SUSTAINABILITY REPORT

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GENERAL INFORMATION

At Evonik, our goal is to make life better for present and future generations. Our sustainable corporate strategy is an expression of this aspiration—with ambitious targets and an understanding of how to translate sustainability into profitability.

MATERIAL TOPICS

- **Portfolio transformation**

- Mitigating climate change
- Green energy
- Water management
- Biodiversity
- Circular economy
- Product stewardship

- Attractiveness as an employer/ employee satisfaction
- Diversity and equal opportunity
- Occupational health and safety

- Responsible management/human rights
- Responsibility within the supply chain
- Cybersecurity

Top 1%
"Platinum" status from EcoVadis. Evonik is ranked among the top 1 percent of companies evaluated.

13
Evonik's material topics

45%
Proportion of sales from Next Generation Solutions

9. General information

- **Significant investment in Next Generation Solutions and Next Generation Technologies**
- **Initial qualitative assessment of long-term sustainability opportunities and risks**
- **Sustainability integrated into highest supervisory and management bodies**

9.1 About this sustainability report

Sustainability report 2024

ESRS 2 BP-1

This is the 17th full sustainability report published by Evonik and the first sustainability report in compliance with the European Sustainability Reporting Standards (ESRS). This year, our sustainability report corresponds to the combined non-financial statement, which was previously aligned with the GRI[1] Sustainability Reporting Standards. The switch to the ESRS was made in view of their significance as new reporting standards adopted by the European Commission. The report covers the period from January 1 to December 31, 2024, except where otherwise indicated.

Our goal is to provide our stakeholders with a transparent and objective picture of our sustainability performance. We have a long tradition of sustainability management and reporting on the basis of global standards and frameworks. Now we comply with the European reporting requirements of the ESRS. With a view to ensuring the consistency of reporting and our perceived stakeholder expectations, we have retained the basic structure for presenting Evonik's sustainable transformation and our holistic

ESRS 2 SBM-3

Guidance: Allocation of the chapters in the financial and sustainability report to the ESRS topical standards T27

ESRS topical standard	Chapter with key focus	Chapter with further disclosures[a]
ESRS 1 General requirements	Basis for all chapters in the sustainability report	
ESRS 2 General disclosures	**9. General information**	**1. Basic information on the Evonik Group** 1.1 Business model **5. Opportunity and risk report**
E1 Climate change	**10. Environmental information** 10.1 Mitigating climate change 10.2 Green energy	
E2 Pollution	**10. Environmental information** 10.6 Product stewardship	**11. Social information** 11.3 Occupational health and safety
E3 Water and marine resources	**10. Environmental information** 10.3 Water management	
E4 Biodiversity and ecosystems	**10. Environmental information** 10.4 Biodiversity	
E5 Resource use and circular economy	**10. Environmental information** 10.5 Circular economy	
S1 Own workforce	**11. Social information** 11.1 Attractiveness as an employer/employee satisfaction 11.2 Diversity and equal opportunity 11.3 Occupational health and safety	**12. Governance information** 12.1 Responsible corporate governance/ human rights
S2 Workers in the value chain	**12. Governance information** 12.2 Responsibility within the supply chain	**12. Governance information** 12.1 Responsible corporate governance/ human rights
S3 Affected communities	not material	
S4 Consumers and end-users	not material	
G1 Business conduct	**12. Governance information** 12.1 Responsible corporate governance/human rights	**12. Governance information** 12.2 Responsibility within the supply chain
Entity-specific disclosures	**9. General information** 9.3 Portfolio transformation **12. Governance information** 12.3 Cybersecurity	

[a] This list serves as guidance and makes no claim to completeness. Other references are contained in the respective chapters.

