly. We monitor our wastewater loads at the facility level using automatic water samplers and lab testing.	Water discharge quality - emissions to water data for 2022 are based on 102 production sites in 27 countries and thus cover our entire production volume . The data are compiled using our internal developed and SAP-based SuRe-System (sustainability reporting) which is verified annually by an external auditor. All sites do report their site-specific environmental data online thus evaluation of environmental data can take place centralized according to business level, facility-wise, region-wise etc.
Water discharge quality – temperature	100%	Continuously	Water discharge quality temperature is recorded continuously by	Water discharge quality - temperature data for 2022 are based on 102

			<p>water analysis systems on site and reported to corporate center for company-wide aggregation and evaluation quarterly. We monitor water discharge quality temperature by standard meters at the facility level using automatic water samplers.</p>	<p>production sites in 27 countries and thus cover our entire production volume . The data are compiled using our internal developed and SAP-based SuRe-System (sustainability reporting) which is verified annually by an external auditor. All sites do report their site-specific environmental data online thus evaluation of environmental data can take place centralized according to business level, facility-wise, region-wise etc.</p>
Water consumption – total volume	100%	Quarterly	<p>Water consumption total volume is being calculated quarterly as the difference between water withdrawal and water discharge. Calculation is conducted at corporate level based on site-specific data reported for company-wide aggregation and evaluation.</p>	<p>Water consumption total volume data for 2022 is based on 102 production sites in 27 countries and thus cover our entire production volume . The data are compiled using our internal developed and SAP-based SuRe-System (sustainability reporting) which is verified annually by an external auditor. All sites do report their site-specific environmental data online thus</p>

				evaluation of environmental data can take place centralized according to business level, facility-wise, region-wise etc.
Water recycled/reused	100%	Yearly	Water recycled / reused is being calculated yearly in the cause of preparation the sustainability report. Calculation is conducted at corporate level based on site-specific data reported for company-wide aggregation and evaluation. (Achtung!!Kühlwasser einbeziehen!!)	Waterrecycled/reused data for 2022 are based on 102 production sites in 27 countries and thus cover our entire production volume . The data are compiled using our internal developed and SAP-based SuRe-System (sustainability reporting) which is verified annually by an external auditor. All sites do report their site-specific environmental data online thus evaluation of environmental data can take place centralized according to business level, facility-wise, region-wise etc.
The provision of fully-functioning, safely managed WASH services to all workers	76-99	Yearly	Our divisions and regions are subject to annual audits to monitor compliance with DIN EN ISO14001 validation at our production locations. In 2022, 67 internal and	Health and safety of our employees are very important aspects. We constantly monitor and assess our HSE performance on a monthly basis including the

			external ESHQ audits were conducted worldwide.	existence of fully-functioning wash services through our internal audits worldwide, according to annual HSE Audit programs. Since our operations include many small sites and audits are conducted on a random basis, we are not able to guarantee 100% coverage.
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W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	446.000	About the same	Increase/decrease in business activity	Lower	Investment in water-smart technology/process	Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: <+/- 10%, Lower: >-10%, Much lower: >-50%. According to our definition Evonik's

						<p>total withdrawals did not change significantly in the reporting period (462000 in 2021). Water is mainly used (>90%) for cooling purposes. The amount required therefore depends on capacity utilization in production and the temperature. Due to minor changes in capacity utilisation overall water consumption did not change significantly. Future water intake is supposed to decrease as our coal-fired</p>
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						power plant in Marl will be substituted by a gas-fired high-efficiency plant with 90% less cooling water demand in 2024.
Total discharges	439.000	About the same	Increase/decrease in business activity	Lower	Investment in water-smart technology/processes	Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: <+/- 10%, Lower: >- 10%, Much lower: >- 50%. About 90% of Evonik's total withdrawals is used for cooling purposes. As the water intake remained about the same so do total water discharges (457000 in

						total 2021). As Evonik currently plans to substitute a coal-fired power plant at its largest site in Marl (Germany) by a modern IGCC power plant Evonik expects lower water discharges volumes infuture as cooling water demand for the IGCC is planned to be lower by 90% compared to the coal-fired unit. Future total water discharges is supposed to decrease significantly.
Total consumption	7.000	About the same	Increase/decrease in business activity	Lower	Investment in water-smart	Our definition for change:

					technology/process	<p>Much higher: >+50%, Higher: >+10%, About the same: <+/- 10%, Lower: >-10%, Much lower: >-50%.</p> <p>Future total water consumption is supposed to decrease as our coal-fired power plant in Marl will be substituted by a gas-fired high-efficiency plant with 90% less cooling water demand in 2024. Thus water replacement for evaporation losses from cooling systems will decrease in future</p>
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						significantly.
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W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Identification tool	Please explain
Row 1	Yes	26-50	About the same	Increase/decrease in business activity	About the same	Increase/decrease in business activity	WRI Aqueduct	Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: <+/- 10%, Lower: >-10%, Much lower: >-50%. Water withdrawal in areas with water stress remained about the same as seawater demand for cooling purposes at Jurong Island did not change

								<p>significantly (<5%) compared to previous year. To identify the sites in water-scarce regions we have applied the water stress measurement method of the World Resources Institute (WRI) Aqueduct. We analyzed all sites which are considered environmentally relevant and thus monitored in SuRe, the sustainability reporting system of Evonik in 2022 again. We mapped the total water use to each site that was located in a water-scarce region according</p>
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									to the Aqueduct Tool and defined those sites as “large user”, which used more than 0.1% of our total water use. Currently about one quarter of Evonik’s production sites are located in a water-scarce region and are large water users (more than 0.1%) and are thus relevant for us.
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W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	173.000	About the same	Increase/decrease in business activity	Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: <+/-

					<p>10%, Lower: >-10%, Much lower: >-50%. Evonik's consumption of freshwater remained about the same in the reporting period (172000 vs 174300 in 2021). Freshwater is mainly used for cooling. The amount required therefore depends on capacity utilization in production and the temperature. Due to minor changes in capacity utilisation overall freshwater consumption did not change significantly. As Evonik currently plans to substitute a coal-fired power plant at its largest site in Marl (Germany) by a modern IGCC power plant Evonik expects lower</p>
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					water discharges volumes infuture as cooling water demand for the IGCC is planned to be lower by 90% compared to the coal-fired unit. Future surface water withdrawal is supposed to decrease.
Brackish surface water/Seawater	Relevant	196.000	About the same	Increase/decrease in business activity	Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: <+/- 10%, Lower: >-10%, Much lower: >-50%. Evonik's consumption of seawater remained about the same in the reporting period (196600 vs 206000 in 2021). Seawater is mainly used for cooling. The amount required therefore depends on capacity utilization in

					<p>production and the temperature. Due to minor changes in capacity utilisation seawater consumption did not change significantly. Future seawater demand is supposed to remain unchanged due to economic forecasts.</p>
Groundwater – renewable	Relevant	53.600	About the same	Increase/decrease in business activity	<p>Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: <+/-10%, Lower: >-10%, Much lower: >-50%. Evonik's consumption of renewable groundwater remained about the same in the reporting period (53600 vs 56600 in 2021). Groundwater is mainly used for cooling. The amount</p>

					<p>required therefore depends on capacity utilization in production and the temperature. Due to minor changes in capacity utilisation groundwater consumption did not change significantly. Groundwater demand is supposed to remain unchanged due to economic forecasts.</p>
Groundwater – non-renewable	Not relevant				<p>As in previous years, non-renewable groundwater is not relevant in 2022 as we do not use non-renewable groundwater in our operations. We do not have any sites in regions with non-renewable groundwater aquifers. Therefore we do expect unchanged "non-relevance" for</p>

					our operations in future.
Produced/Entrained water	Not relevant				As in previous years, entrained water is not relevant in 2022 as we do not use entrained water in our operations. Currently we do expect unchanged "non-relevance" for our operations in future.
Third party sources	Relevant	23.400	About the same	Unknown	Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: <+/-10%, Lower: >-10%, Much lower: >-50%. Evonik's consumption of third party sources remained about the same in the reporting period (23400 vs 25000 in 2021). Third party sources usually do provide drinking water for health and sanitary

					<p>purposes. Taking into consideration that third party sources contribute about 5% to overall water withdrawals a detailed analysis does not seem to be appropriate.</p>
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W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water	Relevant	236.000	Lower	Increase/decrease in business activity	Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: <+/-10%, Lower: >-10%, Much lower: >-50%. Evonik's surfacewater discharge declined in the reporting period (289000 in 2021). Surfacewater discharge is mainly due to coolingwater demand. The amount required therefore depends on capacity utilization in production and the temperature. Due to minor

					<p>changes in capacity utilisationsurfacewater discharge thus lowered accordingly. As Evonik currently plans to substitute a coal-fired power plant at its largest site in Marl (Germany) by a modern IGCC power plant Evonik expects lower water discharges volumes in future as cooling water demand for the IGCC is planned to be lower by 90% compared to the coal-fired unit. Future surface water discharges is supposed to decrease</p>
Brackish surface water/seawater	Relevant	197.000	Lower	Increase/decrease in business activity	<p>Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: <+/-10%, Lower: >-10%, Much lower: >-50%. Evonik's seawater discharge is based on Evonik's seawater demand for cooling purposes. It declined slightly in the reporting period (240000 in 2021). The amount required therefore depends on capacity utilization in production</p>

					and the temperature. Due to minor changes in capacity utilisation seawater discharge thus lowered accordingly. Future seawater discharge is supposed to remain unchanged due to economic forecasts.
Groundwater	Not relevant				Evonik does not discharge water to groundwater.
Third-party destinations	Relevant	7.000	About the same	Unknown	Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: <+/- 10%, Lower: >-10%, Much lower: >-50%. 2022 we discharged 7000 Megalitres wastewater, to third-party facilities (e.g., municipal facilities) for treatment (indirect discharge); same as in the previous year. Taking into consideration that third party destinations contribute less than 5% to overall water discharge a detailed analysis does not seem to be appropriate. Future discharge is expected unchanged.

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	Primary reason for comparison with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Relevant	49.000	About the same	Increase/decrease in business activity	21-30	<p>Relevant: At about one quarter of our plants, we treat discharge to remove nitrogen and phosphorus, along with other dissolved inorganic substances through coagulation, sedimentation, activated carbon adsorption and ion exchange methods.</p> <p>Tertiary treatment was applied to 11% of our total discharge volume this reporting year. All discharge volumes were subject to strict water quality controls before being released</p>

						<p>to receiving water bodies.</p> <p>Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: <+/- 10%, Lower: >-10%, Much lower: >-50%. Change in volume: 53000 megalitres were treated to tertiary level in the previous year and 49000 megalitres were treated to tertiary level this year. Therefore, the volume has not changed significantly</p> <p>Anticipated future trend: Discharge volumes treated to tertiary level are expected to remain the same in the upcoming years as no significant alterations are being planned for the production processes.</p>
Secondary	Not relevant					Not relevant: In all our plants,

treatment						discharge is not subject to secondary treatment. Water volumes are discharged either after on-site treatment/purification or to a third party.
Primary treatment only	Not relevant					Not relevant: In all our plants, discharge is not subject to secondary treatment. Water volumes are discharged either after on-site treatment/purification or to a third party.
Discharge to the natural environment without treatment	Relevant	383.000	About the same	Increase/decrease in business activity	1-10	<p>Relevant: In our sites, water is primarily used for cooling purposes. No water treatment takes place while passing through the cooling system. These volumes are discharged to the natural environment without treatment.</p> <p>All discharge volumes are subject to strict water quality</p>

						<p>controls before being released to receiving water bodies.</p> <p>Change in volume: The discharge volume (383000 megaliters) in the reporting year is about the same as in the previous year (397000 megaliters).</p> <p>Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: <+/- 10%, Lower: >-10%, Much lower: >-50%.</p> <p>Anticipated future trend: According to current plannings no major change on production will take place except the substitution of an existing coal-fired power plant by an IGCC which 90% less cooling water demand. Thus discharge volumes are</p>
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						expected to decrease.
Discharge to a third party without treatment	Relevant	7.000	About the same	Increase/decrease in business activity		<p>Relevant: In our sites, water is primarily used for cooling molds. In addition, water is used for drinking water, sanitation/hygiene services and production. These volumes are discharged to a third party without treatment. Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: <+/-10%, Lower: >-10%, Much lower: >-50%.</p> <p>Change in volume: The discharge volume (7000 megaliters) in the reporting year is about the same as the previous year (7000 megaliters).</p> <p>Anticipated future trend: The discharge volume is expected to</p>

						<p>remain the same as no major changes in production is expected.</p> <p>Treatment applied by third party: The third party (municipal sewage treatment plant) applies a conventional secondary treatment, and the treatment plant publicly states compliance with local water regulations.</p>
Other	Not relevant					

W1.2k

(W1.2k) Provide details of your organization’s emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

	Emissions to water in the reporting year (metric tonnes)	Category(ies) of substances included	List the specific substances included	Please explain
Row 1	1.643	Nitrates Phosphates Pesticides Priority substances listed under the EU Water Framework Directive	Chemical Oxygen Demand (COD); Total nitrogen; Total phosphorus; Absorbable organic halogen compounds (AOX); Heavy metals (As, Cd, Cr, Cu, Hg, Ni, Pb, Zn); pesticides	Organic substances—expressed as chemical oxygen demand (COD)—account for the highest proportion of our wastewater loads. COD is the concentration of all substances in the wastewater that can be oxidized under certain conditions. The wastewater loads of direct discharges were mainly unchanged from the previous year. The sharp drop in AOX loads is due to

				isolated production outages. Future trend: We do not expect major changes in future as planned product remains about the same.
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W1.3

(W1.3) Provide a figure for your organization’s total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	18.488.000.000	446.000	41.452,9147982063	According to current production/economic forecasts and technological improvements on water efficiency we do expect overall a decrease in water demand in the range of +/- 5% while revenue slightly higher. Total water withdrawal efficiency according to our definition will be unchanged (+/- 10%)

W-CH1.3

(W-CH1.3) Do you calculate water intensity for your activities in the chemical sector?

Yes

W-CH1.3a

(W-CH1.3a) For your top five products by production weight/volume, provide the following water intensity information associated with your activities in the chemical sector.

Product type

Specialty organic chemicals

Product name

MTBE (methyl tert-butyl ether). Average water consumption for the different production sites.

