



# WE GO BEYOND TO ENABLE TRANSFORMATION

Company Presentation Q4 / FY 2024



↓

**SAVE THE  
DATE**

**EVONIK  
CAPITAL  
MARKETS DAY  
2025**

↑

**May 22<sup>nd</sup>, 2025**  
**Hybrid event** *(in Essen & virtually)*

**Meet our  
Management Board Members**

- 11.45 am** Welcome & Registration
- 12.30 am** Presentations of four board members, followed by Q&A
- Strategy update
  - Financial perspective
  - Overview new segments: Custom Solutions & Advanced Technologies
- 03.00 pm** Informal lunch with Evonik board and IR team
- 04.00 pm** End of event



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1. **Evonik at a glance**
2. Sector leading earnings growth in 2024 with strong free cash flow
3. Well set-up for future earnings growth
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# Evonik at a glance

With division structure until April 2025

**€15.2 bn**

Sales

**€2.1 bn** (13.6%)

Adj. EBITDA (margin)

**€873 m** (42%)

Free Cashflow (conversion)

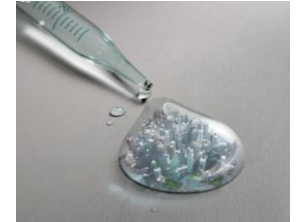
**€1.17** (>6%)

Dividend (yield)

**LEADING  
BEYOND  
CHEMISTRY**

## Specialty Additives

Small amount –  
big effect



## Nutrition & Care

Life at heart.  
Systems in mind.  
Partners at hand.



## Smart Materials

We find solutions  
for the needs  
of today and tomorrow



# New segment structure – from April 2025

## Leaner and more differentiated management of operating businesses

Custom Solutions

Advanced Technologies

### New set-up with clear advantages



+ Judge and steer businesses more transparently and strictly



+ Clear set of KPI's, differentiated for each business archetype



+ Consequent allocation of resources (capex, innovation, M&A) according to archetype



+ Simplifying structures and strengthening of Business Lines (direct reporting to board members)

# New segment structure – from April 2025

## Two differentiated segments under one roof

### CUSTOM SOLUTIONS

- Sales: €5.6 bn; adj. EBITDA: €852 m; ~7,000 employees
- Innovation-driven businesses with tailored solutions for customers
- Stronger role as growth driver with superior EBITDA growth

**Additives**  
Sales €3.7 bn

Main products:  
Additives for CASE<sup>2</sup> industry  
Lubricant additives  
PU foam additives  
Catalysts

**Health & Care**  
Sales €1.9 bn

Care Solutions  
Health Care

### ADVANCED TECHNOLOGIES

- Sales: €6.0 bn; adj. EBITDA: €752 m; ~8,000 employees
- Efficiency-driven businesses with leading technology & cost position
- Stronger financing role with superior cash flow generation

**Organics**  
Sales €1.7 bn

Crosslinkers  
High Performance Polymers

**Inorganics**  
Sales €2.5 bn

Silica  
Hydrogen Peroxide

**Animal Nutrition**  
Sales €1.8 bn

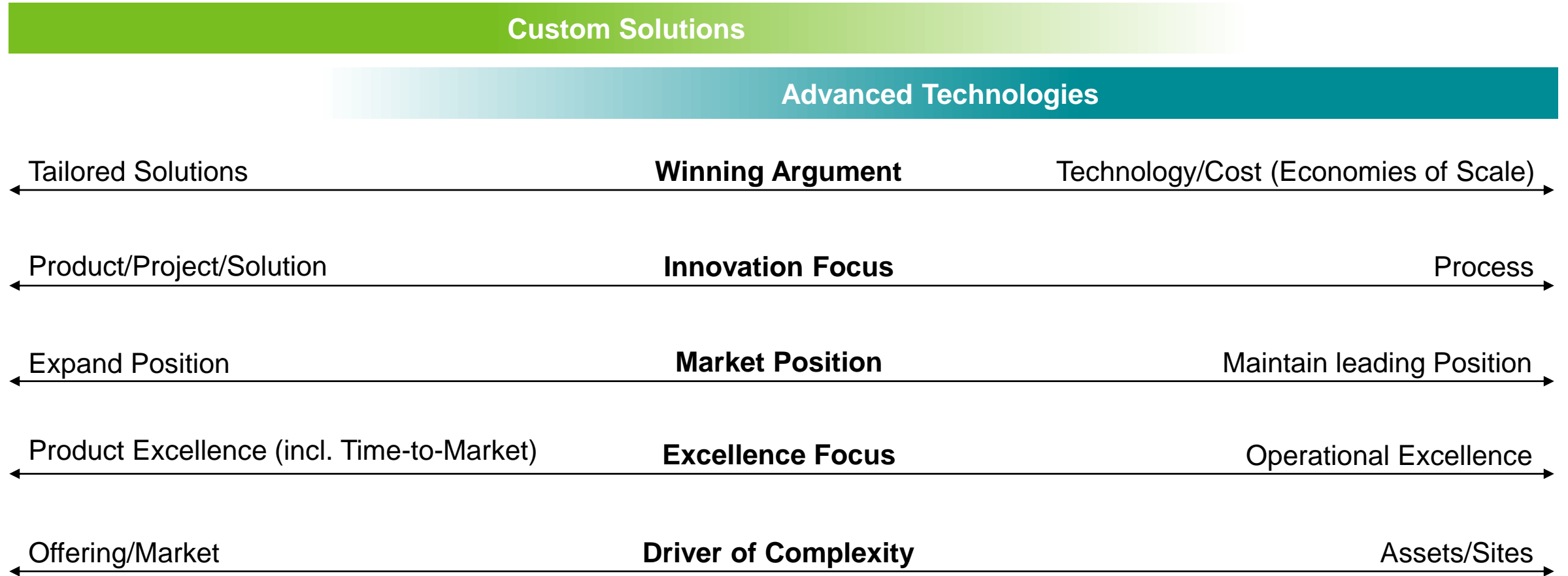
Amino acids (e.g. Methionine)

**TECHNOLOGY & INFRASTRUCTURE <sup>1)</sup> / OTHER** (Sales: €3.7 bn; adj. EBITDA €52 m)

Pro forma FY 2023 financials

# New segment structure – from April 2025

Two segments reflecting different business archetypes



# Portfolio circled around our three innovation growth areas

## CONSUMER GOODS

- ⊕ H<sub>2</sub>O<sub>2</sub> for food
- ⊕ Environmentally-friendly solutions, e.g. water-based artificial leather



## BIOSURFACTANTS & BIOTECH ACTIVES

- ⊕ Bio-based & fully bio-degradable surfactants
- ⊕ Biodegradable active cosmetic ingredients



## DESIGN FOR CIRCULARITY

- ⊕ Additives for extended durability of materials such as concrete and coatings



## FUTURE MOBILITY

- ⊕ Green tires
- ⊕ Lightweight solutions
- ⊕ Solutions for battery materials



## CELL CULTURE SOLUTIONS

- ⊕ Dipeptide
- ⊕ Ingredients for Biopharmaceuticals



## RECYCLING

- ⊕ Catalysts enabling Recycling
- ⊕ Enabling PU recycling



## ENVIRONMENT & UTILITIES

- ⊕ Biogas/Hydrogen membranes
- ⊕ Materials for windmills and PV
- ⊕ Carbon capture and usage



## NUCLEIC ACID-BASED MEDICINES

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



ENABLE CIRCULAR ECONOMY

ACCELERATE ENERGY TRANSITION

ADVANCE PRECISION BIOSOLUTIONS



# Next Generation Evonik: Our strategy

Three major strategic levers...

... with sustainability fully integrated ...

... delivering on ambitious targets

## Next Generation Portfolio

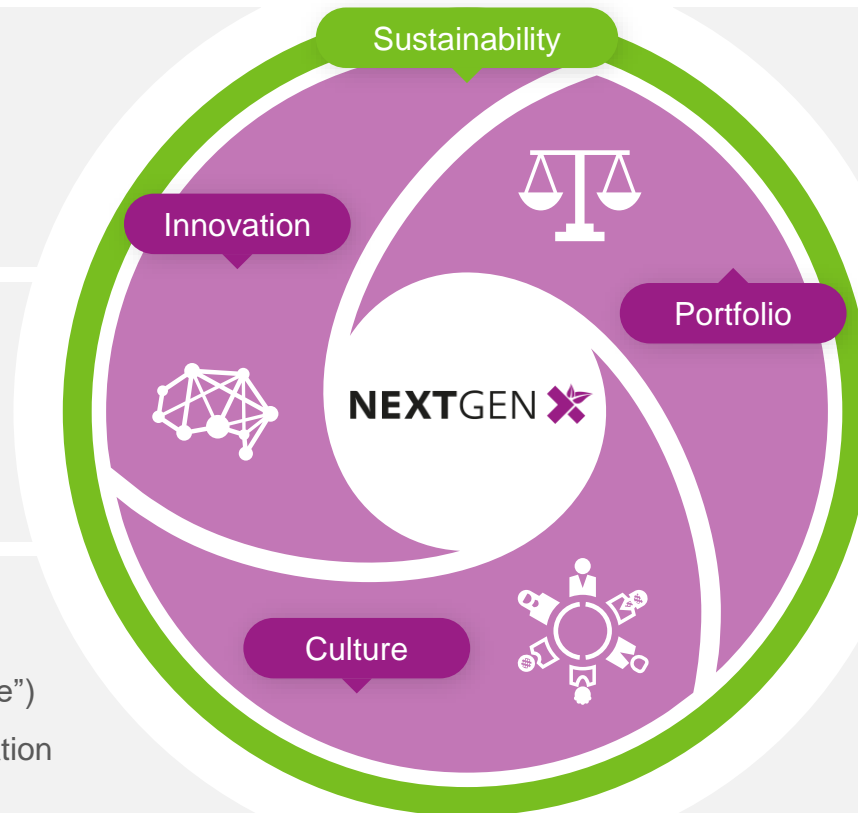
- + Exit Performance Materials division
- + Balanced approach with two segments (from April 2025)

## Next Generation Innovation

- + 3 New Innovation Growth Areas (as of 2024)
- + €1.5 bn additional sales by 2032

## Next Generation Culture

- + Employee empowerment (“Evonik Tailor Made”)
- + ESG targets integrated into mgmt. compensation



## ESG Targets<sup>1</sup>

- + >50% sales share of **NEXTGEN Solutions** ✦
- + -25% CO<sub>2</sub> emission reduction, e.g. via **NEXTGEN Technologies** ✦