[1] GRI: Global Reporting Initiative.

approaches. The outcomes of our double materiality assessment define the direction and scope of our sustainability reporting at the aggregate level of material sustainability topics (see chapter 9.5 Materiality assessment p. 108 ff.). We report on the basis of the topics that are material to Evonik in the chapters specified by the ESRS. For example, under the material topic of "Occupational health and safety", we describe our comprehensive occupational and plant safety policy aimed at protecting people and the environment. The ESRS address the aspects of environment and people separately in topical standards E2 and S1. For this reason, we have allocated our material topics to the topical ESRS, as shown in the table "Guidance" T27 p. 93. The detailed index of disclosure requirements can be found in the annex to this sustainability report.

In the report, we identify ESRS disclosure requirements as follows: ESRS 2 BP-1.

We describe the minimum disclosure requirements for the MDR-P policies in the respective "Strategy and management" section, with additional detailed information provided in context in the "Actions" section. In the "Actions" and "Progress in 2024" sections, we disclose information in relation to MDR-A and in the "Targets" section information in relation to MDR-T. We have applied MDR-M to our metrics as shown in the "Metrics" section. These minimum disclosure requirements are not specifically identified within the report.

Basis for preparation

ESRS 2 BP-1, ESRS 2 BP-2

This sustainability report was prepared at consolidated level. The scope of consolidation is generally the same as that used to prepare Evonik Industries AG's IFRS consolidated financial statements. Alongside Evonik Industries AG, all material German and foreign subsidiaries directly or indirectly controlled by Evonik Industries AG are included. For the purposes of sustainability reporting, an assessment of the material impacts, risks, and opportunities (IROs) was conducted for the entire Evonik Group; all subsidiaries were taken into account in determining the material IROs. Wherever mandatory supplemental disclosures on specific environmental issues were required, associates, joint ventures, joint operations, other financial investments, and sites and production facilities not financially controlled by Evonik and hence not consolidated were analyzed to determine whether Evonik exercises operational control over them. This was not the case, meaning that the group of companies included in the consolidated financial statements corresponds to the group of companies included in sustainability reporting. No entities were excluded from the scope of consolidation for financial reporting for the sustainability report.

The sustainability report covers the Evonik Group's upstream and downstream value chain (see chapter 1.1 Business model p. 27 ff.) as follows:

- With regard to the assessment of material IROs, the upstream and downstream value chain was included through the sustainability analysis of the business activities, opportunity and risk management, the whistleblower system, and the evaluation of the business model.
- The group's strategies, actions, and targets affect its value chain in the following areas: Evonik Carbon Footprint, sustainability analysis of business and related analytical methods, circular economy, product stewardship, human rights compliance risk analysis, and responsibility within the supply chain.
- Data on the upstream and downstream value chain are included in the following input disclosures: Evonik Carbon Footprint, quantifying the handprint of selected Next Generation Solutions, whistleblower system, proportion of renewable raw materials, validated suppliers.

The option to omit a specific piece of information corresponding to intellectual property, know-how, or the results of innovation was used in the following cases: operating expenditure in research and development to increase the proportion of Next Generation Solutions.

The exemption relating to the disclosure of impending developments or matters in the course of negotiation was not used.

We report new metrics in accordance with ESRS for 2024. In the case of metrics already reported in 2023, we provide the audited prior-year values for comparison if the methodology is unchanged.

As a general rule, Evonik applies the definitions of time horizons set out in ESRS 1. When analyzing our opportunities and risks in chapter 9.6 Opportunity and risk management p. 114 ff. and chapter 9.7 Targets and significant actions p. 118 ff., we use data from our medium-term planning, which covers a period of up to three years from the end of the reporting period. The long-term horizon follows on directly from that time horizon and applies to a period of over three years. This means we depart from the definitions of the ESRS time horizons for these aspects.

Indirect sources (such as sector average data or other approximations used to calculate the Evonik Carbon Footprint) are explained in the relevant input disclosures for the value chain. We disclose assumptions and estimates such as for the Scope 3 calculation in the relevant sections.

Uncertainties in the determination of inputs and monetary amounts arise especially in the case of data collected only once a year, in the extrapolation of data using a fast-close approach, and in making estimates. Additionally, all forward-looking information is by nature subject to uncertainty.