Water intensity value (m3/denominator)

6,2

Numerator: water aspect

Other, please specify

Blue Water consumption (scope 1, 2 and 3 incl. end of life) (m3 per ton product)

Denominator

Ton

Comparison with previous reporting year

About the same

Please explain

Choice of numerator:

BWC was selected as it is the most relevant water KPI in the scope of water scarcity. Indeed, it refers to the proportion of water "consumed" i.e. not available anymore for the watershed. Blue Water Consumption (BWC) is calculated for the whole company and can be broken down to products/sites/business lines etc as absolute or specific. Blue Water refers to surface and groundwater.

BWC is calculated for the whole life cycle of the product. It takes into account water consumption required for the raw materials used in the manufacturing process, transports, water used for the own process (water evaporated, water to river etc.), tap water, water consumed in cooling systems, water consumed for energy production and water consumed at the end of life of the product life cycle. Absolute Blue Water consumption for the product for the year 2022 (m3) was divided by the production volume of the year 2022 (ton) of the related product to have the Blue Water intensity. Data provided here are average data for MTBE produced at different sites of Evonik.

i. Changes from previous year:

The water intensity of this product has slightly changed in comparison to last year. It can be explained by improvements in the LCA modelling and background data.

ii. Use of metrics internally:

We use BWC and freshwater intake to monitor our impact and dependencies related to water but also to assess our current and future water risks and identify hotspots products/sites. In addition, we use these KPIs to track our progress regarding water use/consumption - especially in the scope of our water target.

iii. Description of anticipated future trends:

we expect an overall reduction of our company's water intensity in order to reach our 2030 water target.

iv. Strategy to reduce water intensity:

measures are currently being collected that will have for effect a reduction of our Greenhouse gas and water intensity. We are also looking at the water intensity of our raw material upstream and are looking at addressing these topics with suppliers where water has a high materiality,

Product type

Specialty organic chemicals

Product name

Methionine (MetAMINO) produced at different sites. Average water consumption for the different production sites.

Water intensity value (m3/denominator)

6,9

Numerator: water aspect

Other, please specify

Blue Water consumption (scope 1, 2 and 3 incl. end of life) (m3 per ton product)

Denominator

Ton

Comparison with previous reporting year

About the same

Please explain

Choice of numerator:

BWC was selected as it is the most relevant water KPI in the scope of water scarcity. Indeed, it refers to the proportion of water "consumed" i.e. not available anymore for the watershed. Blue Water Consumption (BWC) is calculated for the whole company and can be broken down to products/sites/business lines etc as absolute or specific. Blue Water refers to surface and groundwater.

BWC is calculated for the whole life cycle of the product. It takes into account water consumption required for the raw materials used in the manufacturing process, transports, water used for the own process (water evaporated, water to river etc.), tap water, water consumed in cooling systems, water consumed for energy production and water consumed at the end of life of the product life cycle. Absolute Blue Water consumption for the product for the year 2022 (m3) was divided by the production volume of the year 2022 (ton) of the related product to have the Blue Water intensity. Data provided here are average data for Methionine produced at different sites of Evonik.

i. Changes from previous year:

The water intensity of this product has slightly decreased. However, this decrease can only be explained by data improvements (water balances, background databased, LCA modelling) and not by process improvements.

ii. Use of metrics internally:

We use BWC and freshwater intake to monitor our impact and dependencies related to water but also to assess our current and future water risks and identify hotspots products/sites. In addition, we use these KPIs to track our progress regarding water use/consumption - especially in the scope of our water target.

iii. Description of anticipated future trends:

we expect an overall reduction of our company's water intensity in order to reach our 2030 water target.

iv. Strategy to reduce water intensity:
measures are currently being collected that will have for effect a reduction of our Greenhouse gas and water intensity. We are also looking at the water intensity of our raw material upstream and are looking at addressing these topics with suppliers where water has a high materiality,

W1.4

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances
Row 1	Yes

W1.4a

(W1.4a) What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority?

Regulatory classification of hazardous substances	% of revenue associated with products containing substances in this list	Please explain
Candidate List of Substances of Very High Concern for Authorisation above 0.1% by weight (EU Regulation)	Less than 10%	

W1.5

(W1.5) Do you engage with your value chain on water-related issues?

	Engagement	Primary reason for no engagement	Please explain
Suppliers	Yes		
Other value chain partners (e.g., customers)	No	Important but not an immediate business priority	

W1.5a

(W1.5a) Do you assess your suppliers according to their impact on water security?

Row 1

Assessment of supplier impact

No, we do not currently assess the impact of our suppliers, but we plan to do so within the next two years

Please explain

W1.5b

(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization’s purchasing process?

	Suppliers have to meet specific water-related requirements	Comment
Row 1	No, but we plan to introduce water-related requirements within the next two years	

W1.5d

(W1.5d) Provide details of any other water-related supplier engagement activity.

Type of engagement

Information collection

Details of engagement

Collect water management information at least annually from suppliers

% of suppliers by number

1-25

Rationale for your engagement

As part of our committed 11% Scope 3 target at SBTi, collaboration with our suppliers is critical. For this purpose, all significant suppliers are asked for current life-cycle assessments (LCA) at least once a year. Significant suppliers are all suppliers with more than 10000 tCO2e in the reporting year. As the LCA data not only includes impact categories on climate change, but also on water (water Use, water consumption), this data is collected and tracked. This data is then transferred to our own LCAs of Evonik end products. Half of all suppliers who were able to provide primary data in the query sent complete LCAs, i.e. also data on water.

In subsequent years, the data will also be used for further analyses and risk assessment.

Impact of the engagement and measures of success

Success is measured by how many of the requested suppliers have provided complete LCA data. This is because it is the only way to include information on the impact categories water. In the review year , 50% of the primary data was covered by complete LCAs. The goal is to increase the primary data coverage and then also to cover them specifically with complete LCAs. In the future, suppliers will therefore not only have to provide Product Carbon Footprint data, but complete LCAs.

Comment

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Fines, enforcement orders, and/or other penalties	Comment
Row 1	Yes	Fines, but none that are considered as significant	Fines due to missing warning signs on site or lacking information to the neighbourhood are taken seriously; however as without any impact to the environment in the context of water-related regulatory violations are considered as not significant.

W2.2a

(W2.2a) Provide the total number and financial value of all water-related fines.

Row 1

Total number of fines

3

Total value of fines

20.000

% of total facilities/operations associated

3

Number of fines compared to previous reporting year

About the same

Comment

Our divisions and regions are subject to annual audits to monitor compliance with internal and external guidelines and regulations at our more than 100 production locations worldwide.

In 2022, 67 internal and external ESHQ audits were conducted worldwide. The proportion of output covered varies from year to year because of the addition of newly acquired units. However, it is always between 95 and 100 percent. Results of the audits

conducted do provide insights on the local mentality and attitude of our employees thus do give us valuable information on areas for improvement. The process "safety at Evonik" is considered as a comprehensive long-term approach in increasing our performance in plant safety and occupational safety. However we are well aware of the fact that human behaviour and human error can never be rules out.

W3. Procedures

W3.1

(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

	Identification and classification of potential water pollutants	How potential water pollutants are identified and classified
Row 1	Yes, we identify and classify our potential water pollutants	With respect to all chemical substances we do work with "Binding technical documents (BTD)". These BTD´s do provide a guideline to assess severity classes for each chemical substance depending on the amount of potentially released chemical substance. We do differentiate between severitiy class "5" which means "very low risk level" for water and environment up to severity class "1" which is defined as potentially "disastrous". Based on the result of our assessments technical measures are put in place for risk mitigation. e.g. for the production of our feed additive methionine we do need to control the chemical reaction with hydrocyanic acid, a very toxic chemical. Based on our BTDs very comprehensive measures to avoid any incident are in place; e.g. regular and intensive trainings for the personnell in charge, high quality personal protective equipment is provided and highly sensitive technical sensor are installed. We follow specific standards, including ISO 14001; This applies to the whole of the Evonik Group and is based on legal requirements, internal policies, and standard operating procedures. Our divisions and regions are subject to annual audits to monitor compliance with DIN EN ISO 14001 validation at our production locations. Any failure of complying with legal requirements has to be presented to the board as part of our annual management review.

W3.1a

(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Water pollutant category

Nitrates

Description of water pollutant and potential impacts

Reduction of excess N flows is part of our sustainability focus area "Safeguard Ecosystems". It is relevant for the sourcing of bio-based raw materials and our animal nutrition and aquaculture products lead to a significant reduction of nitrogen excretion in poultry, swine, salmon and shrimp production. In our manufacturing plants Nitrogen is an additional standard effluent parameters. A high concentration may lead to eutrophication i.e. un-controlled growth of water plants

Value chain stage

Direct operations
Supply chain
Product use phase

Actions and procedures to minimize adverse impacts

Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

Please explain

A large service portfolio for the animal feed industry to reduce nitrogen excretion. In our production process for nitrogen-containing products (amino acids, amines, we operate at highest N conversion rates, which maintains the nitrogen levels in waste water at a minimum. In our production effluent undergoes multi-step chemical and physical treatment in our wastewater treatment facilities. Separate drainage systems prevent production effluent and cooling water becoming mixed. This means that cooling water can be discharged into rivers with rainwater without treatment. We have also built high-performance collector systems as part of our water protection measures. These are used for intermediate storage of peak wastewater loads which could overburden the wastewater treatment facilities. In this way, wastewater can subsequently be fed gradually to the treatment plants. Wastewater discharged from our sites is carefully monitored by regular sampling and continuous measuring equipment. Procedures are implemented successfully if sites are not subject to any violation of legal requirements. Efficiency and success of the process is evaluated by randomized internal

audits (at least every three years) checking also legal compliance and annual third parties' audits during the process of verifying the limited assurance engagement on the chapters of environmental performance in the sustainability report.

Water pollutant category

Other nutrients and oxygen demanding pollutants

Description of water pollutant and potential impacts

In supply chain: raw materials coming from natural extraction or recycling operations. In product use-phase and end of life, biodegradability of substances entering the water cycle is an important sustainability assessment criteria. In manufacturing Chemical oxygen demand (COD) accounts for the highest proportion of wastewater loads. This is the concentration of all substances in the wastewater that can be oxidized under certain conditions. A very high concentration COD may lead to a low content of oxygen in the water. An extreme low oxygen content of water may

Value chain stage

Direct operations
Supply chain
Product use phase

Actions and procedures to minimize adverse impacts

Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

Please explain

We have R&D programs to enable access to recycled raw materials, eliminating the need for natural extraction. We develop bio-degradable ingredients for personal-care application and work with our customers to reformulate their products to eliminate microplastic and other not readily biodegradable chemicals from their products. In production we report any unintentional chemical spill or leakage and set targets as part of the integrated management system. Production effluent undergoes multi-step chemical and physical treatment in our wastewater treatment facilities. Separate drainage systems prevent production effluent and cooling water becoming mixed. This means that cooling water can be discharged into rivers with rainwater without treatment. We have also built high-performance collector systems as part of our water protection measures.

These are used for intermediate storage of peak wastewater loads which could overburden the wastewater treatment facilities. In this way, wastewater can subsequently be fed gradually to the treatment plants. Wastewater discharged from our sites is carefully monitored by regular sampling and continuous measuring equipment. Procedures are implemented successfully if sites are not subject to any violation of legal requirements. Efficiency and success of the process is evaluated by randomized internal audits (at least every three years) checking also legal compliance.

Water pollutant category

Other, please specify
Hazardous substances

Description of water pollutant and potential impacts

The release of hazardous substances can result in serious impact on the environment e.g. surface water or groundwater. With respect to direct operation major incidents may lead to an interruption of production. Thus, we ensure no out of plant toxicity in our operations handling hazardous substances. We ensure that we source only from suppliers with a proper management of hazardous substances. As we ensure that hazardous substances are not released into the water cycle in the product use phase.

Value chain stage

Direct operations
Supply chain
Product use phase

Actions and procedures to minimize adverse impacts

Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

Please explain

We have developed the safety at Evonik initiative into a group-wide management approach to implement a safety culture in all areas of occupational, plant and transportation safety. It defines binding principles of action that give our managers and employees reliable guidance on safety-compliant conduct in their daily work. Together with substance specific hazard analysis measures to prevent any spilling or leaking of hazardous substances are put in

place. Procedures are implemented successfully if sites are not subject to any violation of legal requirements. Efficiency and success of the process is evaluated by randomized internal audits (at least every three years) checking also legal compliance and annual third parties' audits during the process of verifying the limited assurance engagement on the chapters of environmental performance in the sustainability report.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations
Supply chain
Product use phase

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
International methodologies and standards

Tools and methods used

WWF Water Risk Filter
Life Cycle Assessment
Other, please specify
Internal Methodology and standard = Product Sustainability Assessment (PSA) is used to assess water risks in product application

Contextual issues considered

- Water availability at a basin/catchment level
- Water quality at a basin/catchment level
- Stakeholder conflicts concerning water resources at a basin/catchment level
- Implications of water on your key commodities/raw materials
- Water regulatory frameworks
- Status of ecosystems and habitats

Stakeholders considered

- Customers
- Investors
- Local communities
- NGOs
- Regulators
- Suppliers

Comment

The Portfolio Sustainability Assessment (PSA) is our methodology to assess the sustainability performance of our product portfolio based on 5 signal categories (critical substances, regulatory trends, sustainability ambitions along the value chain, ecolabels and relative environmental and social performance). A PARC = Product Application Region Combination is the unit used to assess portfolio. The assessment of the five signal categories results in allocating each PARC to a performance category: Leader, Driver, Performer, Transitioner or Challenged.

Leader and Driver PARC are our Next Generation Solutions. They have attractive growth rates and stand out positively in their markets because of their clear sustainability benefits. We aim to achieve a substantial increase in the proportion of sales generated by our Next Generation Solutions by 2030 (Target: 50%).

Water risks are regarded and included in the Signal Category "relative environmental and social performance" what means that an identified material risk can lead to a downgrading of a PARC.