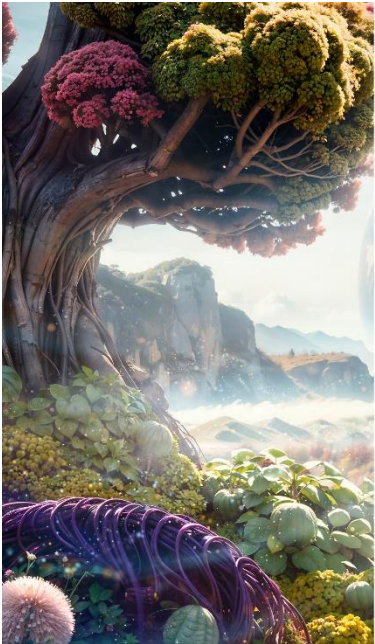
## Financial Targets

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

1. Until 2030

# The Innovation Growth Areas address the most pressing challenges of our time where Evonik can make a difference

## WE GO BEYOND TO ENABLE THE GREEN TRANSFORMATION



**Advance  
Precision  
Biosolutions**



**Enable  
Circular  
Economy**



**Accelerate  
Energy  
Transition**

Develop new products and solutions that will distinctively stand out on the market and have a positive influence on society and people's everyday life

- **Sustainability:** Solutions for a bio-based, energy-efficient, and circular society
- **Resilience:** Strong growth potential, above-average margins
- **Focus:** Majority of R&D resources allocated to Innovation Growth Areas
- **Acceleration:** Supported by Creavis, Evonik Venture Capital, and regional innovation ecosystems

**Sales increase 2023 to 2032: €1.5 billion**

# Sustainability integrated in portfolio and strategic management processes

## Excellent Rankings



### Sector leading rankings

Evonik leading in most relevant ratings – “AA” MSCI ESG, “Top 5%” Sustainalytics, EcoVadis “Platinum”, “B” ISS Oekom and “A-” CDP

## Environmental Targets



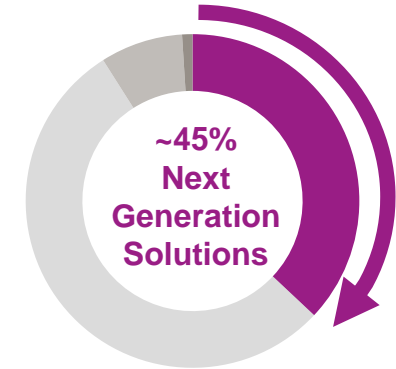
**-25%**

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

### Ambitious environmental targets

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

## Portfolio Management



### Portfolio aligned to sustainability

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

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# Progress in key strategic pillars supporting superior financial performance



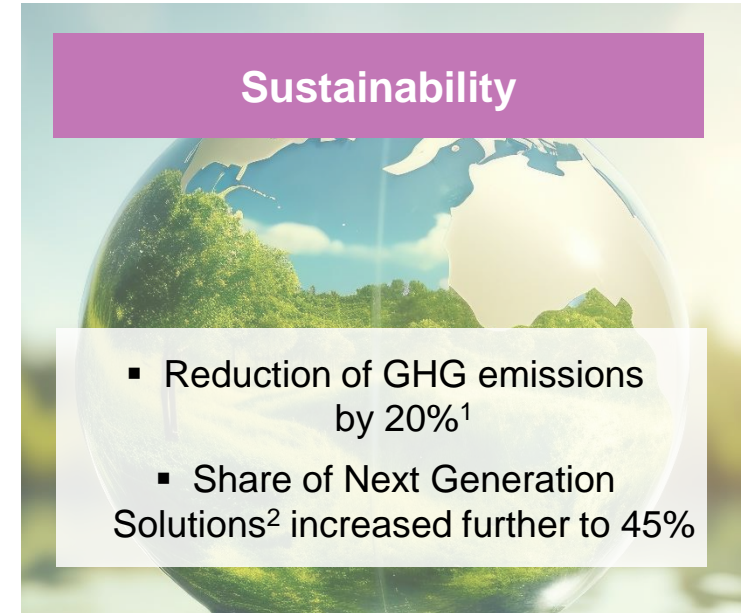
**Portfolio**

- Successful divestment of Superabsorber
- Realignment of BL's Health Care and Coating Adhesive Resins



**Innovation**

- Three new Innovation Growth Areas already delivering first results
  - €1.5 bn additional sales targeted by 2032



**Sustainability**

- Reduction of GHG emissions by 20%<sup>1</sup>
- Share of Next Generation Solutions<sup>2</sup> increased further to 45%

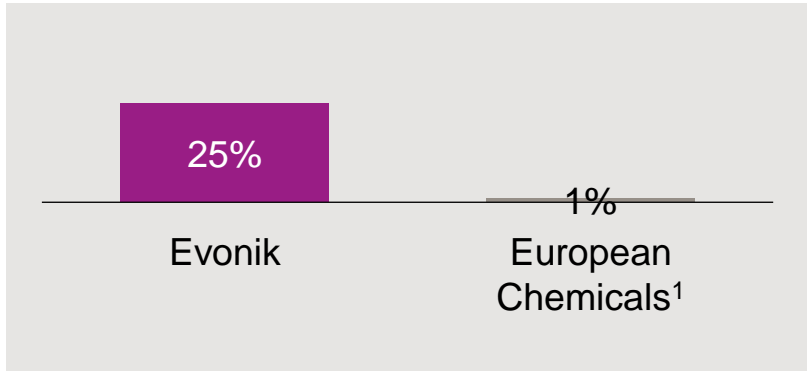
## Superior financial performance in 2024

**+25% adj. EBITDA growth yoy | 42% FCF conversion**

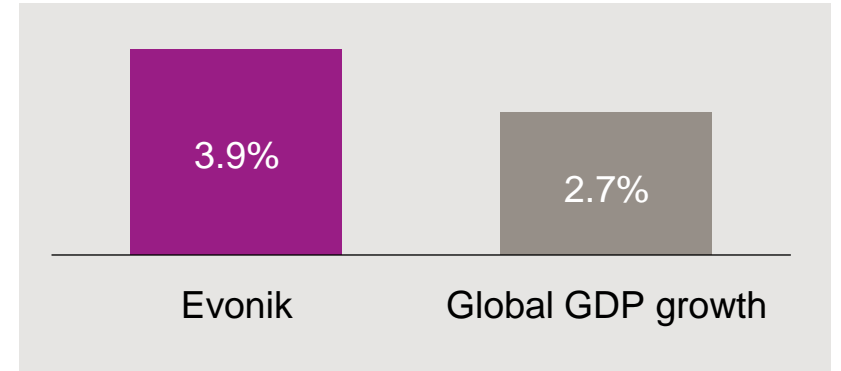
1. Scope 1 and 2 CO<sub>2</sub>e-emissions; vs base year 2021; 2 NGS: "Next Generation Solutions" include "Leader" (A++) and "Driver" (A+) products and solutions (conducted via PSA analysis)

# Evonik outperformance – with broad-based growth across all divisions

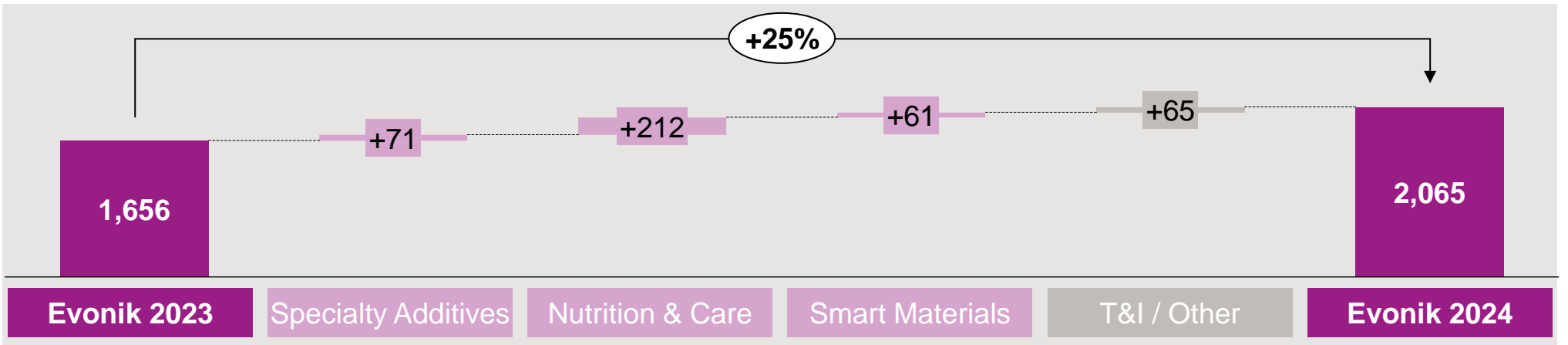
**Evonik vs. Peers**  
Adj. EBITDA growth (FY 2024 yoy)



**Evonik (volume growth) vs GDP**  
(FY 2024 yoy)



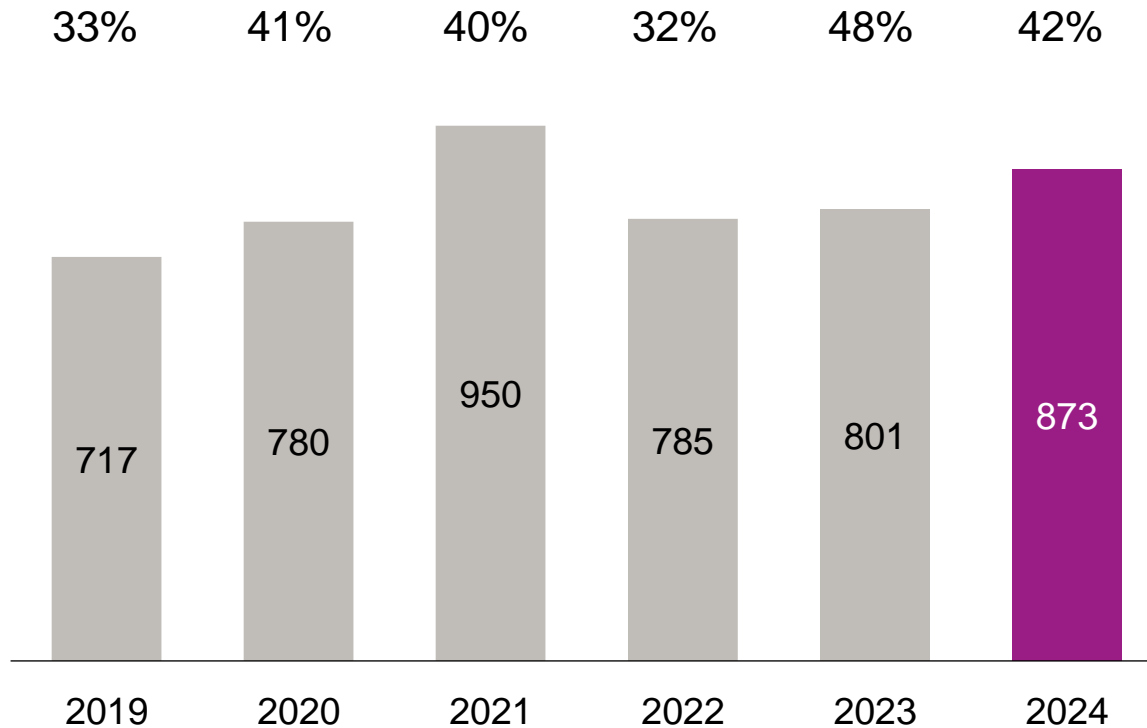
**Adj. EBITDA growth FY 2024**  
(€ m)