Relevant data on personnel and social indicators are largely collected via the global SAP HR information system. We use a structured, qualitative global process to obtain supplementary information. The global reporting date for the supplementary HR data was September 30, 2024. Solely the number of hours of continuing professional development was extrapolated for a twelve-month period.

The ecological data in this report comprise emissions and consumption figures for 104 production sites in 27 countries. Data collection, data analysis, and reporting are done using the environmental module of our global ESTER software (Evonik Standard Tool ESHQ and Reporting). Occupational safety data were recorded for additional smaller locations (mainly administration sites), so the data here cover 299 locations in 59 countries. The reporting date for the environmental metrics is in each case December 31. The fast-close approach is still used only for Scope 3 emissions, except for category 3 (energy-related activities [not included in Scope 1 and Scope 2]) and category 5 (disposal and recycling of waste). The data for the full year are extrapolated on the basis of the first three quarters. We also apply the fast-close approach to some aspects of calculating the raw materials used, as described in chapter 10.5 Circular economy p. 153 ff.

The superabsorbents business was sold to the International Chemical Investors Group (ICIG) as of August 31, 2024. This move included the German location in Krefeld and the location in Greensboro (North Carolina, USA). The data relevant to this report were recorded separately as of this reporting date. The other portfolio changes, including acquisitions and divestments, had no material impact on the sustainability report for 2024.

All reporting units are clearly assigned to an organizational and business unit as well as coded using their geographical data. The key data in this report are rounded in line with standard commercial practice. In some cases, this may mean that individual values do not add up exactly to the totals given and percentages are not an exact reflection of the values stated.

The following information was incorporated by reference into the sustainability report:

References T28

ESRS disclosure requirement at the data point level	Location of the reference in the sustainability report	Source referred to
ESRS 2 SBM-1 40 a i ESRS 2 SBM-1 40 a ii ESRS 2 SBM-1 42 ESRS 2 SBM-1 42 c	Chapter 9 General information	Chapter 1.1 Business model p. 27 ff.
ESRS 2 GOV-5 36	Chapter 9 General information	Chapter 5.1 Opportunity and risk management p. 60 f.

The non-financial key performance indicators are described in chapters 1.2 Principles and objectives p. 30 f. and 1.3 Business management systems p. 31.

Further information provided on websites is not part of this sustainability report and is identified by a 🖵.

Internal controls over sustainability reporting

ESRS 2 GOV-5

The process of sustainability reporting, as with financial reporting, is part of the processes/organization risk category of the risk management system in the Evonik Group (see chapter 5. Opportunity and risk report p. 59 ff.). Risks in this category arise primarily from process deficiencies. The basis for safeguarding against process-related risks is the ESRS Group Reporting Manual, which sets out the principles for sustainability reporting in the Evonik Group on the basis of ESRS requirements. In addition, there are a large number of procedural instructions governing the collection of data in the various spheres of responsibility.

Preparation of the sustainability report is part of the process of preparing the financial report. This means it is integrated into existing mechanisms for allocating responsibilities, implementing the dual control principle, and monitoring schedules. Furthermore, specific controls were implemented to ensure the accuracy and completeness of the ESRS sustainability reporting. These are subsequently reviewed and optimized on a regular basis. In addition to data validation in connection with the annual reporting process, our environmental data are subject to in-house performance analyses, benchmarks, internal and external audits, and oversight by various authorities during the year.

Disclosures relating to Evonik Industries AG

Evonik Industries AG is the parent company of the Evonik Group. It serves as the management holding company, defining the concepts and rules to be applied worldwide and monitoring their compliance. We have applied the ESRS in preparing our combined non-financial statement. The disclosures relating to the parent company were prepared without application of a framework. All the aspects described here apply equally to Evonik Industries AG and the Evonik Group. Data are recorded worldwide for the purposes of management and monitoring. For this reason, there is a clear focus on group metrics. There are few metrics that reasonably apply to Evonik Industries AG because it does not operate any production sites of its own.