W3.3b

(W3.3b) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
Row 1	Direct operation: we assess water risks for all our production sites (direct operations) using the WWF Water Risk Filter (basin	According to the WWF Water Risk Filter we are using all risk categories addressed by the tool that have been rated as material topic	Tier 1 supplier is the direct contact to address water issues related to raw materials. However especially for	Results of risks analyses are used for decision-making at two levels: - To prioritise water savings measures

<p>risks). This tool was selected because of the diverse and detailed level of risks covered (physical, reputational and regulatory) and its credibility. For sites with the most severe basin risks (i.e. index > 3.2), a mapping of basin risks and sites' water intensity is made in order to prioritise. For these hotspot sites, a more detailed analyse of the operational risks is made.</p> <p>Upstream: we perform a first rough assessment to identify priority hotspots that require a more comprehensive water risk assessment (e.g. for our bio based raw materials). For this rough assessment, we have performed a full LCA cradle to gate to identify the most water intensive raw materials at company level. LCA was selected as tool as it offers us the only possibility to get access to holistic water data along our value chain. Then, we are using the WWF Water Risk Filter to assess water risks for the most water intensive raw material,</p>	<p>for chemical industry.: physical risks (e.g. water availability/scarcity, status of ecosystem services), reputational risks (e.g. stakeholder conflicts regarding water) and regulatory risks. These risks category are the one that might have the most substantive financial and strategic impact on our business.</p> <p>Implication of water on our raw material has been selected as an important share of our Blue Water Consumption (>70%) comes from raw material. These risks are assessed for three time frames: now, 2030 and 2050 (according to climate scenario included in the WWF Risk Filter)</p>	<p>renewable raw materials, it might be necessary to trace the value chain back to the cultivation area to better localize and then assess water risks. It often requires value chain cooperation and intensive dialogue. Supplier are regarded as important stakeholder regarding water risks due to the high impact of raw materials in our cradle to gate Blue Water Consumption (>70%). Customer ambitions/needs regarding water are regarded with our internal PSA methodology as they are in many applications/value chains the one having the highest influence and driver of changes. Regulators and local communities are considered via the WWF Risk Filter because of the substantial impact that the related risks might have. Together with investors and NGOs, they are involved in local Water</p>	<p>(especially where a high physical risks exist)</p> <p>There are two ways for assessing long term risks and decision-making for risk response:</p> <p>a) Projection of volume, carbon footprint, water risks and CapEx needs as part of Strategic Management Process (SMP) and Strategic Financial Planning (SFP).</p> <p>b) Exposure to risks and opportunities in a scenario space according to TCFD for 10y strategy horizon (presently 2032) but also beyond (2040 and 2050) to understand the drivers and necessary responses for our transition plan and link exposure findings to our Site Portfolio Management (SPM).</p> <p>- To categorize our product portfolio within the PSA. Material risks will be integrated into the corresponding PARCs (Product Application Region Combination): i.e. a PARC can be downgraded due to water risks. Product with negative signals need to be improve to</p>
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<p>and start a dialoge with suppliers to discuss on water issues where necessary. Our internal PSA methodology (Product Sustainability Assessment) is used to assess material water risks at two levels: water related ambitions of key value chain actors and, water impact (use/consumption) of product in application in comparison to alternatives.</p>		<p>Management Plans.</p>	<p>mitigate water risks (via innovation/invests) or exited from portfolio.</p>
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W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, both in direct operations and the rest of our value chain

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

SITUATION: Evonik with product applications in many different end-markets, a broad global asset footprint, and very complex supply chains, has multiple risks with different time scales and in different locations. Main 4 financial impact channels for Evonik are 1. change of revenue, 2. change of of cost of good & services sold (COGS), 3. change of CapEx spending, 4. change of R&D spending that potentially affect our future margin or our ability to finance the company.

TARGET: Risks and opportunity transparency in time allows consideration in our daily business decisions, in strategy building, in financial planning, and in our stakeholder engagement, as many of these risks are outside our direct control. Describe i) the financial impact in the short- and mid-term planning, ii) the financial impact within the strategy horizon of a result of our Strategic Management Process (SMP) and Strategic Financial Planning (SFP), and iii) the financial exposure in a scenario space for the 10-year strategy time-frame, for 2040, and 2050.

ACTION:

i) In our short- and mid-term planning, risk is assessed as a deviation in EBITDA from our planning. Risks are assessed on the basis of uniform criteria. A netting of risks is not allowed. Risks are assessed according to their net potential impact and probability of occurrence after implementation of mitigation actions (the product of the impact and probability is defined as "expected value"). Details of the assessment rules are defined in our internal risk reporting guideline.

If possible, the magnitude of impact is quantified as a point value or range. If this is not the case, verbal assessment based on categories or purely narrative is requested.

Risks/ Opportunities are considered as significant if a deviation from the respective (business line level) management unit's plan by 10 million euro with reference to the mid-term horizon is identified. Non-quantifiable risks are to be taken into consideration when they could negatively affect the unit's substantial goals. A qualitative/ verbal assessment of impact can include factors such as management attention or damage to reputation.

ii) In our strategic 10-year horizon we assess market attractiveness and competitive position of strategic business units and assign strategic roles to these business. Our Portfolio Sustainability Assessment (PSA) assesses positive and negative sustainability signals for Product-Application-Region-Combinations (PARCs) for all chemical sales of the past business year and projects the development of these signals for the 10-year strategy time-frame. The PSA method ensures an assessment of our gate-to-gate processes as well as the entire value chain for ecological - including climate-related - and social aspects. Details of the assessment methods is found under "WBCSD Chemical Industry Methodology for Portfolio Sustainability Assessment Platform". We define 5 groups of PSA Ratings for PARCs: LEADER, DRIVER, PERFORMER, TRANSITIONER, CHALLENGED. LEADER and DRIVER PARCs are comprised as "Next Generation Solutions". Each PARC is assigned to a strategic business unit. As part of the strategy process, each business annually projects future volume and revenue and the future sustainability rating of each PARC. In this 10-year outlook, anticipated changes in sustainability signals are considered. Typical de-risking measures are capital expenditures to reduce product carbon footprint, supplier engagement to source sustainable raw materials, additional R&D efforts to reformulate products, partnerships with customers and suppliers for positive impacts along the value chain. For allocation of capital expenditures, of R&D resources or for strategic portfolio development, we map the PARC ratings with the strategic business roles (growth, financing, restructure).

iii) Beyond the strategic time-frame we assess our risk and opportunity exposure as defined by TCFD. The results of this assessment feed into our annual risk management and strategy process.

RESULT: i) On a group level, risks/ opportunities exceeding 100 Mio. € (expected value) are classified as "substantial" and risks exceeding 500 Mio. € (Impact) are considered as "going concern", which means that it is endangering the existence of the company. Until 2025 we have neither found "going concern" nor "substantial" climate related risks on group level.

ii) For 2022 we assessed 7% of sales as TRANSITIONER and 2% of sales as CHALLENGED. As Opportunities for above average growth and increasing customer demand we assessed 43% of sales as "Next Generation Solutions". We do not publish the 10-year projections but we have set a 2030 target of >50% Next Generation Solutions and maintaining CHALLENGED Sales below 5%.

iii) We are in the process of refining scenarios for our portfolio and of defining physical and transition impact KPIs for group and division level, for strategic business unit level, and for the single production site level.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	17	1-25	<p>17 of our sites, representing ~ 15% of our total production sites have been identified as being currently exposed to substantial water risks. We assess water risks as a combination of basin physical risks, regulatory risks and reputational risks using the WWF Water Risk Filter and the corresponding recommended weighted factors for chemical industries. Sites having an overall risk above 3.2 are the one being exposed to water risks (i.e. according to the WWF Water Risk Filter methodology sites having a medium to high Water Risk). In this definition of water risk, water scarcity is one important criterium but not the only one under physical risks.</p> <p>On top of these 17 sites, we have also identified 4 sites having a high physical water risks (but an overall WWF Risk below 3.2). Due to the importance of physical risks, these sites will keep being assessed regarding their exposure to water risks.</p> <p>These sites are now being analysed and water savings measures (correlated with GHG savings potential) have been identified during the year 2022.</p> <p>These identified facilities are the one that pose the biggest strategic risk of impact to our organization based on the above definition (W4.1a) of substantial risk. We assess risks as strategic risks for several reasons:</p> <ul style="list-style-type: none"> - most of the sites that have been identified are sites with relatively low production volumes (the 17 sites identified correspond to ~8% of the total production volume of the year 2022). Moreover these sites are not water intensive as they overall represent ~3% of the total Freshwater Intake of the company.

			<p>- in case of a business disruption e.g. because of water scarcity, we could continue deliver our customers thanks to our numerous production sites around the work and our high capability to react in term of logistic (for most of the sites identified).</p> <p>Nevertheless, our customers often have a high dependency to our supply and a business disruption would result in delays, claims and consequently in reputational damages.</p> <p>Facility is here interpreted as sites/locations where we have a production activity.</p> <p>In order to include projection of future water risks, we have also identified water risks for the time horizon 2050 also using the WWF Water Risk Filter (Pessimistic scenario corresponding to an increase of global mean surface temperature likely to exceed 4°C by the end of the 21st century.) According to this scenario analyse, 21 additional sites would be located in areas with high water related risks. That would represent ~ 32% of our sites, 21% of our current sales volume and 7% of the current Freshwater Intake.</p>
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W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Brazil

Other, please specify

Rio Tiete

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 17 sites situated in areas of medium to high water risks (physical, reputational or regulatory risks). We have identified one production site in the Rio Tiete

(Brazil) that is impacted by water risk with the potential to have substantive impact for our operation.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration,. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays a important role in this region.

Country/Area & River basin

Turkey

Other, please specify

Black Sea

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 17 sites situated in areas of medium to high water risks (physical, reputational or regulatory risks). We have identified one production site in the Black Sea (Turkey) that is impacted by water risk with the potential to have substantive impact for our operation.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays a important role in this region.

Country/Area & River basin

Brazil

Other, please specify

South Atlantic

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 17 sites situated in areas of medium to high water risks (physical, reputational or regulatory risks). We have identified one production site in the South Atlantic (Brazil) that is impacted by water risk with the potential to have substantive impact for our operation.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays a important role in this region.

Country/Area & River basin

Brazil
Parana

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 17 sites situated in areas of medium to high water risks (physical, reputational or regulatory risks). We have identified one production site in Parana (Brazil) that is impacted by water risk with the potential to have substantive impact for our operation.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays a important role in this region.

Country/Area & River basin

China
Amur

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 17 sites situated in areas of medium to high water risks (physical, reputational or regulatory risks). We have identified one production site in Amur (China) that is impacted by water risk with the potential to have substantive impact for our operation.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays a important role in this region.

Country/Area & River basin

India

Other, please specify

Arabian Sea

Number of facilities exposed to water risk

2

% company-wide facilities this represents

1-25

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 17 sites situated in areas of medium to high water risks (physical, reputational or regulatory risks). We have identified two production sites in Arabian Sea (India) that are impacted by water risk with the potential to have substantive impact for our operation. They represent less than 2% of our company-wide facilities.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays a important role in this region.

Country/Area & River basin

United States of America

Other, please specify

Arkansas & White River

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 17 sites situated in areas of medium to high water risks (physical, reputational or regulatory risks). We have identified one production site in the USA (Arkansas and White River) that is impacted by water risk with the potential to have substantive impact for our operation.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays a important role in this region.

Country/Area & River basin

United States of America

Mississippi River

Number of facilities exposed to water risk

2

% company-wide facilities this represents

1-25

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 17 sites situated in areas of medium to high water risks (physical, reputational or regulatory risks). We have identified two production sites in the Mississippi River (USA) that are impacted by water risk with the potential to have substantive impact for our operation. They represent less than 2% of our company-wide facilities.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays a important role in this region.

Country/Area & River basin

China
Liao He

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 17 sites situated in areas of medium to high water risks (physical, reputational or regulatory risks). We have identified one production site in the Liao He (China) that is impacted by water risk with the potential to have substantive impact for our operation.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays a important role in this region.

Country/Area & River basin

China
Yangtze River (Chang Jiang)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 17 sites situated in areas of medium to high water risks (physical, reputational or regulatory risks). We have identified one production site in the Yangtze River (China) that is impacted by water risk with the potential to have substantive impact for our operation.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays a important role in this region.

Country/Area & River basin

China
Huang He (Yellow River)

Number of facilities exposed to water risk

2

% company-wide facilities this represents

1-25

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 17 sites situated in areas of medium to high water risks (physical, reputational or regulatory risks). We have identified two production sites in the Huang He (China) that are impacted by water risk with the potential to have substantive impact for our operation. They represent less than 2% of our company-wide facilities.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays an important role in this region.

Country/Area & River basin

France
Loire

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 17 sites situated in areas of medium to high water risks (physical, reputational or regulatory risks). We have identified one production site in the Loire (France) that is impacted by water risk with the potential to have substantive impact for our operation.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's

global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays a important role in this region.

Country/Area & River basin

United States of America
Other, please specify
North Pacific

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 17 sites situated in areas of medium to high water risks (physical, reputational or regulatory risks). We have identified one production site in the North Pacific (USA) that is impacted by water risk with the potential to have substantive impact for our operation.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays a important role in this region.

Country/Area & River basin

South Africa
Other, please specify
Indian Ocean

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 17 sites situated in areas of medium to high water risks (physical, reputational or regulatory risks). We have identified one production site in the Indian Ocean (South Africa) that is impacted by water risk with the potential to have

substantive impact for our operation.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays a important role in this region.

Country/Area & River basin

United States of America

Other, please specify

Gulf of Mexico

Number of facilities exposed to water risk

2

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 4 additional sites situated in areas having a high physical water risk. We have identified two production site in the Gulf of Mexico (US) that is impacted by physical water risk with the potential to have substantive impact for our operation.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays an important role in this region.

Country/Area & River basin

Spain

Ebro

Number of facilities exposed to water risk

2

% company-wide facilities this represents

Less than 1%

% company's total global revenue that could be affected

Less than 1%

Comment

Evonik has 4 additional sites situated in areas having a high physical water risk. We have identified two production site in the EBro (Spain) that is impacted by physical water risk with the potential to have substantive impact for our operation.

The percentage of our global revenue that could be affected is estimated and depends on a range of factors such as the impact type, magnitude and duration. However, due to the relatively small production volume of this site, the financial impact to the company's global revenue is expected to be very low. However, it is an important strategic site for Evonik that plays an important role in this region.