1. Median earnings growth of peers (Arkema, BASF, Clariant, Covestro, Lanxess, Solvay, Syensqo, Wacker)

# Free Cash Flow: Strong track record

## Free Cash Flow (in € m) / Cash Conversion Rate (in %)

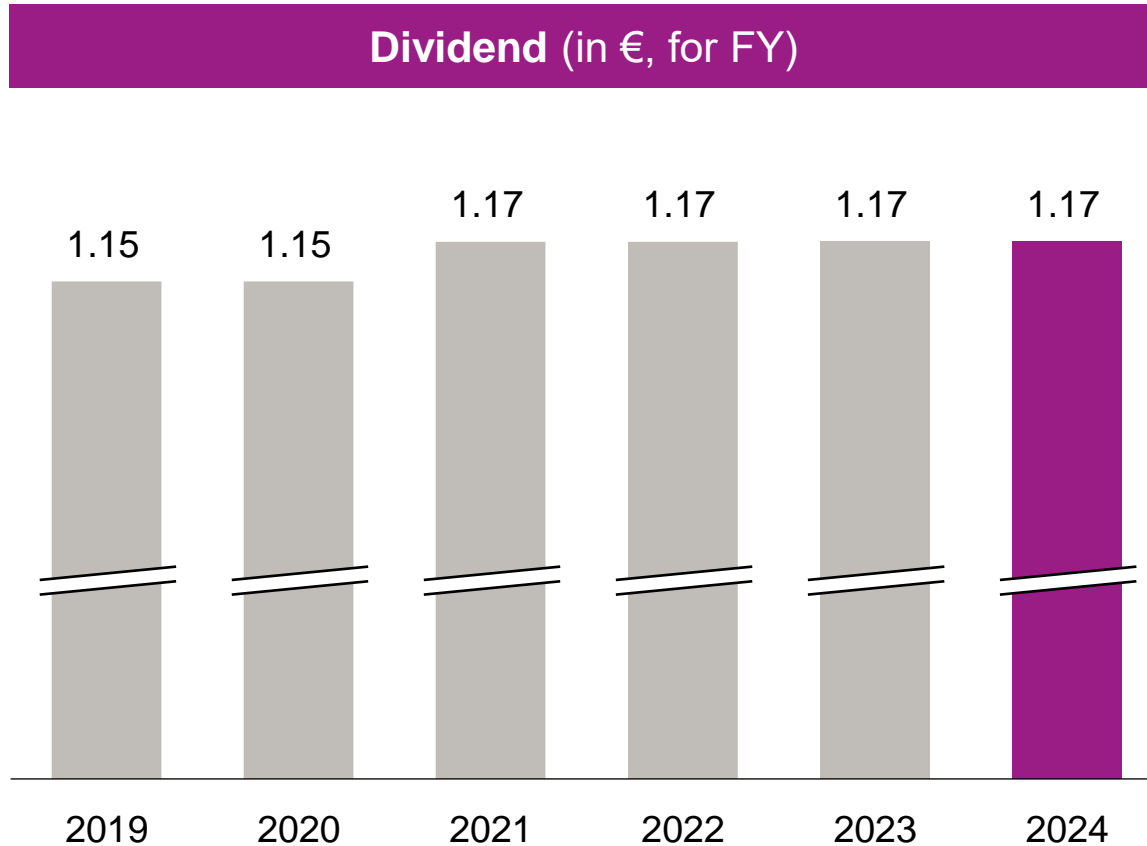


## Track record of strong and stable cash generation

Average of last 6 years:

- >€800 m FCF
- ~40% cash conversion rate
- Very stable Free Cash Flow despite volatile macro environment

# Stable dividend covered by strong Free Cash Flow



- Long-term dividend policy based on continuity and reliability
- Stable dividend proposal of €1.17 for FY 2024
- Attractive dividend yield of ~6%<sup>1</sup>
- Dividend (total payout €545 m) covered by strong Free Cash Flow generation (€873 m in FY 2024)

1. Based on closing share price on February 26, 2025 of €19.62



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# Focusing on the nucleus of our company

Strengthening operational businesses as common goal of our transformation

Strengthening  
operational  
businesses  
as nucleus  
of Evonik

1

## Evonik Tailor Made

Drastically reduce bureaucracy and number of management levels, leading to faster decision-making and lower cost base

2

## New segment structure

Business lines to be led directly by members of Executive Board and managed in a more differentiated manner

3

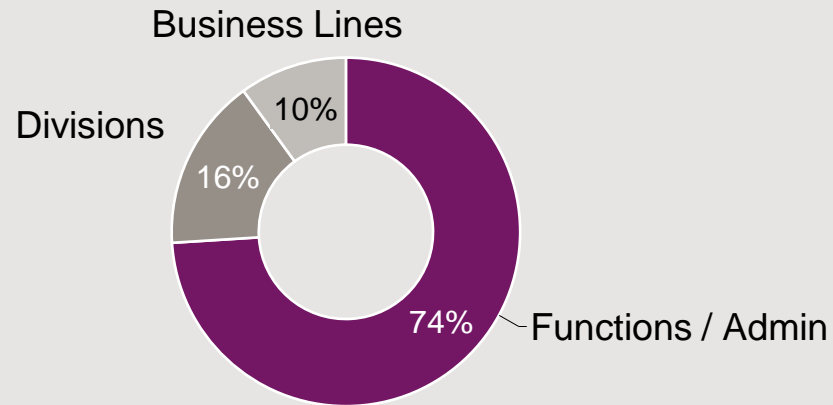
## Reorganization of Technology & Infrastructure

Focus on Chemicals businesses and Technologies (engineering capabilities)

# 1 Evonik Tailor Made

## Targeted reduction of management levels and complexity on track

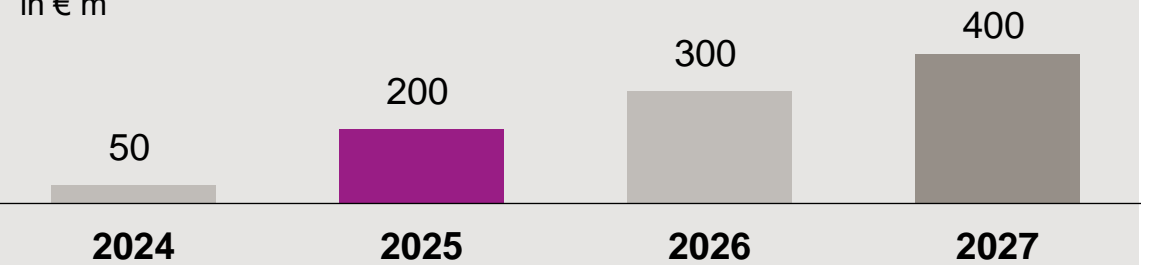
### Headcount reduction by organizational unit<sup>1</sup>



- Tailor Made aimed to empower businesses and speed-up decision-making
- Target number of six management levels across the group (from max. ten previously) already achieved
- New segment structure with elimination of one full management level (no division level anymore)

### Targeted cost savings

in € m



Number of organizational units reduced by ~3,000 (thereof ~50% small teams of <4 employees)



>270 early retirement packages signed<sup>2</sup> (~50% of target)

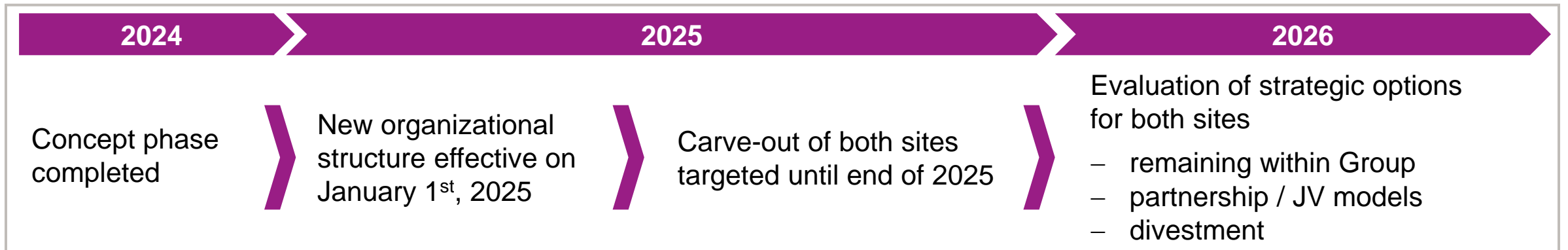
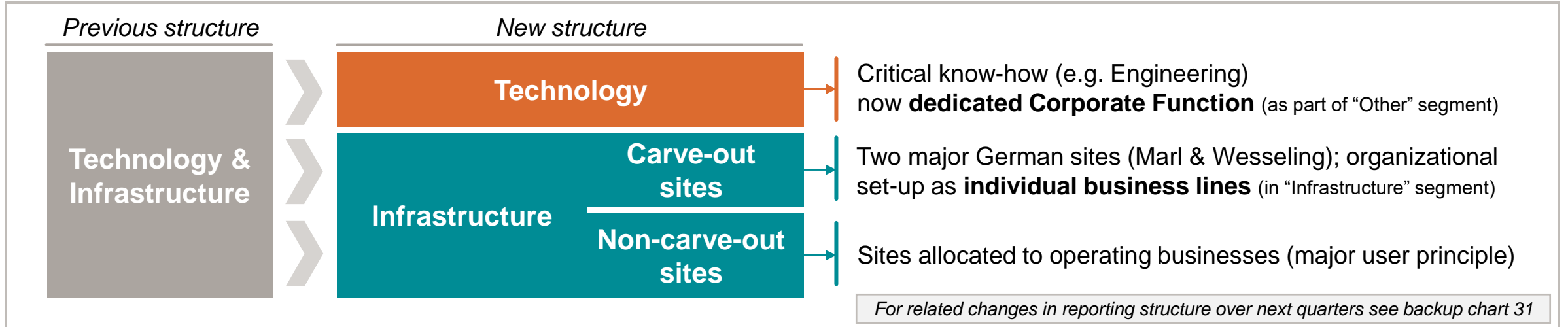