Metrics relating to Evonik Industries AG T29

	2023	2024
Employees (reporting date: December 31)	2,497	2,417
Proportion of women in total headcount in %	47.0	47.0
Proportion of women in management functions in %	34.0	36.0
Total turnover in %	5.0	5.0
Average length of service in years	16.0	17.0

External assurance

To ensure that this report is up to date, we have included all relevant data available to us as of the editorial deadline on February 26, 2025.

All information is subject to a limited assurance engagement by KPMG AG Wirtschaftsprüfungsgesellschaft. The independent practitioner's limited assurance report is reproduced under "Supplementary information" p. 316 ff.

9.2 Sustainability at Evonik

ESRS 2 SBM-1

Evonik's aspiration is to create sustainable, value-added solutions for its customers. That promise is expressed in our purpose: **Leading beyond chemistry to improve life, today and tomorrow.** We lead beyond chemistry by networking competencies, perspectives, and partners. We describe our business model, our products, markets, and customer groups as well as Evonik's strategy in the financials section of the management report (see chapter 1. Basic information on the Evonik Group **p. 26 ff.**). Data on our employee structure can be found in chapter 11.1 Attractiveness as an employer/employee satisfaction (see "Employees by region, contractual status, and full-time/part-time working in 2024" **p. 176**).

Economic challenges and geopolitical crises have become part of our everyday lives. We do not see this as a reason to reduce our commitment to greater sustainability. On the contrary, we regard our sustainability management as a key cornerstone when it comes to safeguarding and extending both Evonik's resilience to geopolitical crises and our market success on a lasting basis. Our sustainable corporate strategy makes a significant contribution to this with ambitious goals and management tools that help us translate transformation requirements into profitable growth. The strategy comprises the following elements:

- Giving sustainability a firm place in our market proposition and purpose
- Integrating sustainability into our strategic management process
- Increasing the proportion of attractive growth businesses in our portfolio with a clear focus on sustainability (see "Portfolio transformation")
- Foresighted resource management with ambitious environmental targets, including systematically considering the impact of our business along the value chain as well as taking account of the Sustainable Development Goals (SDGs)
- Selective improvement of our sustainability reporting

As part of **Next Generation Evonik,** sustainability is an integral component of key core processes such as portfolio and innovation management, production and technology as well as human resources work. This strategic integration paves the way for us to meet our promise to be an enabler of sustainability in a wide range of markets and walks of life.

Transformation requirements and core processes C29

Transformation requirements by	Our response	Core processes
Market	Next Generation Solutions	Sustainability analysis of our business
Assets	Next Generation Technologies	Evonik Carbon Footprint
Human resources	Next Generation Culture	All levels of HR work

In view of the transformation requirements made on our business activities, we draw a distinction between market-driven, asset-related, and human resources impact drivers. Accordingly, our sustainable corporate strategy is focused on three core processes: **Next Generation Solutions** (market perspective), **Next Generation Technologies** (asset perspective) and **Next Generation Culture** (human resources perspective) (see chart "Transformation requirements and core processes"). ESRS 2 SBM-3

We have hence set ourselves strategic sustainability targets. These relate, on the one hand, to the transformation of our portfolio, where we aim to increase the proportion of sales from Next Generation Solutions to over 50 percent by 2030. Viewed long-term, we aim to keep the proportion of sales generated with products that are classified as challenged (see category "Challenged", chapter 9.3 Portfolio transformation **p. 100**) as a result of changes in market conditions, consumer behavior, rising reference levels, or tighter regulation to below 5 percent. On the other, we have pursued our climate strategy for the period 2021 through 2030 in keeping with our commitments to the Science Based Targets initiative (SBTi)[1]. Selective investment in Next Generation Technologies will contribute to our target of reducing Scope 1 and 2 emissions by 25 percent between 2021 and 2030. We aim to reduce our Scope 3 emissions by around 11 percent[2] by 2030 (see chapter 10.1 Mitigating climate change **p. 129 ff.**).