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Brazil

Other, please specify

Rio Tiete

Type of risk & Primary risk driver

Acute physical

Flood (coastal, fluvial, pluvial, groundwater)

Primary potential impact

Disruption to sales

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, the site located in the Rio Tiete in Brazil presents an important risk regarding to flooding. In addition, the reputational risk is also rated as high. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having a water index > 3.2 (i.e. medium-high to extreme). Flooding is one important parameter of the physical risk category.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Flooding could cause a business and consequently sales disruption. and loss of contribution margin, either via higher cost or reduced capacity. The overall financial impact for the whole company is expected to be very low due to our capacity to adapt our logistic, delivering our customers with chemicals from another region/site. However, this would result in delays and eventually brand damages depending of the duration and frequency of flooding events.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks. However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Develop flood emergency plans

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

Turkey
Other, please specify
Black sea

Type of risk & Primary risk driver

Chronic physical
Ecosystem vulnerability

Primary potential impact

Increased operating costs

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, the site located in the water basin Black Sea in Turkey presents an important risk regarding the status of ecosystem services. In addition, the risk regarding water quality is estimated as high. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having a water index > 3.2 (i.e. medium-high to high). Status of ecosystem services is one important parameter of the physical risk category. The category "status of ecosystem services" is informed by indicators of fragmentation status of river; catchment degradation (i.e. forest loss, as forests play an important role in terms of water regulation, supply and pollution control); and projected change in freshwater fish extinction). The degradation of ecosystems can result in businesses having restricted access in the long-term to the quantity and quality of water needed for their activities as well as other ecosystem services they rely on.

Even if a high risk is present regarding "water quality" we do not expect it to have a substantial effect. Indeed water is mostly used for cooling purpose and does not need to have a certain quality. Where a certain quality is needed, there is an existing system for purifying water before use anyway.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

The status of ecosystem services could cause a business restriction and consequently sales disruption. and loss of contribution margin, either via higher cost or reduced capacity. The overall financial impact for the whole company is expected to be very low due to our capacity to adapt our logistic, delivering our customers with chemicals from another region/site. However, this would result in delays and eventually brand damages depending of the duration and frequency of restrictions.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks.

However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

Brazil

Other, please specify
south Atlantic

Type of risk & Primary risk driver

Reputation & markets

Changes in consumer behavior

Primary potential impact

Brand damage

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, the site located in the water basin South Atlantic in Brazil presents an important reputational risk. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having an overall index > 3.2 (i.e. medium-high to high). Reputational risk is an important risk category that represents stakeholders' and local communities' perceptions on whether companies conduct business sustainably or responsibly with respect to water. It comprises four risk categories: cultural importance of water to local communities, freshwater biodiversity importance, media scrutiny/coverage of water-related issues, and risk of hydro-political conflicts in the river basins.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users,

before consumers and agriculture are severely affected.

- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Reputational risks could cause brand damages and consequently loss of contribution margin, The overall financial impact for the whole company is expected to be very low due to the small volume produced at this site.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks. However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Comply with local regulatory requirements

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

Brazil
Parana

Type of risk & Primary risk driver

Acute physical
Flood (coastal, fluvial, pluvial, groundwater)

Primary potential impact

Disruption to sales

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, the site located in Parana in Brazil presents an important risk regarding to flooding. In addition, the reputational risk is also rated as high. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having a water index > 3.2 (i.e. medium-high to extreme). Flooding is one important parameter of the physical risk category.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Flooding could cause a business and consequently sales disruption. and loss of contribution margin, either via higher cost or reduced capacity. The overall financial impact for the whole company is expected to be very low due to our capacity to adapt our logistic, delivering our customers with chemicals from another region/site. However, this would result in delays and eventually brand damages depending of the duration and frequency of flooding events.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks.

However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Develop flood emergency plans

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

China

Amur

Type of risk & Primary risk driver

Reputation & markets

Changes in consumer behavior

Primary potential impact

Brand damage

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, the site located in the water basin Amur in China presents an important reputational risk. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having an overall index > 3.2 (i.e. medium-high to high). Reputational risk is an important risk category that represents stakeholders' and local communities' perceptions on whether companies conduct business sustainably or responsibly with respect to water. It comprises four risk categories: cultural importance of water to local communities, freshwater biodiversity importance, media scrutiny/coverage of water-related issues, and risk of hydro-political conflicts in the river basins.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Reputational risks could cause brand damages and consequently loss of contribution margin, The overall financial impact for the whole company is expected to be very low due to the small volume produced at this site.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks. However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Comply with local regulatory requirements

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

India

Other, please specify

Arabian sea

Type of risk & Primary risk driver

Chronic physical

Water scarcity

Primary potential impact

Disruption to sales

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter,our site located in the water basin "Arabian Sea" in India present an important risk regarding to water scarcity. In addition, the reputational risk is also rated as high. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having a water index > 3.2 (i.e. medium-high to extreme). Water Scarcity is one important parameter of the physical risk category.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Water scarcity could cause a business and consequently sales disruption. and loss of contribution margin, either via higher cost or reduced capacity. The overall financial impact for the whole company is expected to be very low due to our capacity to adapt our logistic, delivering our customers with chemicals from another region/site. However, this would result in delays and eventually brand damages depending of the duration and frequency of scarcity events.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water

risks and helps us the gain enough clarity to understand the relevance of risks. However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Develop flood emergency plans

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

United States of America

Other, please specify

Arkansas and white river

Type of risk & Primary risk driver

Acute physical

Flood (coastal, fluvial, pluvial, groundwater)

Primary potential impact

Disruption to sales

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, the site located in the water basin "Arabian sea" in India presents an imporant risk regarding to flooding. In addition, the reputational risk is also rated as high. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having a water index > 3.2 (i.e. medium-high to extreme). Flooding is one important

parameter of the physical risk category.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Flooding could cause a business and consequently sales disruption. and loss of contribution margin, either via higher cost or reduced capacity. The overall financial impact for the whole company is expected to be very low due to our capacity to adapt our logistic, delivering our customers with chemicals from another region/site. However, this would result in delays and eventually brand damages depending of the duration and frequency of flooding events.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks. However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Develop flood emergency plans

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

China
Liao He

Type of risk & Primary risk driver

Chronic physical
Ecosystem vulnerability

Primary potential impact

Increased production costs

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, the site located in the water basin Liao He in China presents an important risk regarding the status of ecosystem services. In addition, the risk regarding water quality is estimated as high. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having a water index > 3.2 (i.e. medium-high to high). Status of ecosystem services is one important parameter of the physical risk category. The category "status of ecosystem services" is informed by indicators of fragmentation status of river; catchment degradation (i.e. forest loss, as forests play an important role in terms of water regulation, supply and pollution control); and projected change in freshwater fish extinction). The degradation of ecosystems can result in businesses having restricted access in the long-term to the quantity and quality of water needed for their activities as well as other ecosystem services they rely on.

Even if a high risk is present regarding "water quality" we do not expect it to have a substantial effect. Indeed water is mostly used for cooling purpose and does not need to have a certain quality. Where a certain quality is needed, there is an existing system

for purifying water before use anyway.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

The status of ecosystem services could cause a business restriction and consequently sales disruption. and loss of contribution margin, either via higher cost or reduced capacity. The overall financial impact for the whole company is expected to be very low due to our capacity to adapt our logistic, delivering our customers with chemicals from another region/site. However, this would result in delays and eventually brand damages depending of the duration and frequency of restrictions.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks.

However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

United States of America
Mississippi River

Type of risk & Primary risk driver

Acute physical
Flood (coastal, fluvial, pluvial, groundwater)

Primary potential impact

Disruption to sales

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, two sites located in the water basin "Mississippi River" in the USA presents an important risk regarding to flooding. In addition, the reputational risk is also rated as high. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having a water index > 3.2 (i.e. medium-high to extreme). Flooding is one important parameter of the physical risk category.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Flooding could cause a business and consequently sales disruption. and loss of contribution margin, either via higher cost or reduced capacity. The overall financial impact for the whole company is expected to be very low due to our capacity to adapt our logistic, delivering our customers with chemicals from another region/site. However, this would result in delays and eventually brand damages depending of the duration and frequency of flooding events.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks.

However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Develop flood emergency plans

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

China
Yangtze River (Chang Jiang)

Type of risk & Primary risk driver

Acute physical
Flood (coastal, fluvial, pluvial, groundwater)

Primary potential impact

Disruption to sales

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, the site located in the water basin "Yangtze River" in China presents an important risk regarding to flooding. In addition, the reputational risk is also rated as high. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having a water index > 3.2 (i.e. medium-high to extreme). Flooding is one important parameter of the physical risk category.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Flooding could cause a business and consequently sales disruption, and loss of contribution margin, either via higher cost or reduced capacity. The overall financial impact for the whole company is expected to be very low due to our capacity to adapt our logistic, delivering our customers with chemicals from another region/site. However, this would result in delays and eventually brand damages depending of the duration and frequency of flooding events.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks. However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Develop flood emergency plans

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

China
Huang He (Yellow River)

Type of risk & Primary risk driver

Chronic physical
Water scarcity

Primary potential impact

Disruption to sales

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, two sites located in the water basin "Yellow River" in China present an important risk regarding to water scarcity. In addition, the reputational risk is also rated as high. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having a water index > 3.2 (i.e. medium-high to extreme). Water Scarcity is one important parameter of the physical risk category.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Water scarcity could cause a business and consequently sales disruption. and loss of contribution margin, either via higher cost or reduced capacity. The overall financial impact for the whole company is expected to be very low due to our capacity to adapt our logistic, delivering our customers with chemicals from another region/site. However, this would result in delays and eventually brand damages depending of the duration and frequency of scarcity events.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks. However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Secure alternative water supply

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

France
Loire

Type of risk & Primary risk driver

Chronic physical
Ecosystem vulnerability

Primary potential impact

Brand damage

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, the site located in the water basin Loire in France presents an important risk regarding the status of ecosystem services . In addition, the risk regarded to water quality is estimated as high. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having a water index > 3.2 (i.e. medium-high to high). Status of ecosystem services is one important parameter of the physical risk category. The category "status of ecosystem services" is informed by indicators of fragmentation status of river; catchment degradation (i.e. forest loss, as forests play an important role in terms of water regulation, supply and pollution control); and projected change in freshwater fish extinction). The degradation of ecosystems can result in businesses having restricted access in the long-term to the quantity and quality of water needed for their activities as well as other ecosystem services they rely on.

Even if a high risk is present regarded to "water quality" we do not expect it to have a substantial effect. Indeed water is mostly used for cooling purpose and does not need to have a certain quality. Where a certain quality is needed, there is an existing system for purifying water before use anyway.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

The status of ecosystem services could cause a business restriction and consequently sales disruption. and loss of contribution margin, either via higher cost or reduced capacity. The overall financial impact for the whole company is expected to be very low due to to the low amount of sales volume at this site. However, chemicals produced at this site are very specific so that customers could not be delivered with same chemicals from another location. A disruption would result in delays and eventually brand damages depending of the duration and frequency of restrictions.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks.

However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

South Africa

Other, please specify

Indian ocean

Type of risk & Primary risk driver

Acute physical

Flood (coastal, fluvial, pluvial, groundwater)

Primary potential impact

Disruption to sales

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, the site located in the water basin "Indian Ocean" in South Africa presents an imporant risk regarding to flooding. In addition, the reputational risk is also rated as high. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our

customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having a water index > 3.2 (i.e. medium-high to extreme). Flooding is one important parameter of the physical risk category.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Flooding could cause a business and consequently sales disruption, and loss of contribution margin, either via higher cost or reduced capacity. The overall financial impact for the whole company is expected to be very low due to our capacity to adapt our logistic, delivering our customers with chemicals from another region/site. However, this would result in delays and eventually brand damages depending of the duration and frequency of flooding events.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks.

However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easily be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analysis of risks at the site level.

Primary response to risk

Develop flood emergency plans

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

United States of America

Other, please specify

Indian ocean

Type of risk & Primary risk driver

Chronic physical

Water scarcity

Primary potential impact

Disruption to sales

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, our site located in the water basin "Indian Ocean" in the USA present an important risk regarding to water scarcity. In addition, the reputational risk is also rated as high. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having a water index > 3.2 (i.e. medium-high to extreme). Water Scarcity is one important parameter of the physical risk category.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Water scarcity could cause a business and consequently sales disruption. and loss of contribution margin, either via higher cost or reduced capacity. The overall financial impact for the whole company is expected to be very low due to our capacity to adapt our logistic, delivering our customers with chemicals from another region/site. However, this would result in delays and eventually brand damages depending of the duration and frequency of scarcity events.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks.

However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

United States of America

Other, please specify

Gulf of Mexico

Type of risk & Primary risk driver

Acute physical

Flood (coastal, fluvial, pluvial, groundwater)

Primary potential impact

Disruption to sales

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, the site located in the water basin "Gulf of Mexico" in the US present an important risk regarding to flooding. In addition, the reputational risk is also rated as high. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having a water index > 3.2 (i.e. medium-high to extreme). Flooding is one important parameter of the physical risk category.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Flooding could cause a business and consequently sales disruption. and loss of contribution margin, either via higher cost or reduced capacity. The overall financial impact for the whole company is expected to be very low due to our capacity to adapt our logistic, delivering our customers with chemicals from another region/site. However, this would result in delays and eventually brand damages depending of the duration and frequency of flooding events.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks.

However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Develop drought emergency plans

Description of response

Cost of response

Explanation of cost of response

Country/Area & River basin

Spain
Ebro

Type of risk & Primary risk driver

Chronic physical
Water scarcity

Primary potential impact

Disruption to sales

Company-specific description

Based on the analysis performed with the WWF Water Risk Filter, our 2 sites located in the water basin "Ebro" in Spain present an important risk regarding to water scarcity. In addition, the reputational risk is also rated as high. Those risks are expected to increase in the scenario 2050.

SITUATION: Evonik is exposed to water risk downstream (affecting the demand of our customers), in direct operation and in our supply chain (higher cost of raw materials affected by flooding). Here we only address the risks related to direct operation.

TARGET: Make direct operation risks exposure visible, understand the financial impact and cost for risk mitigation.

ACTION: Sites in areas of water risks have been identified with the WWF Water Risk Filter for now and for a 2050 time horizon (using the pessimistic scenario (increase of global mean surface temperature likely to exceed 4°)). Water stress sites are those having a water index > 3.2 (i.e. medium-high to extreme). Water Scarcity is one important parameter of the physical risk category.