External hirings reduced by ~50%; positions filled internally

1. In % of target number of 2,000 positions | 2. Retirement packages for years 2024, 2025 and 2026

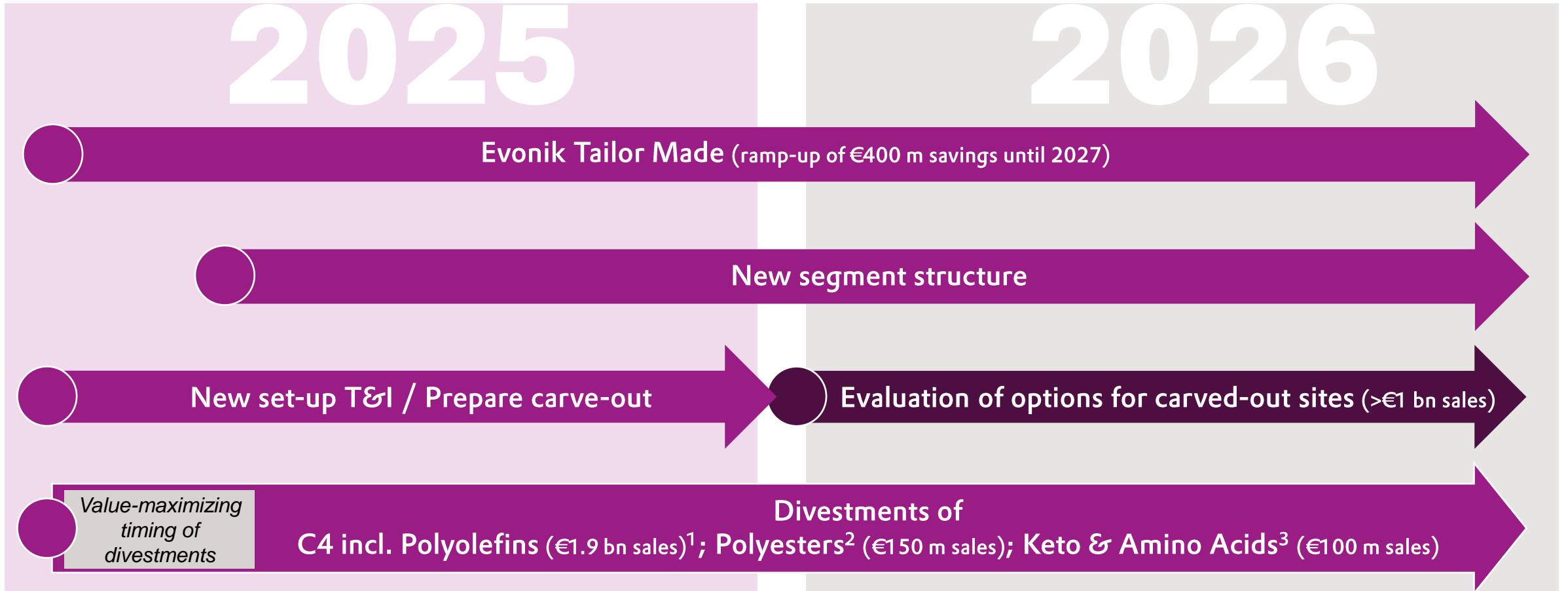
## Reorganization of Technology & Infrastructure

New structure implemented as of January 2025; carve-out ongoing



# Timeline for reorganization steps

Major milestones to be achieved during next two years



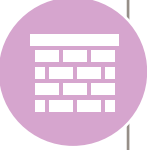
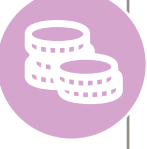


1. €1.9 bn sales combined for C4 (€1.8 bn) and Polyolefins (€100 m sales) businesses

2. Part of Business Line Coating & Adhesive Resins | 3. Part of Business Line Health Care; partnerships or divestments for sites in Ham (FR) and Wuming (CN); shut-down of production plant in Hanau (D)

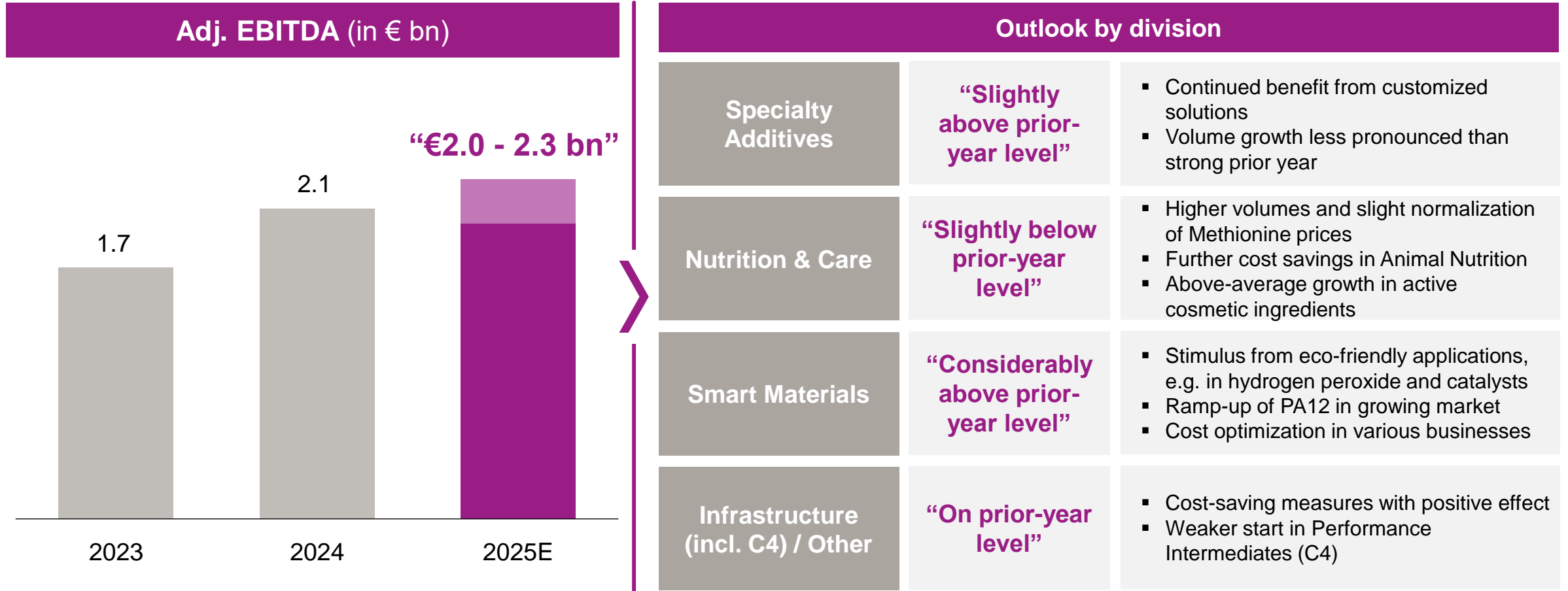
# Outlook with confidence

## Evonik well positioned for external challenges

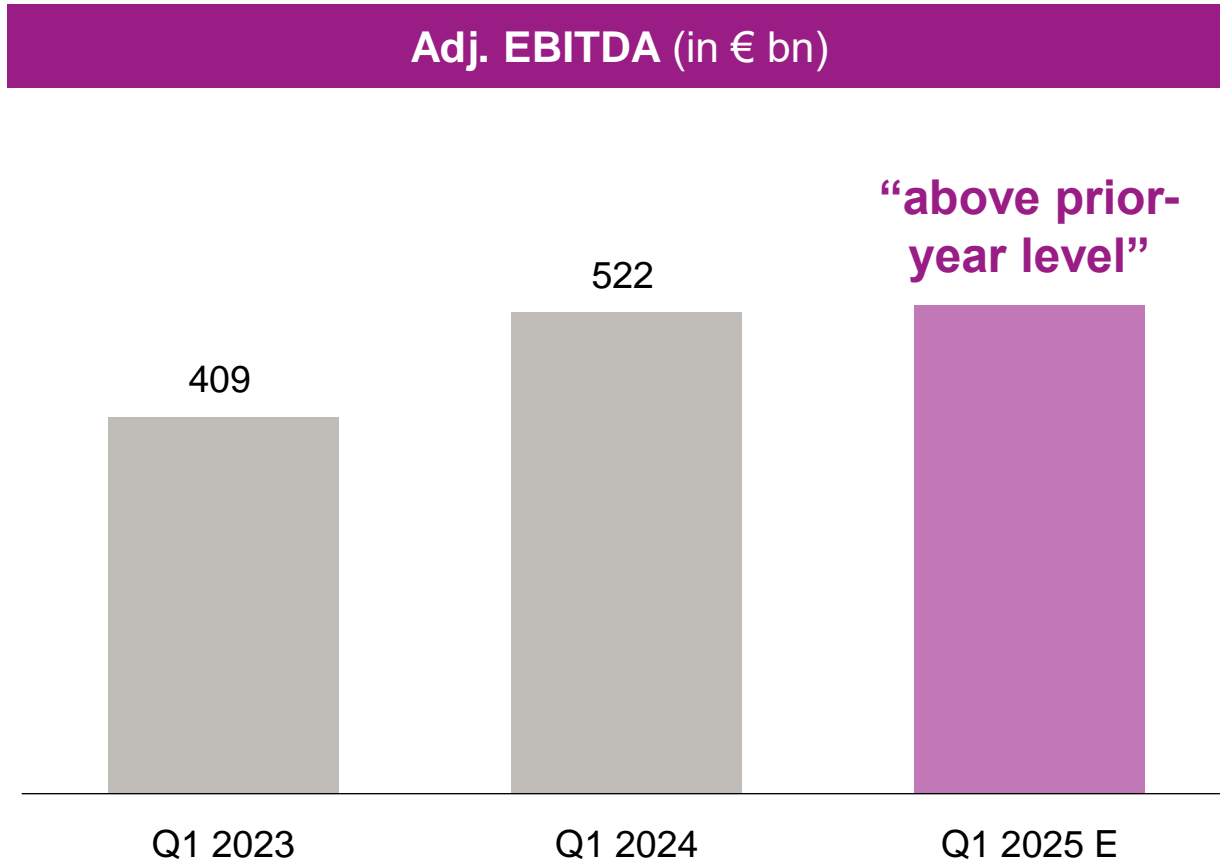
Major external challenges		Evonik with confidence and clear answers	
	Low GDP growth/ weak end markets	>5%	<ul style="list-style-type: none"> <li>... FY 2024 volume growth in Specialty Additives and Smart Materials (combined)</li> <li>Well positioned in attractive pockets of growth</li> </ul>
	Weakness Germany	30% / 40% / 30% <sup>1</sup>	<ul style="list-style-type: none"> <li>... regionally balanced asset footprint (Americas, Europe, Asia)</li> </ul>
	Rising protectionism	>80%	<ul style="list-style-type: none"> <li>... local production in three main regions Europe, US and China (average)</li> </ul>
	High energy costs in Europe	<5%	<ul style="list-style-type: none"> <li>... share of European energy costs of total costs</li> <li>Increasing share of green electricity</li> </ul>