To meet these targets, we intend to invest more than €3 billion in the growth of our Next Generation Solutions between 2022 and 2030. These are products and solutions whose sustainability profile is above—or even significantly above—the market reference level. In the same period, we aim to invest €700 million in Next Generation Technologies. These are notably actions at production plants as well as infrastructure that are geared to reaching the goal of further reducing our CO_2 emissions. The aim of Next Generation Culture is to firmly embed sustainability at all levels of the human resources process—from recruiting through vocational training and continuing professional development to including sustainability metrics in remuneration systems. Through these three Next Generation Evonik building blocks, we are harnessing our agility to the full in order to create a business model that balances economic, ecological, and social aspects, thereby strengthening our resilience (see chapter 9.7 Targets and significant actions **p. 118 ff.**). ESRS 2 SBM-3

[1] **https://sciencebasedtargets.org/companies-taking-action#dashboard**
[2] Exact target: 11.07 percent.

Our sustainability strategy is also the basis for our Green Finance Framework. In 2022, Evonik successfully issued its second green bond—a senior bond with a nominal value of €750 million. In keeping with the allocation of funding outlined in our Green Finance Framework, we allocated €170 million of proceeds to expand our Next Generation Solutions and Next Generation Technologies in 2024. This means that the €750 million green senior bond is fully allocated.[1] ESRS E1-3

In order to manage Evonik's business development with a view to non-financial performance indicators, we need high-quality sustainability data. Our sustainability data management program plays a key role in this alongside ESTER, our global ESHQ software for systematically capturing environmental data. Following successful integration of the sustainability analysis of our business into our company-wide Enterprise Resource Management solution, we aim to gradually add further sustainability-related management and reporting data. With our first report prepared in accordance with ESRS and our refined overview of Evonik's sustainability metrics, we continue to enhance transparency and the ability to rapidly retrieve data.[2]

Five key messages about sustainability at Evonik and what sustainability means for our company and our stakeholders.

1 **Our purpose**
We aspire to create sustainable, value-added solutions for our customers. That pledge is expressed in our purpose: **Leading beyond chemistry to improve life, today and tomorrow.** We lead beyond chemistry by networking competencies, perspectives, and partners.

2 **Next Generation Evonik**
We have integrated sustainability comprehensively into our corporate strategy—from research and development through portfolio management to our corporate culture. The core process is the sustainability analysis of our business. Research and development play a key role in the ongoing transformation of our portfolio.

3 **Next Generation Solutions (handprint)**
We already generate 45 percent of our sales with products and solutions that have a positive sustainability profile. We aim to increase the proportion of sales generated with these Next Generation Solutions to over 50 percent by 2030.

4 **Next Generation Technologies (footprint)**
Evonik supports the objectives of the Paris Agreement on Climate Change. This is underscored by our commitment to the Science Based Targets initiative (SBTi). Between 2021 and 2030, we aim to reduce our Scope 1 and 2 emissions by 25 percent. For the reduction in our Scope 3 emissions, we are committed to a target of 11 percent[3]. Our targets have been validated by the SBTi and are aligned with the SBTi target level of "well below 2 °C".

5 **Next Generation Culture (heartprint)**
We integrate sustainability into our human resources processes at all levels, from recruitment through vocational training and continuing professional development to engagement programs and remuneration.