RESULT:

We have assessed the following risks to direct operation

- Production capacity can be affected by limitations of cooling water and waste water discharge in location with water quality and water scarcity challenges, as both worsens at elevated temperatures and drought and leads to the curtailment of industrial users, before consumers and agriculture are severely affected.
- Production capacity can also be affected by flooding due to the interruption of business activities for a certain time.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Water scarcity could cause a business and consequently sales disruption, and loss of contribution margin, either via higher cost or reduced capacity. The overall financial impact for the whole company is expected to be very low due to our capacity to adapt our logistic, delivering our customers with chemicals from another region/site. However, this would result in delays and eventually brand damages depending of the duration and frequency of scarcity events.

The WWF Water Risk Filter has allowed us to identify our sites with the higher water risks and helps us the gain enough clarity to understand the relevance of risks. However, we do not have quantitative data yet on the precise financial impact resulting from water risks at the site level. If physical risks can easility be quantified with rough approximation, the estimation of the financial impact from regulatory and reputational risk is more challenging. We are working on this quantification as well as on a good approach for monetizing water risks. We also intend to use other tools (e.g. Swiss Re Tool) for a more detailed analyse of risks at the site level.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

Cost of response

Explanation of cost of response

W4.2a

(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

United States of America

Other, please specify

Missouri

Stage of value chain

Supply chain

Type of risk & Primary risk driver

Acute physical

Drought

Primary potential impact

Increased production costs due to changing input prices from supplier

Company-specific description

Locally sourced corn needs to be irrigated to secure crop yields and thus leads to higher costs. Since the affected revenue is lower than 500 Mio. € this risk is not labelled as a risk with a substantive financial or strategic impact on your business (see definition of risks in our mid time planning in W4.1.a.

Timeframe

Unknown

Magnitude of potential impact

Low

Likelihood

About as likely as not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Scarcity of corn due to drought increases prices.

Primary response to risk

Upstream

Other, please specify

We source corn at higher cost from other regions and hedge prices with corn future

Description of response

Corn is a commodity trade at CBOT and it is a common practice to manage exposure to higher prices with a hedging strategy buying corn futures for the coming year. Water risks affecting harvest yield will be priced in a simulation of supply and demand, which will drive the prices of futures.

Cost of response

Explanation of cost of response

Fees for future trading are in the range of 0.05% and are thus neglectable.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Products and services

Primary water-related opportunity

Reduced impact of product use on water resources

Company-specific description & strategy to realize opportunity

SITUATION: Our Next Generation Solutions (NGS) make substantial positive contributions to sustainability topics described in Evonik's 4 Sustainability Focus Areas.

TARGET: We will substantially increase the sales share of our Next Generation Solutions – products that give a superior sustainability benefit to our customers – from 43 percent at present to over 50 percent by 2030, despite higher sustainability requirements materializing in most markets until 2030.

ACTION: We commit > 3 billion € investment between 2022 and 2030 to grow our Next Generation solutions.

The annual Portfolio Sustainability Assessment ensures that we address negative sustainability signals in time. We continuously evolve the PSA method under the roof of the WBCSD to include additional sustainability requirements. It is important to note, that any Next Generation Solutions must not have any negative sustainability signal and must have clear evidence of a positive sustainability impact. We push all businesses to better quantify the sustainability impact in the respective applications and publish our positive impact per Sustainability Focus Area on an annual basis.

RESULTS: Many Next Generation Solutions (NGS) have positive sustainability impacts in several impact categories and in very diverse markets and application. We assign them to each of the 4 Sustainability Focus Areas to better explain to our stakeholder, where we want to make a difference.

Evonik is offering raw material solutions that can lead to lower water-usage footprint

consumers products. Evonik's product technologies enable a wide range of approaches to water conservation, from no-rinse cleaning to low water-usage formats (e.g. Rewoferm biosurfactants). These product applications belong to our Next Generation Solutions.

Animal feed additives like MetAMINO or BioLYS also enable a reduction of the Water Footprint of animal feed in some region in comparison to standard feed mixes used for animal nutrition. As side effects, the use of feed additives also enable a reduction of the crude protein content in animal feed what has for consequence that animal consume less drinking water. This effect was quantified by a Life Cycle Assessment. This product application is rated an Next Genration Solution in specific regions.

Estimated timeframe for realization

More than 6 years

Magnitude of potential financial impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

Type of opportunity

Efficiency

Primary water-related opportunity

Improved water efficiency in operations

Company-specific description & strategy to realize opportunity

SITUATION: In 2022, Evonik had a specific freshwater intake of 28.3 m³/ton.

TARGET: Our target is to reduce our specific freshwater intake by 3 percent between 2022 and 2030.

ACTION: In project EAGER, measures were identified to reduce Scope 1&2 emissions in our Top 20 sites by 25% until 2030 (baseline 2021). To implement these measures, additional CAPEX of 700 M€ will be spent from 2022-2030. While savings greenhouse gases, these measures also enable water savings.

RESULT: By now, a roadmap for the implementation of water savings measures is under definition. This roadmap is not rigid but will be regularly updated and adapted to future developments. These water savings measures will also enable cost savings.

Estimated timeframe for realization

More than 6 years

Magnitude of potential financial impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Americana

Country/Area & River basin

Brazil

Other, please specify

Rio Tiete

Latitude

-22,6951

Longitude

-47,3614

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

615

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

613

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

2

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

472

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

472

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

144

Comparison of total consumption with previous reporting year

Lower

Please explain

For site no. 1, the WWF water risk filter score for water scarcity risk was 2,2, i.e., < 3.0, hence, not considered as a water stressed area.

For withdrawals and discharges, data are collected from several sources, including water meters, bills, internal calculations and estimates.

We currently do not centrally collect information on total dissolved solids or electrical conductivity of surface- or groundwater sources or discharge points. We assume that all water sources or discharge points reported on here are freshwater.

For the facilities reported on here, we use water from rivers as fresh surface water sources. We do not collect data on the renewability of groundwater sources, but we assume that all groundwater and aquifer sources are renewable within 50 years.

Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: ≤+10% to ≥-10%, Lower: <-10%, Much lower: <-50%, with the year ago value as comparative basis.

Consumption is calculated using withdrawals minus discharges.

Facility reference number

Facility 2

Facility name (optional)

Arifiye

Country/Area & River basin

Turkey

Other, please specify

Black Sea

Latitude

40,70037

Longitude

30,37304

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

2.343

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

2.343

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

2.110

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

2.110

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

233

Comparison of total consumption with previous reporting year

About the same

Please explain

For site no. 2, the water scarcity risk score was 3,2, i.e., ≥ 3.0 . In previous assessments, we used the highest non-irrigation AWARE-score in a 20 km radius around our facilities and classified the results according to Thinkstep / Sphera: moderate risk (low, moderate, medium, high, extreme at $<2,6$, $<7,3$, $<14,1$, $<77,1$ and $\geq 77,1$, respectively). Translating these categories to scores 1 to 5 and using the default WWF weighting factors for chemical industry, we obtained a water risk score of 2.8. Hence, we do not regard this site to be located in a water stressed area.

For withdrawals and discharges, data are collected from several sources, including water meters, bills, internal calculations and estimates.

We currently do not centrally collect information on total dissolved solids or electrical conductivity of surface- or groundwater sources or discharge points. We assume that all water sources or discharge points reported on here are freshwater.

Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: ≤+10% to ≥-10%, Lower: <-10%, Much lower: <-50%, with the year ago value as comparative basis.

Consumption is calculated using withdrawals minus discharges.

Facility reference number

Facility 3

Facility name (optional)

Barra do Riacho

Country/Area & River basin

Brazil

Other, please specify

South Atlantic

Latitude

-19,826

Longitude

-40,0613

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

370

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

370

Total water discharges at this facility (megaliters/year)

140

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

140

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

230

Comparison of total consumption with previous reporting year

About the same

Please explain

For site no. 3, the WWF water risk filter score for water scarcity risk was 2,6, i.e., < 3.0, hence, not considered as a water stressed area.

For withdrawals and discharges, data are collected from several sources, including water meters, bills, internal calculations and estimates.

We currently do not centrally collect information on total dissolved solids or electrical conductivity of surface- or groundwater sources or discharge points. Based on the locations of the facilities reported here, we assume that all water sources or discharge points reported on here are freshwater.

Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: ≤+10% to ≥-10%, Lower: <-10%, Much lower: <-50%, with the year ago value as comparative basis.

Consumption is calculated using withdrawals minus discharges. Water consumption is mainly explained by water incorporated into products and evaporation losses in cooling towers.

Facility reference number

Facility 4

Facility name (optional)

Castro

Country/Area & River basin

Brazil

Parana

Latitude

-24,6891

Longitude

-49,8691

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

1.180

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

1.180

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

472

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

106

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

367

Total water consumption at this facility (megaliters/year)

708

Comparison of total consumption with previous reporting year

About the same

Please explain

For site no. 4, the WWF water risk filter score for water scarcity risk was 1,5, i.e., < 3.0, hence, not considered as a water stressed area.

For withdrawals and discharges, data are collected from several sources, including water meters, bills, internal calculations and estimates.

We currently do not centrally collect information on total dissolved solids or electrical conductivity of surface- or groundwater sources or discharge points. We assume that all water sources or discharge points reported on here are freshwater.

For the facilities reported on here, we use water from rivers as fresh surface water sources.

Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: ≤+10% to ≥-10%, Lower: <-10%, Much lower: <-50%, with the year ago value as comparative basis.

Consumption is calculated using withdrawals minus discharges. Water consumption is mainly explained by water incorporated into products and evaporation losses in cooling towers.

Facility reference number

Facility 5

Facility name (optional)

Changchun

Country/Area & River basin

China

Amur

Latitude

43,88415

Longitude

125,3037

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

61

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

61

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

52

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

52

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

9

Comparison of total consumption with previous reporting year

About the same

Please explain

For site no. 5, the water scarcity risk score was 3,1, i.e., ≥ 3.0 . In previous assessments, we used the highest non-irrigation AWARE-score in a 20 km radius around our facilities and classified the results according to Thinkstep / Sphera: moderate risk (low, moderate, medium, high, extreme at $<2,6$, $<7,3$, $<14,1$, $<77,1$ and $\geq 77,1$, respectively). Translating these categories to scores 1 to 5 and using the default WWF weighting factors for chemical industry, we obtained a water risk score of 2.9. Hence, we do not regard this site to be located in a water stressed area.

For withdrawals and discharges, data are collected from several sources, including water meters, bills, internal calculations and estimates.

We assume that all water sources or discharge points reported on here are freshwater. We do not collect data on the renewability of groundwater sources, but we assume that all groundwater and aquifer sources are renewable within 50 years.

This sites discharges once-through cooling water directly to a river and process wastewater to a third party wastewater treatment plant. At present, we can only disclose the aggregated volume of both streams.

Our definition for change: Much higher: $>+50\%$, Higher: $>+10\%$, About the same: $\leq +10\%$ to $\geq -10\%$, Lower: $<-10\%$, Much lower: $<-50\%$, with the year ago value as comparative basis.

Consumption is calculated using withdrawals minus discharges.

Facility reference number

Facility 6

Facility name (optional)

Dombivli

Country/Area & River basin

India

Other, please specify

Arabean Sea

Latitude

19,21916

Longitude

73,11399

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

Comparison of total withdrawals with previous reporting year

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

Comparison of total discharges with previous reporting year

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

Comparison of total consumption with previous reporting year

Please explain

For site no. 6, the WWF water risk filter score for water scarcity risk was 2,1, i.e., < 3.0, hence, not considered as a water stressed area.

We decided to disclose no data of this site because we have to improve the data quality.

Facility reference number

Facility 7

Facility name (optional)

Jhagadia/Bharuch

Country/Area & River basin

India

Other, please specify

Arabean Sea

Latitude

21,64236

Longitude

73,13994

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

Comparison of total withdrawals with previous reporting year

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

Comparison of total discharges with previous reporting year

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

Comparison of total consumption with previous reporting year

Please explain

For site no. 7, the water scarcity risk score was 3,5, i.e., ≥ 3.0 , hence, considered as a water stressed area.

We decided to disclose no data of this site because we have to improve the data quality.

Facility reference number

Facility 8

Facility name (optional)

Haysville

Country/Area & River basin

United States of America

Other, please specify

Arkansas & White River

Latitude

37,57453

Longitude

-97,4286

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

Comparison of total withdrawals with previous reporting year

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

Comparison of total discharges with previous reporting year

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

Comparison of total consumption with previous reporting year

Please explain

For site no. 8, the WWF water risk filter score for water scarcity risk was 2,7, i.e., < 3.0, hence, not considered as a water stressed area.

We decided to disclose no data of this site because we have to improve the data quality.

Facility reference number

Facility 9

Facility name (optional)

Janesville

Country/Area & River basin

United States of America

Mississippi River

Latitude

42,66871

Longitude

-89,04975

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

740

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

740

Total water discharges at this facility (megaliters/year)

761

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

557

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

204

Total water consumption at this facility (megaliters/year)

-21

Comparison of total consumption with previous reporting year

Much lower

Please explain

For site no. 9, the WWF water risk filter score for water scarcity risk was 1,7, i.e., < 3.0, hence, not considered as a water stressed area.

For withdrawals and discharges, data are collected from several sources, including water meters, bills, internal calculations and estimates.

We currently do not centrally collect information on total dissolved solids or electrical conductivity of surface- or groundwater sources or discharge points. We assume that all water sources or discharge points reported on here are freshwater.

Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: ≤+10% to ≥-10%, Lower: <-10%, Much lower: <-50%, with the year ago value as comparative basis.

Consumption is calculated using withdrawals minus discharges.

We currently evaluate the reasons of the negative water consumption.

Facility reference number

Facility 10

Facility name (optional)

Milton

Country/Area & River basin

United States of America

Mississippi River

Latitude

42,77936

Longitude

-88,967724

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

23

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

23

Total water discharges at this facility (megaliters/year)

28

Comparison of total discharges with previous reporting year

Higher

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

28

Total water consumption at this facility (megaliters/year)

-5

Comparison of total consumption with previous reporting year

Much lower

Please explain

For site no. 10, the WWF water risk filter score for water scarcity risk was 1,7, i.e., < 3.0, hence, not considered as a water stressed area.