1. Excluding C4

# Adj. EBITDA: Growth despite conservative macro assumptions



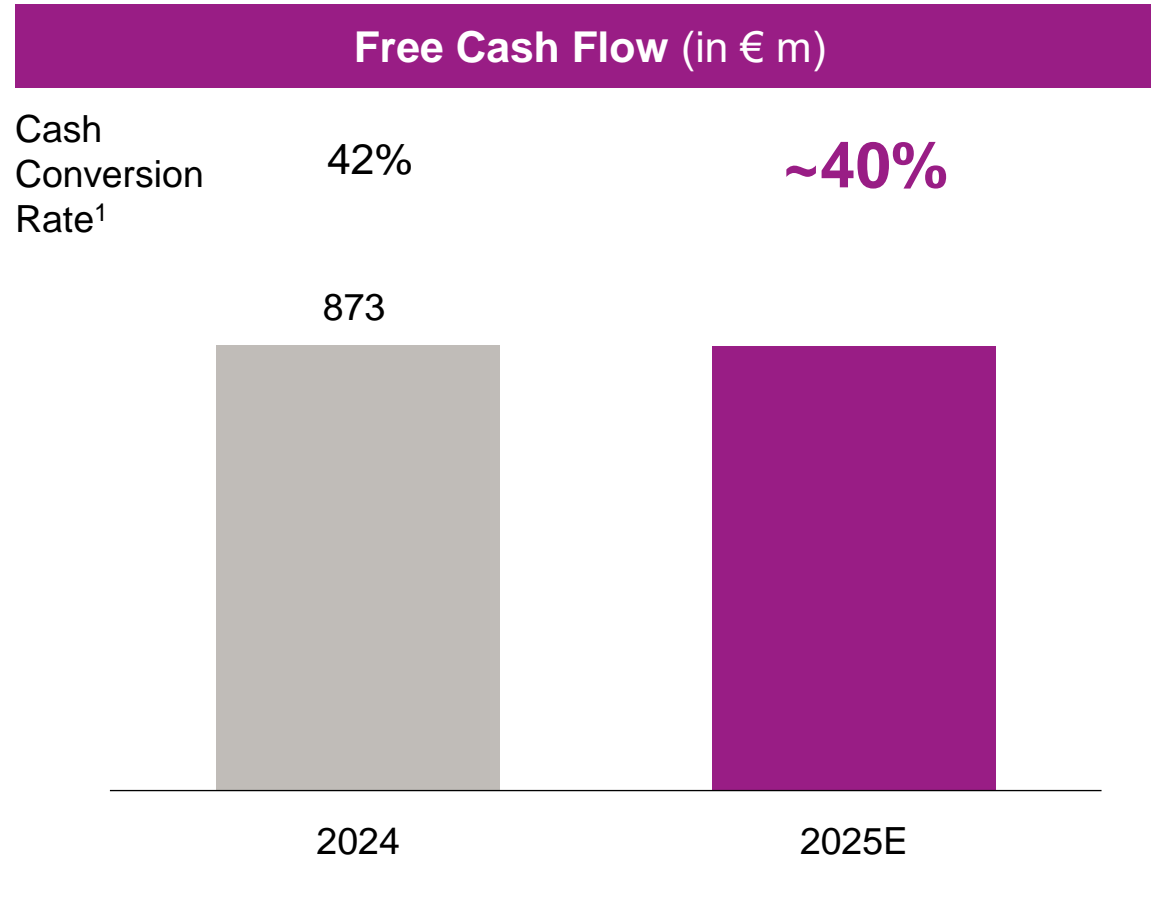
# Confident Q1 outlook: Adj. EBITDA above prior-year level



Comments
<p><b>Specialty Additives:</b></p> <ul style="list-style-type: none"><li>▪ Good volume growth; additives for coatings and PU foam continue good performance</li></ul>
<p><b>Nutrition &amp; Care:</b></p> <ul style="list-style-type: none"><li>▪ Better-than-expected Q1 for Animal Nutrition; strong market demand and tighter supply</li><li>▪ Health Care above low prior-year level</li></ul>
<p><b>Smart Materials:</b></p> <ul style="list-style-type: none"><li>▪ Good volume growth; positive start for Catalysts and Silica</li></ul>



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



**Expected building blocks for FCF development**

- yoy better **operating result** as starting point
- Capex** of ~€850 m stable yoy
- Higher **bonus payments** in FY 2025 (for 2024)
- NWC** with positive effect yoy (high level of 18% NWC/sales at year-end provides flexibility for FY 2025)
- Positive cash effect from **CO<sub>2</sub> certificates**

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

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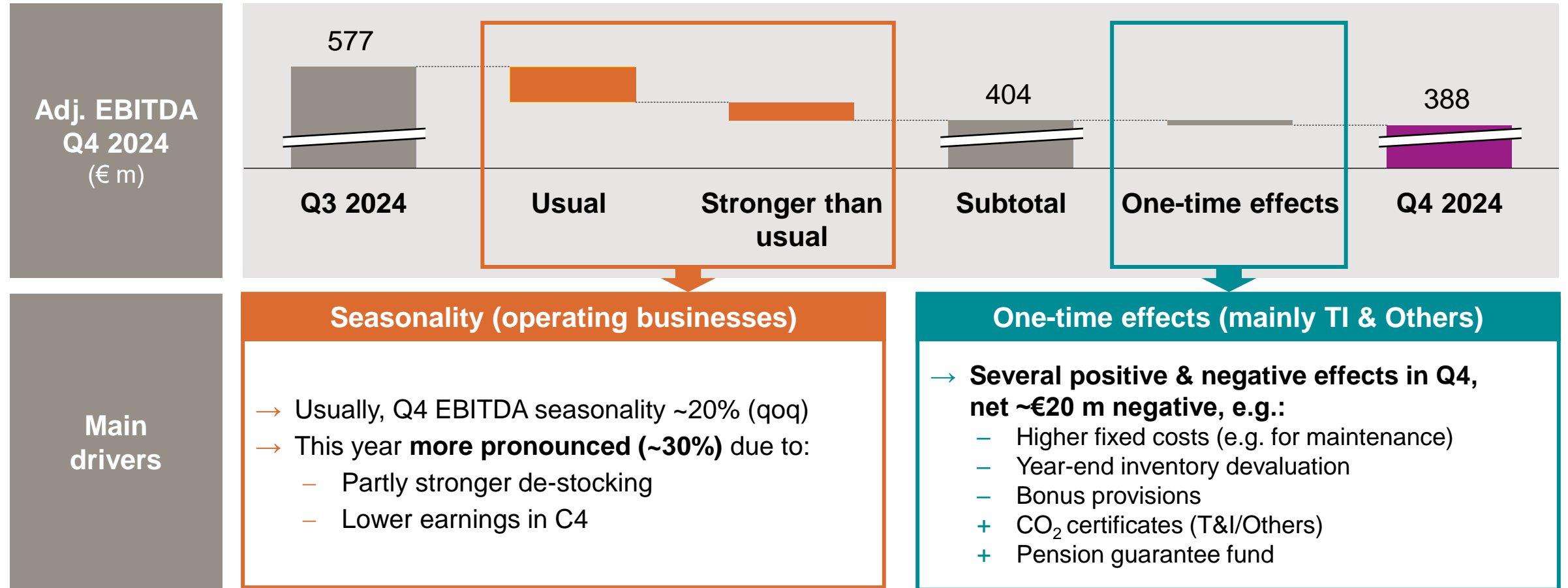
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## Q4 2024 results overview

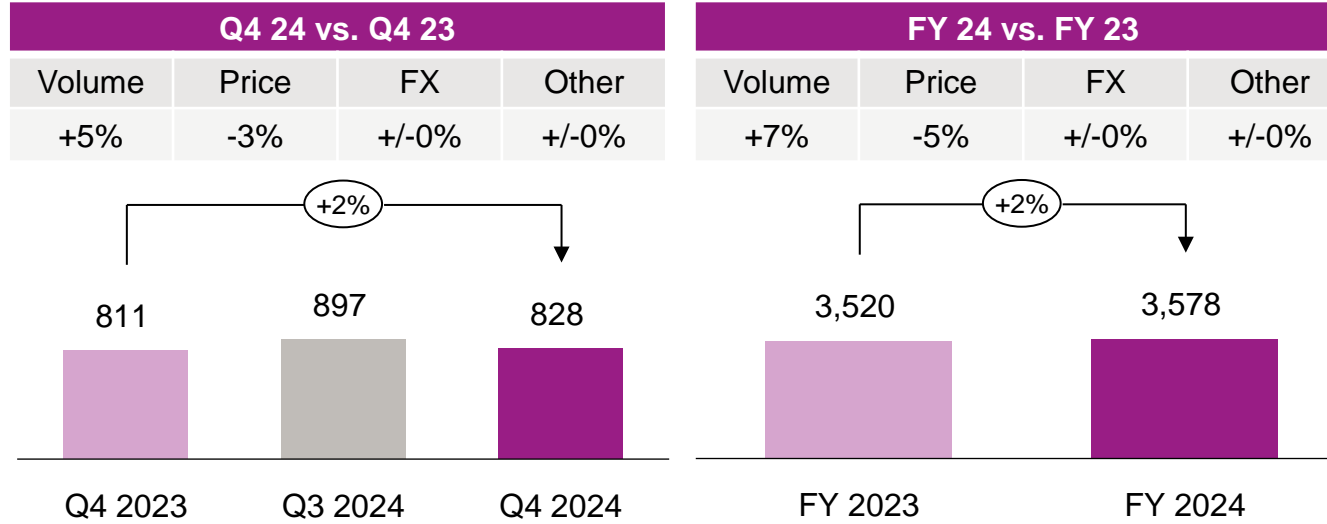
Sales (in € m)	Adj. EBITDA (in € m)	Free Cash Flow (in € m)	Dividend FY 2024 (in €)
<p><b>3,599</b></p> <p>(Q4 2023: 3,604)</p>	<p><b>388</b></p> <p>(Q4 2023: 312)</p>	<p><b>172</b></p> <p>(Q4 2023: 515)</p>	<p><b>1.17</b></p> <p>(FY 2023: 1.17)</p>
<p>Sales stable; volumes +4% yoy</p>	<p>Impacted by more pronounced seasonality and one-time effects</p>	<p>Targeted build-up of NWC at year-end provides flexibility for FY 2025</p>	<p>Stable and attractive dividend – fully covered by strong Free Cash Flow</p>