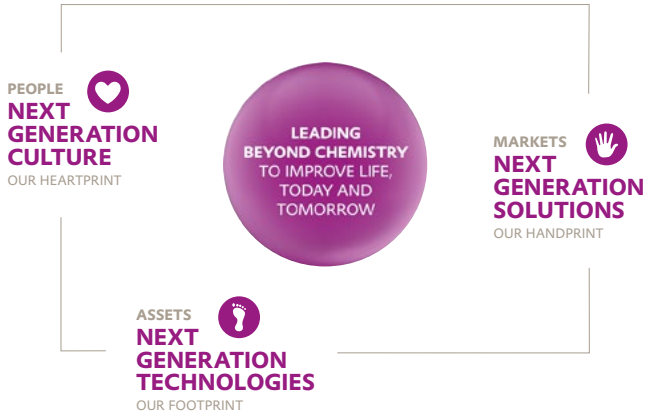
Resources and value contributions

ESRS 2 SBM-1

Extensive transparency and sound analyses are our response to the growing interest in sustainability shown by our stakeholders. We take into account ecological, social, and economic effects to ensure a holistic assessment of our sustainability performance. Alongside potential future opportunities and risks for our business, we highlight the cost/benefit effects of Evonik's activities for society. We see this as an important contribution to the acceptance by society of new technologies and industrial production. The chart C31 "Resources and value contributions of Evonik in 2024" provides an overview of how we create value for society p. 99.

In addition to its core business of manufacturing specialty chemicals, Evonik is also active in the fossil fuels sector through its Technology & Infrastructure division. This accounted for sales of €552 million in 2024, which mainly related to the sale of natural gas as well as electricity and steam from our highly efficient gas-fired power plants.

Sustainability is the backbone of our purpose and our strategy C30



[1] https://www.evonik.com/en/investor-relations/bonds-rating/green-finance.html
[2] https://www.evonik.com/en/sustainability.html
[3] Exact target: 11.07 percent.

Resources and value contributed by Evonik in 2024

C31

Inputs

Financial capital

- €6,450 million — Property, plant and equipment
- €816 million — Capital expenditures

Productive capital

- €10.5 billion — Procurement volume
- 104 — Production sites worldwide

Intellectual capital

- approx. 21,400 — Patents held

Human capital

- 31,930 — Employees
- €75.3 million — Investment in vocational training and CPD

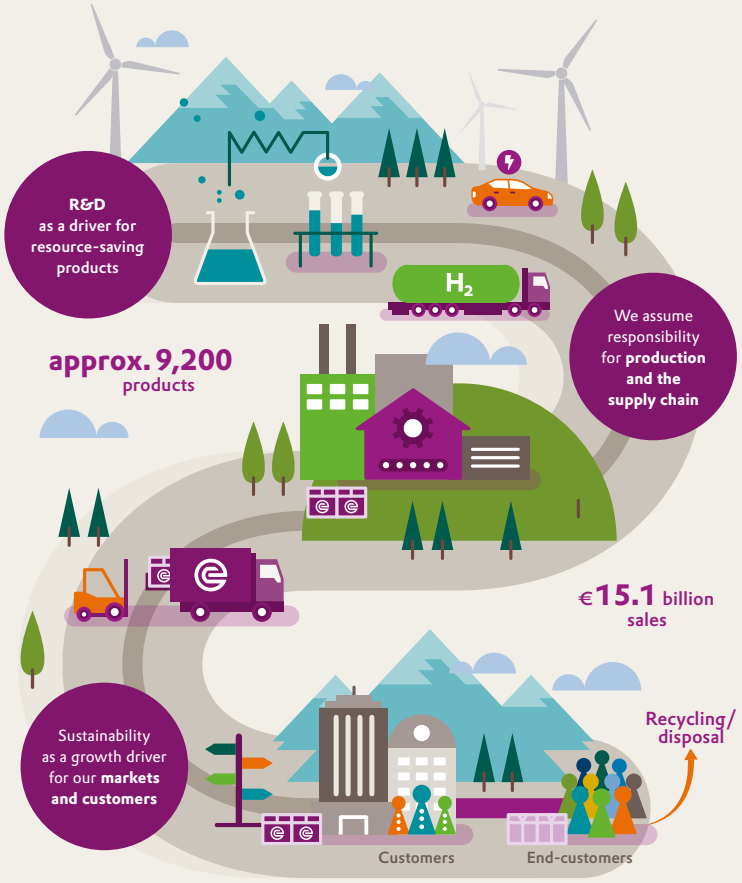
Social capital

- approx. 32,000 — Customers
- 33,000 — Suppliers

Natural capital

- 16.80 petajoules — Energy inputs
- approx. 430 million m³ — Water intake

Our business



Output

Financial capital

- €2,065 million — Adj. EBITDA
- €873 million — Free cash flow

Productive capital

- 7.3 million metric tons — Production output
- 45 % — Sales from Next Generation Solutions