For withdrawals and discharges, data are collected from several sources, including water meters, bills, internal calculations and estimates.

Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: ≤+10% to ≥-10%, Lower: <-10%, Much lower: <-50%, with the year ago value as comparative basis.

Consumption is calculated using withdrawals minus discharges.

We currently evaluate the reasons of the negative water consumption.

Facility reference number

Facility 11

Facility name (optional)

Liaoyang

Country/Area & River basin

China

Liao He

Latitude

41,23278

Longitude

123,16972

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

100

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

100

Total water discharges at this facility (megaliters/year)

78

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

12

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

66

Total water consumption at this facility (megaliters/year)

22

Comparison of total consumption with previous reporting year

Higher

Please explain

For site no. 11, the WWF water risk filter score for water scarcity risk was 2,9, i.e., < 3.0, hence, not considered as a water stressed area.

For withdrawals and discharges, data are collected from several sources, including water meters, bills, internal calculations and estimates.

We currently do not centrally collect information on total dissolved solids or electrical conductivity of surface- or groundwater sources or discharge points. We assume that all water sources or discharge points reported on here are freshwater.

Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: ≤+10% to ≥-10%, Lower: <-10%, Much lower: <-50%, with the year ago value as comparative basis.

Consumption is calculated using withdrawals minus discharges.

Facility reference number

Facility 12

Facility name (optional)

Nanjing

Country/Area & River basin

China
Yangtze River (Chang Jiang)

Latitude

32,28912

Longitude

118,72772

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

Comparison of total withdrawals with previous reporting year

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

Comparison of total discharges with previous reporting year

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

Comparison of total consumption with previous reporting year

Please explain

For site no. 12, the WWF water risk filter score for water scarcity risk was 1,7, i.e., < 3.0, hence, not considered as a water stressed area.

We decided to disclose no data of this site because we have to improve the data quality.

Facility reference number

Facility 13

Facility name (optional)

Qingdao

Country/Area & River basin

China

Huang He (Yellow River)

Latitude

36,00222

Longitude

120,13194

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

399

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

399

Total water discharges at this facility (megaliters/year)

362

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

362

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

37

Comparison of total consumption with previous reporting year

About the same

Please explain

For site no. 13, the water scarcity risk score was 3,7, i.e., ≥ 3.0 . In previous assessments, we used the highest non-irrigation AWARE-score in a 20 km radius around our facilities and classified the results according to Thinkstep / Sphera: extreme risk (low, moderate, medium, high, extreme at $<2,6$, $<7,3$, $<14,1$, $<77,1$ and $\geq 77,1$, respectively). Translating these categories to scores 1 to 5 and using the default WWF weighting factors for chemical industry, we obtained a water risk score of 3.9. Hence, we regard this site to be located in a water stressed area.

For withdrawals and discharges, data are collected from several sources, including water meters, bills, internal calculations and estimates.

We currently do not centrally collect information on total dissolved solids or electrical conductivity of surface- or groundwater sources or discharge points. We assume that all water sources or discharge points reported on here are freshwater.

Our definition for change: Much higher: $>+50\%$, Higher: $>+10\%$, About the same: $\leq +10\%$ to $\geq -10\%$, Lower: $<-10\%$, Much lower: $<-50\%$, with the year ago value as

comparative basis.

Consumption is calculated using withdrawals minus discharges.

Facility reference number

Facility 14

Facility name (optional)

Shanghai-MUSC

Country/Area & River basin

China

Huang He (Yellow River)

Latitude

31,402

Longitude

121,32317

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

Comparison of total withdrawals with previous reporting year

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

Comparison of total discharges with previous reporting year

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

Comparison of total consumption with previous reporting year

Please explain

For site no. 14, the WWF water risk filter score for water scarcity risk was 1,9, i.e., < 3.0. In previous assessments, we used the highest non-irrigation AWARE-score in a 20 km radius around our facilities and classified the results according to Thinkstep / Sphera: high risk (low, moderate, medium, high, extreme at <2,6, <7,3, <14,1, <77,1 and ≥77,1, respectively). Translating these categories to scores 1 to 5 and using the default WWF weighting factors for chemical industry, we obtained a water risk score of 2.5. Hence, we do not regard this site to be located in a water stressed area.

We decided to disclose no data of this site because we have to improve the data quality.

Facility reference number

Facility 16

Facility name (optional)

Vernon - Los Angeles

Country/Area & River basin

United States of America

Other, please specify

North Pacific

Latitude

34,01335

Longitude

-118,2128

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

27

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

27

Total water discharges at this facility (megaliters/year)

22

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

9

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

13

Total water consumption at this facility (megaliters/year)

5

Comparison of total consumption with previous reporting year

Much lower

Please explain

For site no. 16, the water scarcity risk score was 4,3, i.e., ≥ 3.0 . In previous assessments, we used the highest non-irrigation AWARE-score in a 20 km radius around our facilities and classified the results according to Thinkstep / Sphera: highrisk (low, moderate, medium, high, extreme at $<2,6$, $<7,3$, $<14,1$, $<77,1$ and $\geq 77,1$, respectively). Translating these categories to scores 1 to 5 and using the default WWF weighting factors for chemical industry, we obtained a water risk score of 4.1 Hence, we regard this site to be located in a water stressed area.

For withdrawals and discharges, data are collected from several sources, including water meters, bills, internal calculations and estimates.

We currently do not centrally collect information on total dissolved solids or electrical conductivity of discharge points. We assume that all discharge points reported on here are freshwater.

Our definition for change: Much higher: $>+50\%$, Higher: $>+10\%$, About the same: $\leq +10\%$ to $\geq -10\%$, Lower: $<-10\%$, Much lower: $<-50\%$, with the year ago value as comparative basis.

Changes in water withdrawal and discharges are explained, e.g., by variations of produced goods and local rain events.

Consumption is calculated using withdrawals minus discharges.

Facility reference number

Facility 17

Facility name (optional)

Umbogintwini - Durban

Country/Area & River basin

South Africa

Other, please specify

Indian Ocean

Latitude

-30,02701

Longitude

30,87925

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

Comparison of total withdrawals with previous reporting year

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

Comparison of total discharges with previous reporting year

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

Comparison of total consumption with previous reporting year

Please explain

For site no. 17, the WWF water risk filter score for water scarcity risk was 2,7, i.e., < 3.0, hence, not considered as a water stressed area.

We decided to disclose no data of this site because we have to improve the data quality.

Facility reference number

Facility 18

Facility name (optional)

Deer Park - Houston

Country/Area & River basin

United States of America

Other, please specify

Gulf of Mexico

Latitude

29,727565

Longitude

-95,100116

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

115

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

101

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

12

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

2

Total water discharges at this facility (megaliters/year)

113

Comparison of total discharges with previous reporting year

Higher

Discharges to fresh surface water

98

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

15

Total water consumption at this facility (megaliters/year)

2

Comparison of total consumption with previous reporting year

Much lower

Please explain

For site no. 18, the WWF water risk filter score for water scarcity risk was 2,9, i.e., < 3.0. In previous assessments, we used the highest non-irrigation AWARE-score in a 20 km radius around our facilities and classified the results according to Thinkstep / Sphera: low risk (low, moderate, medium, high, extreme at <2,6, <7,3, <14,1, <77,1 and ≥77,1, respectively). Translating these categories to scores 1 to 5 and using the default WWF weighting factors for chemical industry, we obtained a water risk score of 2.7. Hence, we do not regard this site to be located in a water stressed area.

For withdrawals and discharges, data are collected from several sources, including water meters, bills, internal calculations and estimates.

We currently do not centrally collect information on total dissolved solids or electrical conductivity of sources and discharge points. We assume that all sources and discharge points reported on here are freshwater.

We do not collect data on the renewability of groundwater sources, but we assume that all groundwater and aquifer sources are renewable within 50 years.

Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: ≤+10% to ≥-10%, Lower: <-10%, Much lower: <-50%, with the year ago value as comparative basis.

Consumption is calculated using withdrawals minus discharges.

Facility reference number

Facility 19

Facility name (optional)

Bayport - Pasadena

Country/Area & River basin

United States of America

Other, please specify

Gulf of Mexico

Latitude

29,626863

Longitude

-95,041474

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

1.145

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

1.145

Total water discharges at this facility (megaliters/year)

730

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

730

Total water consumption at this facility (megaliters/year)

415

Comparison of total consumption with previous reporting year

About the same

Please explain

For site no. 19, the WWF water risk filter score for water scarcity risk was 2,8, i.e., < 3.0. In previous assessments, we used the highest non-irrigation AWARE-score in a 20 km radius around our facilities and classified the results according to Thinkstep / Sphera: medium risk (low, moderate, medium, high, extreme at <2,6, <7,3, <14,1, <77,1 and ≥77,1, respectively). Translating these categories to scores 1 to 5 and using the default WWF weighting factors for chemical industry, we obtained a water risk score of 3.0. Hence, we regard this site to be located in a water stressed area.

For withdrawals and discharges, data are collected from several sources, including water meters, bills, internal calculations and estimates.

Our definition for change: Much higher: >+50%, Higher: >+10%, About the same: ≤+10% to ≥-10%, Lower: <-10%, Much lower: <-50%, with the year ago value as comparative basis.

Consumption is calculated using withdrawals minus discharges.

Facility reference number

Facility 20

Facility name (optional)

La Zaida

Country/Area & River basin

Spain

Ebro

Latitude

41,50282

Longitude

-0,85693

Located in area with water stress

No

Total water withdrawals at this facility (megaliters/year)

Comparison of total withdrawals with previous reporting year

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

Comparison of total discharges with previous reporting year

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

Comparison of total consumption with previous reporting year

Please explain

For site no. 20, the water scarcity risk score was 3, i.e., ≥ 3.0 . In previous assessments, we used the highest non-irrigation AWARE-score in a 20 km radius around our facilities and classified the results according to Thinkstep / Sphera: high risk (low, moderate, medium, high, extreme at $<2,6$, $<7,3$, $<14,1$, $<77,1$ and $\geq 77,1$, respectively). Translating these categories to scores 1 to 5 and using the default WWF weighting factors for chemical industry, we obtained a water risk score of 2.8. Hence, we do not regard this site to be located in a water stressed area.

We decided to disclose no data of this site because we have to improve the data quality.

Facility reference number

Facility 21

Facility name (optional)

Zubillaga

Country/Area & River basin

Spain

Ebro

Latitude

42,715184

Longitude

-2,983657

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

1.251

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

1.251

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

1.021

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

231

Comparison of total consumption with previous reporting year

Please explain

For site no. 21, the water scarcity risk score was 3,4, i.e., ≥ 3.0 . In previous assessments, we used the highest non-irrigation AWARE-score in a 20 km radius around our facilities and classified the results according to Thinkstep / Sphera: high risk (low, moderate, medium, high, extreme at $<2,6$, $<7,3$, $<14,1$, $<77,1$ and $\geq 77,1$, respectively). Translating these categories to scores 1 to 5 and using the default WWF weighting factors for chemical industry, we obtained a water risk score of 3.2. Hence, we regard this site to be located in a water stressed area.

For withdrawals and discharges, data are collected from several sources, including water meters, bills, internal calculations and estimates.

We currently do not centrally collect information on total dissolved solids or electrical conductivity of surfacewater sources or discharge points. We assume that all water sources or discharge points reported on here are freshwater.

For the facilities reported on here, we use water from rivers as fresh surface water sources.

Our definition for change: Much higher: $>+50\%$, Higher: $>+10\%$, About the same: $\leq +10\%$ to $\geq -10\%$, Lower: $<-10\%$, Much lower: $<-50\%$, with the year ago value as comparative basis.

Consumption is calculated using withdrawals minus discharges.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified

76-100

Verification standard used

Standard: ISAE 3000

Methodology: The auditor PricewaterhouseCoopers GmbH has verified water data as part of the limited assurance for the Evonik Sustainability report 2022; including the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits, analytical procedures. Scope global; Water data is measured at site level and monitored annually at global level in the Evonik Ester-system

Water withdrawals – volume by source

% verified

76-100

Verification standard used

Standard: ISAE 3000

Methodology: The auditor PricewaterhouseCoopers GmbH has verified water data as part of the limited assurance for the Evonik Sustainability report 2022; including the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits, analytical procedures. Scope global; Water data is measured at site level and monitored annually at global level in the Evonik Ester-system

Water withdrawals – quality by standard water quality parameters

% verified

76-100

Verification standard used

Standard: ISAE 3000

Methodology: The auditor PricewaterhouseCoopers GmbH has verified water data as part of the limited assurance for the Evonik Sustainability report 2022; including the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits, analytical procedures. Scope global; Water data is measured at site level and monitored annually at global level in the Evonik Ester-system

Water discharges – total volumes

% verified

76-100

Verification standard used

Standard: ISAE 3000

Methodology: The auditor PricewaterhouseCoopers GmbH has verified water data as part of the limited assurance for the Evonik Sustainability report 2022; including the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits, analytical procedures. Scope global; Water data is measured at site level and monitored annually at global level in the Evonik Ester-system

Water discharges – volume by destination

% verified

76-100

Verification standard used

Standard: ISAE 3000

Methodology: The auditor PricewaterhouseCoopers GmbH has verified water data as part of the limited assurance for the Evonik Sustainability report 2022; including the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits, analytical procedures. Scope global; Water data is measured at site level and monitored annually at global level in the Evonik Ester-system

Water discharges – volume by final treatment level

% verified

Not verified

Please explain

volume by final treatment level is not part of Evonik´s sustainability report and therefore not subject to external verification.