# Q4 impacted by more pronounced seasonality and one-time effects

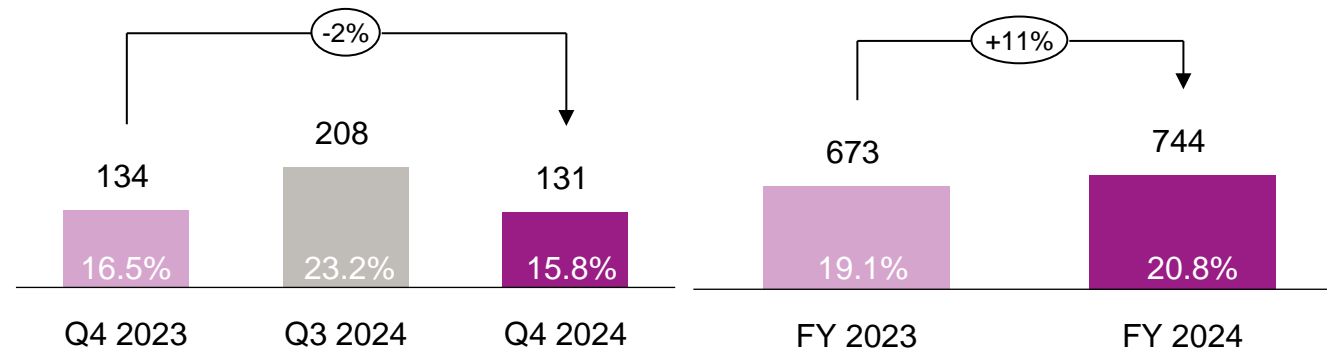


# Specialty Additives

**Sales**  
(in € m)



**Adj. EBITDA / margin**  
(in € m)  
(in %)



## Q4 2024:

- Strong first nine months of the year
- Q4 mainly impacted by customer destocking into year-end and higher fixed costs (e.g. more maintenance)

## FY 2024:

- Very strong volume and earnings recovery
- All business lines (except Crosslinkers) with higher earnings contributions in 2024
- Good positioning in attractive application fields with attractive margins

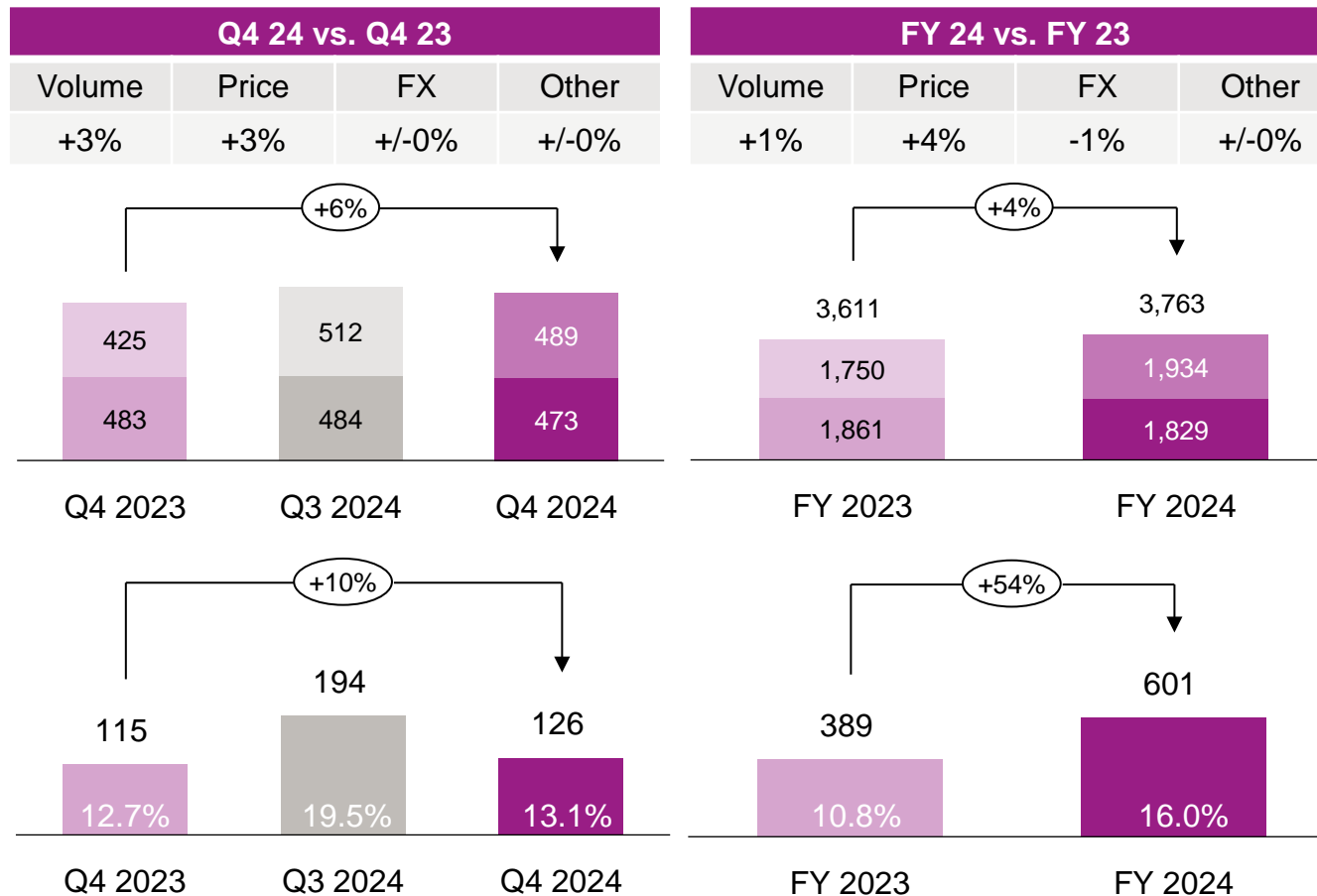


# Nutrition & Care

## Sales (in € m)

Animal Nutrition  
---  
Health & Care

## Adj. EBITDA (in € m) / margin (in %)



### Q4 2024:

- Care Solutions: Following strong first nine months, some destocking in Q4
- Health Care: Inventory devaluations impacted earnings in Q4
- Animal Nutrition with continued strong demand and only slightly lower Methionine prices

### FY 2024:

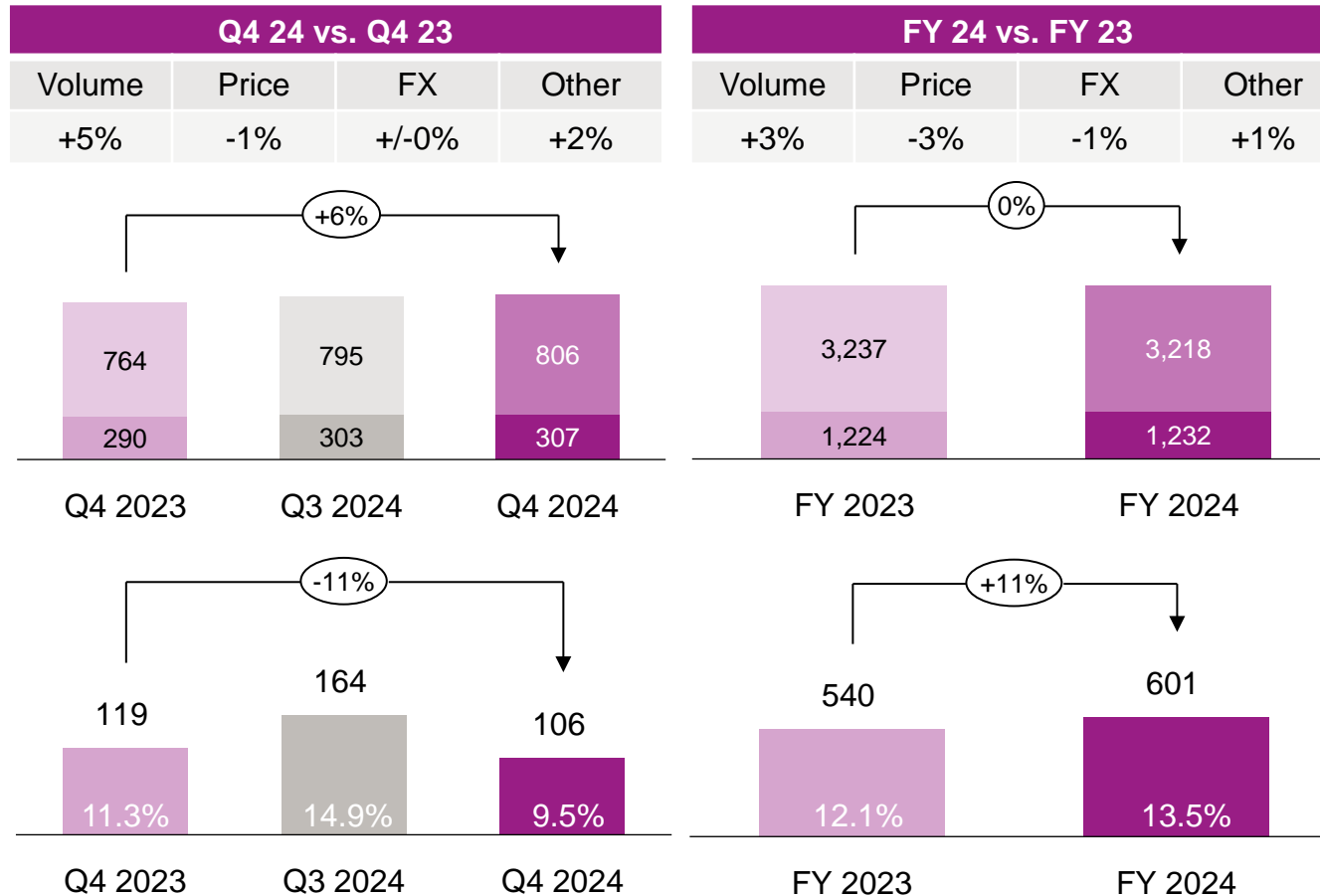
- Division's earnings improvement driven by Animal Nutrition and Care Solutions
- Health Care with transition phase during renewal and progression of project pipeline



# Smart Materials

## Sales (in € m)

Inorganics  
---  
Polymers



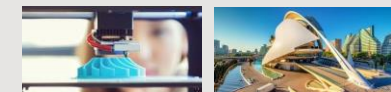
## Adj. EBITDA (in € m) / margin (in %)

### Q4 2024:

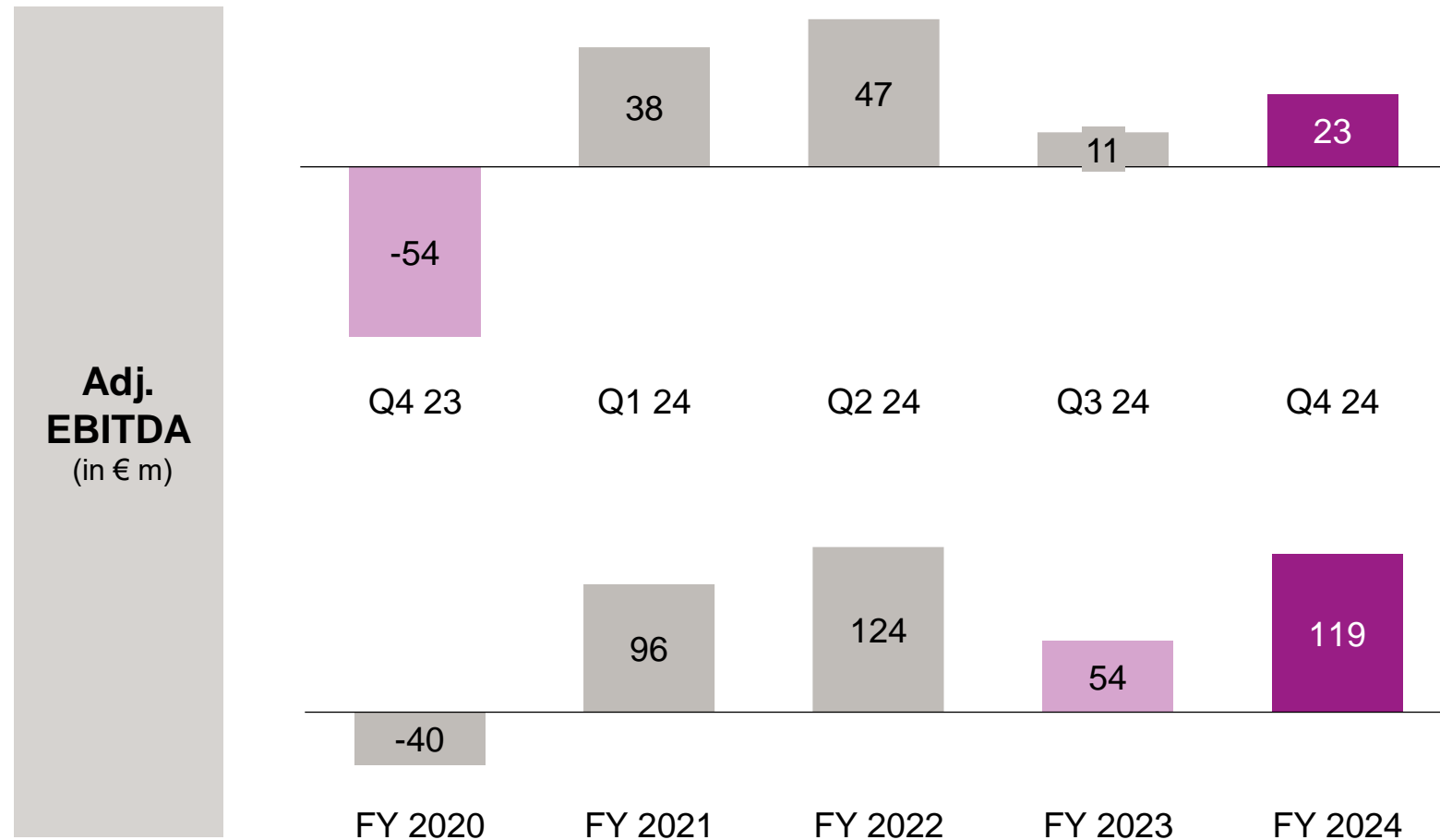
- Sales increase both yoy and qoq, driven by Silica, Catalysts, High Perf. Polymers
- Continued positive contributions from biodiesel catalysts in Latin America
- EBITDA mainly impacted by higher fixed production costs (e.g. for maintenance) and smaller other provisions

### FY 2024

- Earnings improvement driven by Silica, High Performance Polymers and Catalysts
- Positive volume leverage and cost control driving higher margin (+1.4pp)



# Technology & Infrastructure / Other<sup>1</sup>



## Q4 2024

- €80 m improvement yoy driven by
  - This year: Positive effect from CO<sub>2</sub> certificates
  - Prior-year: negative effect from Argentinian Peso devaluation and hyperinflation accounting as well as one-time payment to employees (inflation compensation)
- C4 business with year-end seasonality and ongoing weak end market demand

## FY 2024

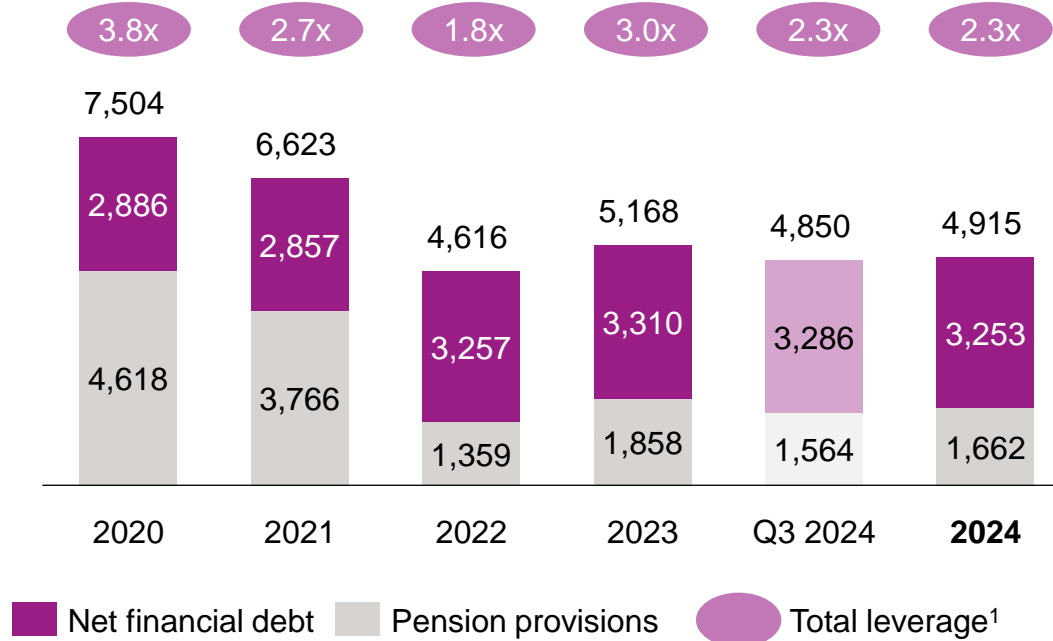
- Stronger Performance Intermediates (esp. H1); lower Superabsorber business
- Higher yoy bonus provisions
- €80 m yoy swing in Q4 (see above)

1. All numbers restated and now including Performance Materials division (from Q4 2024 onwards only Performance Intermediates (C4 business))



# Development of debt and leverage over time

(in € m)



<b>Adj. net debt<sup>2</sup></b>	7,254	6,373	4,366	4,918	4,600	4,665
<b>Adj. EBITDA (last 12 months)</b>	1,906	2,383	2,490	1,656	1,989	2,065
<b>German pension discount rate (%)</b>	0.90	1.30	4.10	3.50	3.60	3.60

1. Adj. net debt / adj. EBITDA | 2. Net financial debt – 50% hybrid bond + pension provisions  
3. (Net financial debt – 50% hybrid bond) / adj. EBITDA | 4. Before impairment

## Net financial debt (€3,253 m)

- Net financial debt decreased both vs end of Q3 and end of last year, mainly driven by strong FCF
- Higher adj. EBITDA leading to decrease of net financial debt leverage to 1.5x<sup>3</sup>

## Pension provisions (€1,662 m)

- Increased vs Q3 due to slightly weaker performance of plan assets; decreased yoy mainly due to slightly higher discount rate
- Solid funding level of >80%
- Long-dated pension obligations with ~13 years duration
- Pension provisions partly balanced by corresponding deferred tax assets of ~€0.6 bn<sup>4</sup>

# Divisional overview by quarter

Sales (in € m)	Q1/23	Q2/23	Q3/23	Q4/23	FY 2023	Q1/24	Q2/24	Q3/24	Q4/24	FY 2024
Specialty Additives	921	906	882	811	<b>3,520</b>	908	944	897	828	<b>3,578</b>
Nutrition & Care	886	893	924	908	<b>3,611</b>	900	905	996	962	<b>3,764</b>
Smart Materials	1,188	1,119	1,100	1,054	<b>4,461</b>	1,093	1,147	1,098	1,112	<b>4,450</b>
T&I / Other <sup>1</sup>	1,010	968	865	832	<b>3,675</b>	895	934	841	695	<b>3,365</b>
<b>Evonik Group</b>	<b>4,005</b>	<b>3,886</b>	<b>3,771</b>	<b>3,604</b>	<b>15,267</b>	<b>3,796</b>	<b>3,930</b>	<b>3,832</b>	<b>3,599</b>	<b>15,157</b>

Adj. EBITDA (in € m)	Q1/23	Q2/23	Q3/23	Q4/23	FY 2023	Q1/24	Q2/24	Q3/24	Q4/24	FY 2024
Specialty Additives	168	199	173	134	<b>673</b>	185	220	208	131	<b>744</b>
Nutrition & Care	76	71	127	115	<b>389</b>	140	140	194	126	<b>601</b>
Smart Materials	164	122	135	119	<b>540</b>	159	171	164	106	<b>601</b>
T&I / Other <sup>1</sup>	1	58	50	-54	<b>54</b>	38	47	11	23	<b>119</b>
<b>Evonik Group</b>	<b>409</b>	<b>450</b>	<b>485</b>	<b>312</b>	<b>1,656</b>	<b>522</b>	<b>578</b>	<b>577</b>	<b>388</b>	<b>2,065</b>