Water discharges – quality by standard water quality parameters

% verified

76-100

Verification standard used

Standard: ISAE 3000

Methodology: The auditor PricewaterhouseCoopers GmbH has verified water data as part of the limited assurance for the Evonik Sustainability report 2022; including the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits, analytical procedures. Scope global; Water data is measured at site level and monitored annually at global level in the Evonik Ester-system

Water consumption – total volume

% verified

76-100

Verification standard used

Standard: ISAE 3000

Methodology: The auditor PricewaterhouseCoopers GmbH has verified water data as part of the limited assurance for the Evonik Sustainability report 2022; including the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits, analytical procedures. Scope global; Water data is measured at site level and monitored annually at global level in the Evonik Ester-system

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy, but it is not publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of the scope (including value chain stages) covered by the policy Description of business dependency on water Description of business impact on water Commitment to align with international frameworks, standards, and widely-recognized water initiatives Commitment to prevent, minimize, and control pollution Commitment to reduce water withdrawal and/or consumption	Our Corporate Policy “Responsibility for Environment, Safety, Health and Quality in the Evonik Group” expresses our commitment to protect and use water responsibly within the company and along our value chains. Our ESHQ values with its integrated water policy and the related operational procedure guidelines help to identify, evaluate, monitor and handle our operational impact on the resource water. Global rules, standards, and procedures are defined alongside. Furthermore water related goals and targets on company level are being adressed. (1) Dependency: Since water is needed for the chemical production we are committed to its responsible use along the entire value chain.(2) Impact: Evonik’s production sites impact water by emitting thermal energy (cooling water) and discharge of substances which are subject to regulatory requirements. (3) Performance standards: Evonik’s production sites are subject to laws and regulations. Internal global standards are set by our Responsible Care Management System. (4) Standards

	<p>volumes in direct operations</p> <p>Commitment to reduce water withdrawal and/or consumption volumes in supply chain</p> <p>Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace</p> <p>Commitment to safely managed Water, Sanitation and Hygiene (WASH) in local communities</p> <p>Commitment to stakeholder education and capacity building on water security</p> <p>Commitment to water stewardship and/or collective action</p> <p>Commitment to the conservation of freshwater ecosystems</p> <p>Reference to company water-related targets</p>	<p>for procurement: We are member of the Together for Sustainability initiative where evaluation and monitoring of suppliers environmental performance is addressed. Our Supplier Code of Conduct expects suppliers e.g. to use resources efficiently, apply energy-efficient, reduce emissions to water, and minimize impacts on biodiversity and water scarcity. (5) International standards and water policy: Evonik conducted a comprehensive comparison on the European Water Stewardship (EWS) initiative and Alliance for Water Stewardship (AWS) for membership considerations. Our water policy is aligned with the UN SDGs, focusing on those issues where Evonik can make a significant contribution (e.g. sustainable production as well as on the human right to water and sanitation). (6) Beyond regulatory compliance: Our standards fulfill or exceed existing laws and regulations and take globally recognized principles into account (e.g. UNGC principles, Responsible Care Global Charter). (7) Innovation: Our ESHQ Policy and Technical guidelines include the core requirement of constantly reviewing performance, improving processes, implementing measures, checking their effectiveness. (8) Environm. linkages/Climate change: In 2022 Evonik applied for joining SBTi (Science-based target initiative).</p>
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W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual or committee	Responsibilities for water-related issues
Director on board	The highest level of direct responsibility for water topics lies with the member of the Board of Management responsible for Human Resources, Sustainability and HSEQ

	<p>(Health, Safety, Environment and Quality) RATIONALE: Sustainability including water is a core element within Evonik’s business strategy and risk management. As the corporate structure of Evonik consists of three different business units supported by a fourth one providing infrastructure services only on board level can be assured that an overarching approach takes place with respect to sustainability. Decisions about production, water intake, water quality and water discharge initiatives can go hand in hand. This Board Member is one of four corporate directors on the board. The position was selected for oversight of all water related issues to ensure water targets and measures are driven on a Group level to ensure a comprehensive and cohesive approach to water protection. Members of the board approved a new water Target in 2022. The decision was taken by all members of the board; however activities started on initiative of member of the Board of Management responsible for Human Resources, Sustainability and HSEQ (Health, Safety,</p>
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W6.2b

(W6.2b) Provide further details on the board’s oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	<p>Monitoring implementation and performance</p> <p>Monitoring progress towards corporate targets</p> <p>Overseeing acquisitions, mergers, and divestitures</p> <p>Overseeing and guiding public policy engagement</p> <p>Overseeing major capital expenditures</p> <p>Overseeing the setting of corporate targets</p> <p>Overseeing value chain engagement</p>	<p>The executive board bears overall responsibility for sustainability and all water-related aspects at Evonik. Direct responsibility is assigned to the chief human resources officer. Responsibility for sustainability management is defined in a corporate policy. In view of the increasing relevance of sustainability for the management of the Evonik Group, we integrated further ESG aspects into our governance framework in the reporting period. Since September 2022, our sustainability council has met at the executive board level, chaired by the chairman of the executive board. To strengthen the alignment with our businesses, alongside the executive board, members include the heads of the divisions. The sustainability council is responsible for the management of water- and sustainability-related aspects and the associated decisions. Following approval by the executive board, the measures are implemented by the operational units in close consultation with the relevant functions, for example, Strategy, Sustainability, Research, Development & Innovation, and Procurement. The</p>

	<p>Reviewing and guiding corporate responsibility strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding strategy</p> <p>Reviewing innovation/R&D priorities</p> <p>Setting performance objectives</p>	<p>decisions taken by the sustainability council are prepared by the sustainability circle, which comprises representatives of the functions and departments of relevance for sustainability. The sustainability circle is chaired by the chief human resources officer, who is the executive board member responsible for sustainability.</p> <p>Among other things, in the reporting period, both the sustainability council and the sustainability circle considered the results of the EAGER project to reduce water usage and water intake at our sites, and the establishment of sustainability data management.</p> <p>CONTRIBUTION OF GOVERNANCE MECHANISMS TO BOARD OVERSIGHT: The governance mechanisms selected ensure that the Board has a comprehensive view on water-related issues and can ensure a coherent and Group-wide response, if needed.</p> <p>Example: The decision of the board in May 2022 to commit to setting a new water reduction target.</p>
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W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues
Row 1	Yes	<p>Criteria:</p> <ul style="list-style-type: none"> - long-term experience in decision-making position on corporate level - at least five years of experience in responsible position on environmental topics - at least three years of experience as member of the sustainability council or comparable decision-making committee <p>Evonik's CHRO (Chief Human resource officer) does meet the criteria mentioned above and is the appointed responsible person for climate-related issues at the board of Evonik. The position of the CHRO at Evonik covers the responsibility for</p> <ul style="list-style-type: none"> - Function "Human resources", - Function "ESHQ" (Environmental, Safety, Health and Quality and Security) - Function "Sustainability". <p>Evonik's current CHRO does provide a proven track record on the</p>

		<p>topics mentioned above for the last ten years.</p> <p>However, all members of the board are attending the regular meetings of the sustainability council since 2020.</p> <p>RATIONALE: Sustainability including water protection is a core element within Evonik’s business strategy and risk management. Thus the sustainability council of Evonik was established some years ago with members consisting of "senior vice presidents" and higher positions as a sounding board for long-term strategic alignment of Evonik. Two members of the board are participating regularly in this meetings. Decisions about production, resource efficiency and water security initiatives can go hand in hand as all members of the council do have decision making responsibilities.</p> <p>The sustainability council is supported by the sustainability circle representing internal experts and specialists from relevant fields i.e. chemists, (process) engineers, physicists, economists, life-cycle-management et.al..</p> <p>These experts and specialists do inform the sustainability council regularly, at least four times a year, about societal and economic developments around sustainability on regional and global level (which is water security a part of) and do propose internal activities and/or measures to the sustainability council for decision.</p> <p>Hence, members of the sustainability council are not necessarily subject matter experts in the field of "water security" but do provide a wide range of expertise on sustainability and water topics with its impact on economic development.</p> <p>The decision of the CHRO 2022 to define a new water target with external support was prepared and discussed comprehensively about 6month in the sustainability council prior to the board approval.</p>
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W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Other C-Suite Officer, please specify

C-HRO Chief Human resource officer, member of the board of Evonik

Water-related responsibilities of this position

Assessing future trends in water demand

Assessing water-related risks and opportunities

Managing water-related risks and opportunities

Setting water-related corporate targets

Monitoring progress against water-related corporate targets

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

The head of ESHQ reports quarterly directly water-related KPIs, as well as water-related target achievement to the sustainability council. The sustainability council has met at the executive board level, chaired by the chairman of the executive board. The sustainability council is responsible for the management of climate- and sustainability-related aspects and the associated decisions. Following approval by the executive board, the measures are implemented by the operational units in close consultation with the relevant functions, for example, Strategy, Sustainability, Research, Development & Innovation, and Procurement. The decisions taken by the sustainability council are prepared by the sustainability circle, which comprises representatives of the functions and departments of relevance for sustainability. The sustainability circle is chaired by the chief human resources officer, who is the executive board member responsible for sustainability.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

- Yes, trade associations
- Yes, other

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Evonik`s organizational processes are designed to ensure a common approach for all direct and indirect engagement activities, consistent with our policy on sustainable water use - across divisions and geographies.

Sustainability including water related topics is a core element within Evonik`s business strategy and risk management. Thus the sustainability council of Evonik chaired by the CHRO was established some years ago with members from all strategic functions consisting of "senior vice presidents" and higher positions as a sounding board for long-term strategic alignment of Evonik. However, all members of the board are attending the regular quarterly meetings of the sustainability council since 2020. Decisions about production or water efficiency initiatives can go hand in hand as all members of the council do have decision making responsibilities.

The sustainability council is supported by the sustainability circle representing internal experts and specialists from relevant fields i.e. chemists, (process) engineers, physicists, economists, life-cycle-management et.al..

The involvement of these representatives mentioned ensures the consideration of our overall water security strategy in all political activities and the alignment of the activities with our strategy. Any known inconsistency is managed by expert circles which do consist of members from the Business lines and strategic functions.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	21-30	<p>As Evonik's production assets and the assets of our suppliers operate several decades. Thus we not only address sustainability related risks and opportunities within the 10-year strategy horizon, but also in a structured assessment of risks and opportunities in a scenario space leading up to 2050. When we construct our Net-Zero Transition Plan, we not only consider GHG emissions, but also exposure to other risks. Especially for water, there is an inverse relationship to GHG emissions. Circular raw materials based on agriculture or recycling often have higher water footprints than fossil based raw materials.</p> <p>INTEGRATION OF WATER RELATED DECISIONS IN STRATEGIC BUSINESS PLANNING:</p> <ul style="list-style-type: none"> - Adjusting regional market growth rates for market with a known, high water-footprint if affected by water stress or extreme weather frequencies on a water basin level - Adjusting our manufacturing asset strategies, if sites are affected by cooling water scarcity, extreme weather frequency, etc.

			<ul style="list-style-type: none"> - Adjusting our innovation focus if we see the need for more water efficient manufacturing processes or for solutions that enable consumers and farmers consume less water or to avoid any pollution of the water cycle - Actively engage our customers in a strategic dialogue to reduce water related externalities by reformulating their products and applying different technologies. - Consider water stress for our main raw materials in for supply chain set-up and manufacturing asset strategy decisions.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	16-20	<p>CONSIDERTION OF WATER IN STRATEGIC MANAGEMENT PROCESS (SMP): Our annual strategy process covers a 10-year projection of revenue and margins, as well as a 10-year projection of GHG emissions, taking into account stakeholder ambitions, market development and the development of our competitive position. Water topics surface in this process if they affect our revenue development (requirements from markets and customers), or affect our cost position (availability and price for production site consumption and for major raw materials). Because water related risks typically become more pronounced between 2040 and 2050, they presently do not show up as a major topic in this process.</p> <p>CONSIDERATION OF WATER IN SITE PORTFOLIO MANAGEMENT (SPM). We annually assess our product sites in our Site Portfolio Management. Here consider sustainability constraints for the production facility and for major raw materials in the assessment category "long-term competitiveness of the production technology". A substantial threat of water scarcity would affect this assessment category.</p> <p>CONSIDERATION OF WATER IN RISK EXPOSURE IN SCENARIO SCENARIO SPACE ACCORDING TO TNFD. We assess the local exposure via the LEAP process and with the help of the WWF water risk tool. We have identified 17 sites as exposed to water risks and the high risk scenario. We are presently preparing proper consequences for the consideration in the SPM and SMP.</p>

Financial planning	Yes, water-related issues are integrated	16-20	<p>To ensure we consider the water specific risk exposure properly, we consider water in the scenario space for our 2050 roadmap to flag our exposure. For our financial planning, supply chain water risks are considered as higher costs and water risks for our production sites are considered as an impact on costs and and impact on capacity utilization.</p> <p>CONSIDERATION IN RISK ASSESSMENT OF LARGE CAPITAL PROJECTS: All investments to be decided by the board (> €10 million) must be evaluated with regard to their environmental impact by a separate ESHQ-Questionnaire. The assessment includes both a product and process evaluation. The evaluation assesses the impacts of the new investment projects on the local environment which are specific to the location and the facility (e.g.water use and emissions into water).</p> <p>CONSIDERATION OF WATER RELATED OPPORTUNITIES IN FINANCIAL PLANNING: €3 billion growth CAPEX will be spent from 2022-2030 in order to increase the sales share of "Next Generation Solutions" from 37% to >50% (products with superior sustainability performance).</p> <p>CONSIDERATION OF WATER RELATED RISKS IN FINANCIAL PLANNING: €700 million additional CAPEX will be spent from 2022-2030 in order to decrease GHG emissions as well as water intake demand e.g. by decreased cooling water demand resulting in >€100 m OPEX savings (p.a.).</p> <p>Cost increases through the internalization of water related externality are considered with 10-year projections of major energy and raw material sources.</p>
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W7.2

(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

5

Anticipated forward trend for CAPEX (+/- % change)

5

Water-related OPEX (+/- % change)

0

Anticipated forward trend for OPEX (+/- % change)

0

Please explain

We will invest app. 10% of or annual CapEx Volume for the footprint reduction of our existing assets (700 M € for EAGER). Not all of this is related to water, but as much of this CapEx is related for energy efficiency via heat integration, it will have a positive effect on cooling water intake. We anticipate that for our journey towards Net-Zero we will continue to see investments in heat integration and closed water cycles.