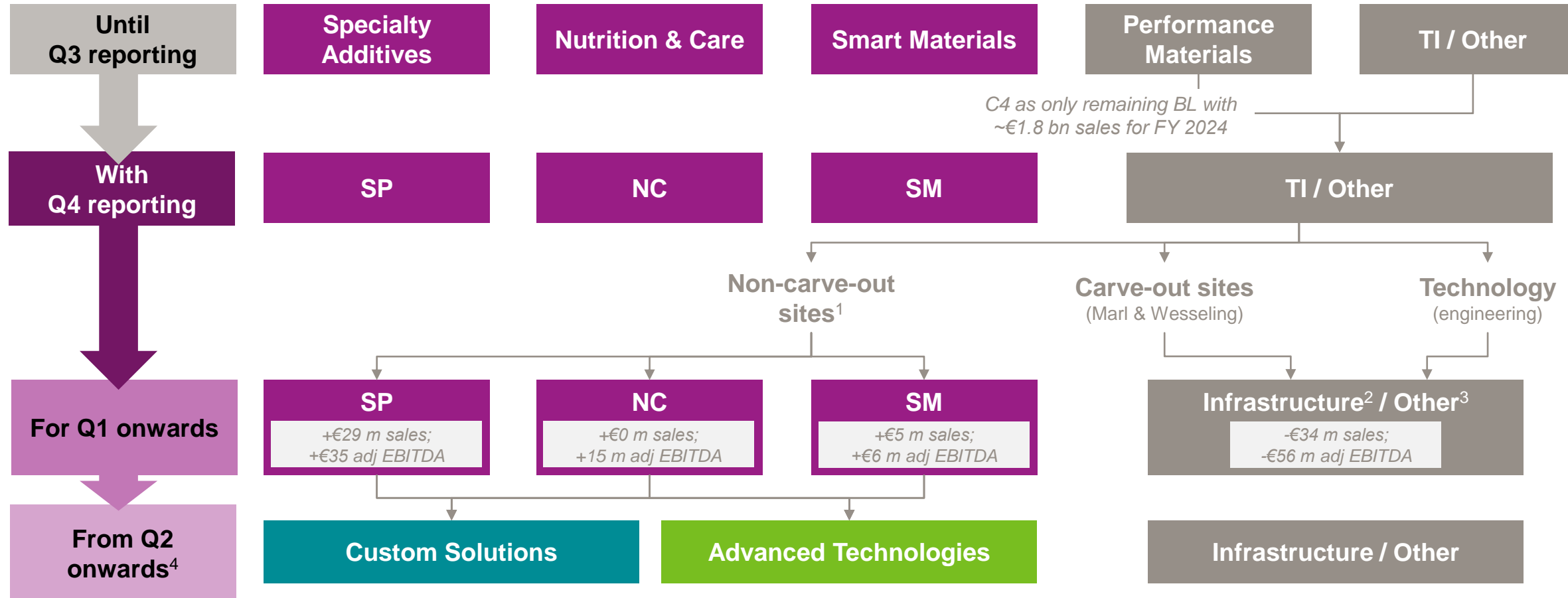
1. Including PM division

# Reorganization of reporting structure in three steps

## New T&I structure in Q1 – New segment structure in Q2

+€x m sales;  
+€x m adj EBITDA

Change of FY2024 financials  
due to restatement



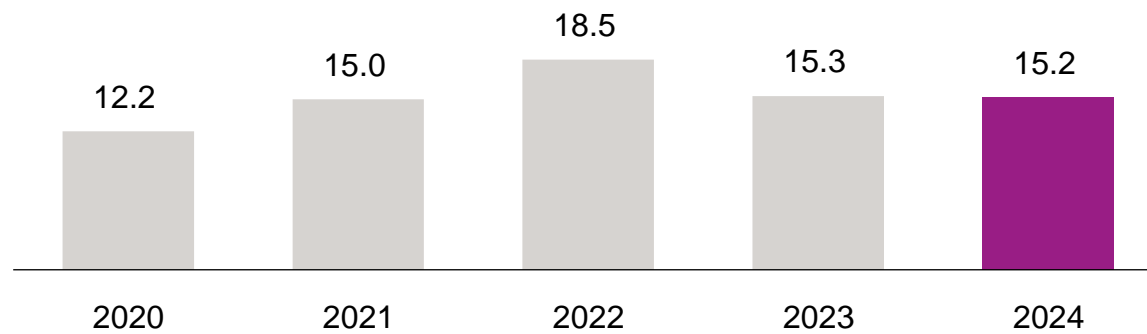
1. Smaller sites, which often serve only a single business unit, assigned directly to chemical divisions with their sales and earnings (i.e. higher sales and EBITDA in the chemical divisions; lower in "Infrastructure / Other")

2. Marl & Wesseling sites; C4 business | 3. Corporate Functions incl. Technology (engineering)

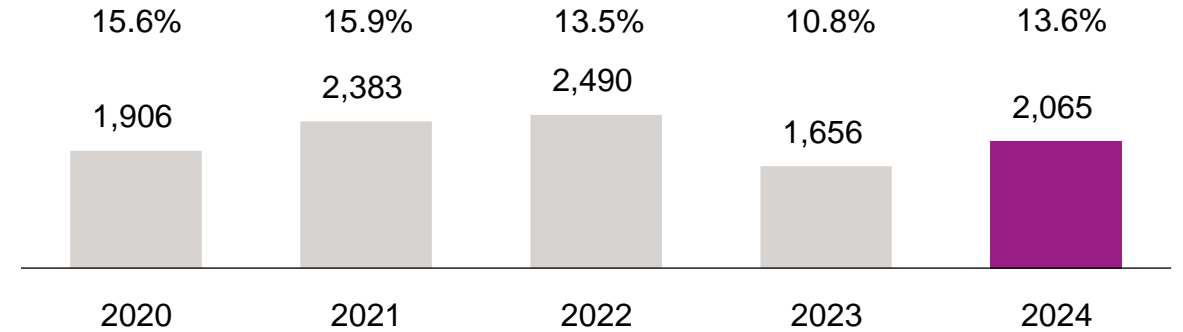
4. Restated historical financials for new segments to be provided ahead of Q2 reporting

# Five-year financial review

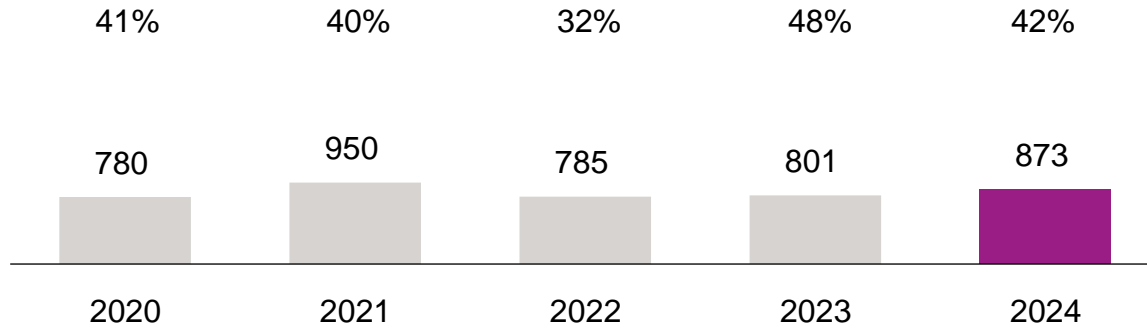
## Sales (in € bn)



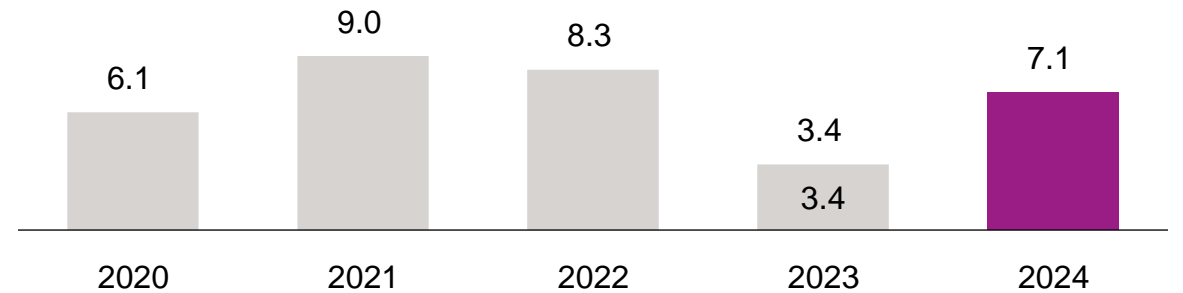
## Adj. EBITDA / Margin (in € m / in %)



## Free Cash Flow / Cash Conversion (in € m / in %)



## ROCE (in %)

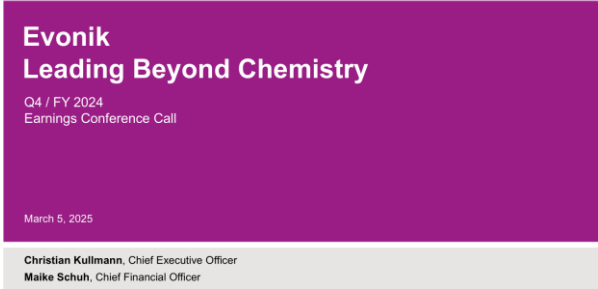


# Table of contents

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1. Evonik at a glance
2. Sector leading earnings growth in 2024 with strong free cash flow
3. Well set-up for future earnings growth
4. Financials Q4 / FY 2024
- 5. IR Team and further presentations**

# Discover more in our presentations and factbooks



**Evonik**  
**Leading Beyond Chemistry**  
Q4 / FY 2024  
Earnings Conference Call

March 5, 2025

Christian Kulmann, Chief Executive Officer  
Maik Schuh, Chief Financial Officer

**EVONIK**  
Leading Beyond Chemistry

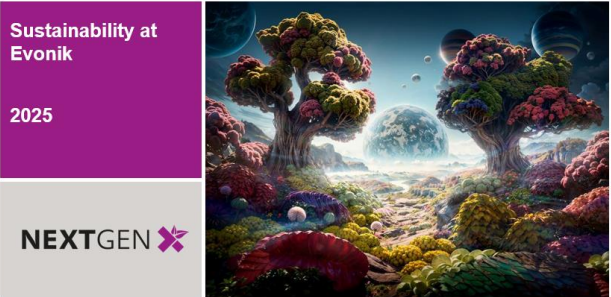
**Q4/ FY Earnings Conference Call Presentation**



**WE GO BEYOND TO ENABLE TRANSFORMATION**  
Company Factbook 2025

**EVONIK**  
Leading Beyond Chemistry

**Evonik Company Factbook**




**Sustainability at Evonik**  
2025

**NEXTGEN**

**EVONIK**  
Leading Beyond Chemistry

**Sustainability Factbook**



**Innovation Factbook**  
March 2025

**EVONIK**  
Leading Beyond Chemistry

**Innovation Factbook**

# Upcoming IR events

Conferences & roadshows	
March 12, 2025	Consumer Ingredients & Chemicals Conference, London (Exane)
March 12, 2025	Virtual Group C-Suite Meeting (Stifel)
March 12, 2025	Roadshow, London (Jefferies)
March 13, 2025	Roadshow, Frankfurt (HSBC)
March 13, 2025	Chemicals & Consumer Ingredients Forum, London (Goldman Sachs)
March 18, 2025	Roadshow, Nordics (Bank of America)
March 19, 2025	Virtual European Sustainability Conference (Bernstein SG Group)
March 19, 2025	Roadshow, Paris (Stifel)
March 25, 2025	European Chemicals Forum, London (JP Morgan)

Upcoming reporting dates & events	
May 12, 2025	Q1 2025 Reporting
May 22, 2025	Capital Markets Day
May 28, 2025	Evonik Annual General Meeting
August 1, 2025	Q2 2025 Reporting
November 4, 2025	Q3 2025 Reporting

# Evonik Investor Relations team

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