We estimate that water related measures have not a significant effect on OpEx.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	<p>We construct scenarios according to TCFD and TNFD guideline to describe the longterm risk and opportunity exposure in to industry transition and to physical effects of climate change. We align nature and water shaping factors with shaping factors of climate scenario this way, that a "net-zero scenario" (>1.5 degree) has the lowest water risks and that the "current policy scenario" (> 3.2 degree) has the highest water risk.</p> <p>To identify high exposure sites via the WWF water risk tool, we choose the physical scenario (> 3.2 degree).</p> <p>To identify market risks, we also use the physical scenario (>3.2 degree) as a reference.</p>

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related Climate-related Socioeconomic	<p>To identify our risk and opportunity exposure in a Transition scenario we have aligned the following scenarios for the construction of "critical uncertainties" or shaping factors:</p> <ul style="list-style-type: none"> - International Energy Agency "Net Zero 2050" - Network for Greening the Financial Sector "Net Zero 2050" - IPCC Shared Social Economic Pathways "SSP1" - SystemIQ Planet Positive Chemicals Scenario "No Fossil Capacity After 2030" - German Chemical Association VCI "Klimaneutralitätspfad" from 2019 updated for 3 technology options in the 2023 C4C study - TNFD "Ahead of the Game" scenario - WWF Water Risk "optimistic" scenario in a "Net Zero 2050" transition scenario, which also encompasses shaping factors on nature, equity, health & well-being. <p>To identify our risk and opportunity exposure in a physical climate scenario for a mean global warming > 3.1°, we have aligned the following scenarios for "critical uncertainties" or shaping factors:</p> <ul style="list-style-type: none"> - International Energy 	<p>As the availability of water is vital for our production and some of our supply chains. Special attention is paid on long-term availability of water as well as for existing sites as well for new investments. A waterstress analysis conducted at all production sites (102 sites) presented about one quarter of our sites may be possibly impacted by water stress within the next two decades (-2030 / -2040):</p> <ul style="list-style-type: none"> •Existing designated water scarce Evonik production sites do not see significant changes w.r.t. basin water supply. •Changes in water supply due to climate change projections do not appear to be a major driver of water scarcity in the future •Effect on local corn supply chains (i.e. the need for irrigation) yet unclear, require further analysis <p>Water Demand:</p>	<p>Inclusion of manufacturing sites water measures in the "NEXT GENERATION TECHNOLOGIES" roadmap for 2030. Involving suppliers, local authorities and scientific community on the long-term effects on our raw material supply chain for large scale biotech process in the US and in BR.</p>

		<p>Agency "Stated Policies Scenario STEPS"</p> <ul style="list-style-type: none"> - Network for Greening the Financial Sector "Current Policies" - IPCC Shared Social Economic Pathways "SSP5 Fossil Fueled" - German Chemical Association VCI "Referenzpfad" from 2019 in a "Current Policies" physical scenario, which also encompasses shaping factors on nature, equity, health & well-being to assess risks and opportunities from other Sustainability Focus Areas (SFA). - TNFD "Sand in the Gears" scenario - WWF Water Risk "pessimistic" scenario <p>Data on physical scenarios are often very conservative, as environmental, social and financial tipping points are not considered. Country level risk assessment are available for Swiss Re Institute 2021 "Economics of Climate Change" and McKinsey 2020 "Climate risk and response: Physical hazards and socio-economic impacts".</p>	<ul style="list-style-type: none"> •Evonik production sites will see increases in water demand implying greater competition for remaining water resources in the future due to stable or decreasing water stocks •Changes in water demand due to projected socio-economic factors appear to drive most of the future water scarcity for Evonik production sites <p>Water Stress:</p> <ul style="list-style-type: none"> •Most Evonik production sites already designated as water scarce will see increases in water stress or no change from present conditions. <p>All sites in water stressed areas are subject to special attention by the risk management effective 2019. Sites in water stressed areas have been required to bring in de-risking measures into the EAGER program, so they can be considered in the "NGS" roadmap.</p>	
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W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

Evonik has discussed internally the possibility of introducing an internal price of water. As a result of this discussion process shadow pricing does not seem to be an appropriate or meaningful approach as supplier prices for water do vary substantially than shadow prices available in literature. This may lead to bias the profitability of Investments unjustified under current real conditions. We have seen that GHG emission reduction and water use reduction go hand in hand. Thus, we prioritize “NEXT GENERATION TECHNOLOGY” measures based on CO2 abatement cost and flag the few “water-only” measures, to be included in the roadmap but falling out the CO2 abatement cost.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Please explain
Row 1	Yes	<p>Products defined as low water impact are those having a positive impact upstream or downstream in comparison to a market reference. Here are a few examples regarding a positive impact on water consumption in product application:</p> <ul style="list-style-type: none"> - Evonik animal feed additives (amino acids) enable water savings thanks to the lower amount of ingredients required to feed animals (higher feed conversion ratio) in comparison to feeding systems with less or no amino acids. An additional benefit is the significantly lower nitrogen emission from livestock farming and consequently an improved effect on ecosystem and water quality. - Evonik is investing in the Danish hydrogen peroxide company HPNow that develops decentralized systems for electrochemical production of H2O2. HPNow mainly addresses the market for agricultural drip 	<p>Products having a low water impact means that these products enable water savings or improving water quality in comparison to established alternative on the market in their application. These products are flagged as Next Generation Solution in the scope of the Sustainability Analysis of our business. Low water impact can mean enabling water savings (reduce quantity), improving water quality,</p>

		<p>irrigation water treatment. Drip irrigation uses water very efficiently in the irrigation of plants and is used as a solution to the problem of increasingly inadequate water supply. HPNow helps customers with increased crop yields and reduced irrigation system maintenance.</p> <ul style="list-style-type: none"> - Evonik is offering raw material solutions that can lead to lower water-usage footprint consumers products. Evonik’s product technologies enable a wide range of approaches to water conservation, from no-rinse cleaning to low water-usage formats (e.g. Rewoferm biosurfactants) <p>Here are a few examples regarding improved water quality in the product application:</p> <ul style="list-style-type: none"> - Some cosmetic ingredients like esterquats have a better biodegradability that market reference what has a positive impact on freshwater quality. Evonik also produced home cleaning ingredients fully biodegradable (biosurfactants). - Evonik also introduced new structure modified silica type for Anti-Fouling Coatings to enable the reduction of biocide release. 	
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W8. Targets

W8.1

(W8.1) Do you have any water-related targets?

Yes

W8.1a

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	No, and we do not plan to within the next two years	Water discharge quality also considered as Wastewater loads (nitrates, phosphates, sulphate, chlorine, heavy metals, COD, AOX) is analysed partly continuously and partly daily and recorded by water analysis systems on site and reported to corporate center for company-wide aggregation and evaluation

		quarterly. We monitor our wastewater loads at the facility level using automatic water samplers and lab testing. As waste water loads are subject to sit-specific regulations that are based on precautionary principles we do not assume to set specific targets on pollution.
Water withdrawals	Yes	
Water, Sanitation, and Hygiene (WASH) services	No, and we do not plan to within the next two years	Health and safety of our employees are very important aspects. We constantly monitor and assess our HSE performance on a monthly basis including the existence of fully-functioning wash services through our internal audits worldwide, according to annual HSE Audit programs. Thus we do not assume to set specific targets.
Other		

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Target coverage

Company-wide (direct operations only)

Quantitative metric

Reduction in withdrawals per product

Year target was set

2021

Base year

2021

Base year figure

26,8

Target year

2030

Target year figure

26

Reporting year figure

28,3

% of target achieved relative to base year

-187,5

Target status in reporting year

Underway

Please explain

APPROACH TO SETTING TARGETS AND GOALS:

Evonik aims to protect water resources and improve water-use-efficiency both within the company and beyond. Clean water in sufficient quantities is essential for the health of people, animals and plants. That is why it is crucial that industrial water usage will continue not to lead to local problems such as water shortages for the people living in the catchment areas of our production sites.

In the context of setting its non-financial Group targets, Evonik assesses its water performance in a holistic way since 2010. This includes, inter alia, the analysis of water parameters such as water use, quality and discharge, the identification of sites exposed to water risks using the Aqueduct Tool as well as the analysis of site-specific water projects and initiatives in local communities.

MOTIVATION:

We aim to identify potential for improvement particularly at sites located in (future) water-scarce areas, and use as little water there as possible.

IDENTIFICATION AND PRIORITIZATION:

Our water management (WM) tools are based on site specific data. However, we set a GROUP-WIDE TARGET to ascertain whether all our sites that are located in (future) water-scarce areas have a WM system.

CONSIDERATION OF CONTEXTUAL FACTORS:

A sustainable WM is balancing water consumption and availability. Due to widely varying local situations, each WM system is designed individually on the basis of a risk analysis that takes into account local circumstances and the main parameters of our water supply and disposal. With our 'Ecological and Sustainability Assessment of New Investments Guideline', we assess the environmental impacts of new investment projects, considering specific conditions of the location and the facility (e.g. water use).

IMPACT MONITORING:

Using a monitoring tool developed by Evonik all water-related KPIs are annually analyzed; the site data at corporate level including a site-specific risk review and progress analysis.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

📎 Evonik_Sustainability_Report_2022_ungeschützt.pdf

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	Total water withdrawal,(T12 on page 91) Total water discharges,(G29 on page 92)) Waste water loads (T13 on page 92)) for all environmentally relevant sites worldwide	ISAE 3000	Total water withdrawals are described in Evonik´s sustainability report 2022 Thus they are included in the verification process by the auditor KPMG Please note: Figures provided within the sustainability Report partly are based on projections for q4 as agreed with the Auditor to meet the sustainability Report publication timeline. Thus figures in sustainability report may vary from measured figures reported in WaterCDP. Please do check T12 page 91 of attached report - Auditors statement on pages 148/149
W8 Targets	Water target	ISAE 3000	Water target is described in Evonik´s sustainability report 2022. Thus they are included in the verification process by the auditor KPMG Please do check pages 90/91 of attached report - Auditors statement on pages 148/149

W10. Plastics

W10.1

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

	Plastics mapping	Value chain stage	Please explain
Row 1	Yes	Direct operations Supply chain Product use phase	As explained in previous part of the questionnaire, we apply the sustainability analysis (PSA) on all our chemical business. Through the PSA, we have the possibility to determine where plastics are used/ or produced in our portfolio and more generally to understand our inflows. Some of our businesses produce plastic products (e.g. Polyamide

			12). However, plastic products represent a small share of our product portfolio.
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W10.2

(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

	Impact assessment	Value chain stage	Please explain
Row 1	Yes	Direct operations Supply chain Product use phase	Potential environmental and human health impact of the production of plastics will be assessed via the Signal Category 5 of the Portfolio Sustainability Assessment. This includes direct operation, raw materials and product use phase.

W10.3

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

	Risk exposure	Please explain
Row 1	Not assessed – but we plan to within the next two years	We are currently working on an assessment of our material risk and opportunities regarding to climate, water and circular economy. Within the next two years, we will be able to describe our plastic-related risks with substantive or strategic impact on our business.

W10.4

(W10.4) Do you have plastics-related targets, and if so what type?

	Targets in place	Target type	Target metric	Please explain
Row 1	Yes	Plastic polymers Plastic packaging Plastic goods Waste management	Other, please specify - Generate additional sales with solutions for the circular plastic economy - develop solutions for recyclable plastics - reduce specific production waste - increase sales of Next Generation Solutions - Reduce sales from challenged products	Our targets (public, see Sustainability Report 20222): 1) Generate more than €350 million in additional sales with solutions for the circular plastics economy from 2030. 2) Solutions for around 400,000 metric tons of recyclable plastics by 2025. 3) Reduce specific production waste (relative to production volume) by 10% by 2030. 4) Increase the sales generated with Next Generation Solutions

				<p>to over 50 percent by 2030.</p> <p>5) Proportion of sales from challenged products should be permanently <5 percent</p> <p>With our Circular Plastics Program we enable value chains to become more circular. Target 1) and 2) relate to this. We also have a waste target (3) for our production waste, which includes but is not limited to plastic material. Evonik is publicly committed to increase the revenue share with products and solutions that have a superior sustainability performance ("Next Generation Solution") and permanently limit the revenue share with products and solutions with strong negative sustainability impacts ("Challenged") , which includes but is not limited to plastic materials and value chains (Target 4) and 5), see below)</p>
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W10.5

(W10.5) Indicate whether your organization engages in the following activities.

	Activity applies	Comment
Production of plastic polymers	Yes	E.g. Polyamide 12. They overall represents a small share of our product portfolio,
Production of durable plastic components	No	
Production / commercialization of durable plastic goods (including mixed materials)	No	
Production / commercialization of plastic packaging	No	
Production of goods packaged in plastics	Yes	
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)	No	

W10.6

(W10.6) Provide the total weight of plastic polymers sold and indicate the raw material content.

Row 1

Total weight of plastic polymers sold during the reporting year (Metric tonnes)

Raw material content percentages available to report

Please explain

These data are available internally but not intended to be disclosed due to competitiveness and antitrust reasons.

W10.8

(W10.8) Provide the total weight of plastic packaging sold and/or used, and indicate the raw material content.

	Total weight of plastic packaging sold / used during the reporting year (Metric tonnes)	Raw material content percentages available to report	% post-consumer recycled content	Please explain
Plastic packaging used	31.233,07	% post-consumer recycled content	22	<p>Please consider the recycling content as an overall content. Please also consider that we solely are a user of plastic packaging and not a producer.</p> <p>We expect this percentage to increase in the short term. Indeed, we are working on various ways of increasing recycling rates for rigid bulk containers depending on the products, processes, and customers. These include the reuse of reconditioned IBCs (recycling rate: 100 percent) and rebottled IBCs¹ where the steel cage and pallet are reused with a new plastic liner (recycling rate: 70 –</p>

			80 percent). In other areas, we use IBS with a plastic liner made from about 40 percent post-consumer recyclate (PCR), which results in a recycling rate of about 60-65 percent. We are trialing PCR IBCs on the filling lines for non-hazardous goods at initial sites in Germany. The plan is to roll out usage further locally, nationally, and globally.
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W10.8a

(W10.8a) Indicate the circularity potential of the plastic packaging you sold and/or used.

	Percentages available to report for circularity potential	Please explain
Plastic packaging used	None	As plastic packaging user, we are committing to use plastic packaging with an increased recycling and reused rate where it is technically feasible and allowed by regulators. However, we cannot provide any insights to the overall quantitative circularity potential of our plastic packaging used since this is highly dependent from externalities.

W11. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

nothing to add

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chief human resource officer	Director on board

SW. Supply chain module

SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	18.488.000.000

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

This is confidential

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
Row 1	No, this is confidential data	

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

No

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Yes, CDP may share our Main User contact details with the Pacific Institute

Please confirm below

I have read and accept the applicable Terms