Intellectual capital

- 223 — New patents

Human capital

- 1.7 % — Early employee turnover
- 1.67 hours — Average learning time with LILY[a]

Social capital

- 71 % — Suppliers evaluated[b]
- approx. 900 memberships — in industrial associations (Evonik and subsidiaries)

Natural capital

- 5.04 million metric tons — CO_2 emissions (Scope 1 und 2)
- 17 million m³ — Water consumption[c]

SDGs of particular relevance for Evonik

[a] Learning time spent by employees with electronic access to LILY (Learning and Individualized Library).
[b] TfS assessments of suppliers where annual procurement volume is > €100 thousand.
[c] For further details, see chart **C52** "Evonik's water data 2024" **p. 145 f.**

9.3 Portfolio transformation

ESRS 2 SBM-1, ESRS 2 SBM-3

Strategy and management

"Portfolio transformation" is one of the key issues from our double materiality assessment. By transforming our portfolio, we want to make Evonik even more resilient and gain access to **new, high-growth business opportunities.** At the same time, **our innovative products and technologies improve our customers' sustainability performance** and we aim to use them **to strengthen customer loyalty.** Evonik has integrated sustainability into the strategic management process. A key tool for the strategic management and development of our portfolio is the sustainability analysis of our business. This gives us important insights into the quality of our portfolio, from determining the proportion of sales generated by our Next Generation Solutions to showing which products we classify as transitioners or challenged. We apply the industry standard[1] of the World Business Council for Sustainable Development (WBCSD), which takes account of the continuously expanding level of ambition in the markets. These are shaped by a dynamic competitive environment with shifting customer needs, new technologies, and rising regulatory requirements. Any **change in consumer behavior could lead to a drop in Evonik's sales.** In our growth divisions—Specialty Additives, Nutrition & Care, and Smart Materials—**we are extending our product portfolio and specifically increasing sales with Next Generation Solutions.** Our sustainability analysis enables us to incorporate such factors into our strategic management process involving the executive board. In this way, we ensure that sustainability aspects play a direct and effective role in the management of our operating businesses.

In our view, one of Evonik's particular strengths is its close working partnership with customers. Most are industrial companies that use our products for further processing. The innovative solutions and technologies provided by our businesses offer important additional benefits for our customers compared with competitors in their end-markets. We cooperate with a broad spectrum of industrial partners to encourage the transformation to greater sustainability in our supply chains and end-markets.

Evonik strives to be integrated into customers' value chains wherever possible. This enables us to align our research and development, production, marketing, and distribution workflows closely with customer requirements. We also seek extensive contact with our stakeholders to enable the timely identification of relevant developments and help us understand their market impact. We use a wide range of internal analyses, training programs, and sales tools to increase our customer focus and the customer benefits of our offering. Notably research and development alliances help us address new market trends, mitigate technological and commercial risks, and enhance the market penetration of sustainable solutions.

Additionally, sustainability is closely integrated into the management of our innovation portfolio. In our innovation activities, the sustainability analysis of our business supports the selective optimization of business-related processes and products as well as the **ongoing development of new business models.** The new innovation strategy focuses to an even greater extent on the most relevant sustainability trends of our business. The three innovation growth engines Advance Precision Biosolutions, Accelerate Energy Transition, and Enable Circular Economy are geared to high-growth Next Generation Solutions. Our innovative contributions to the transformation of many areas of application include novel membrane technologies, state-of-the-art biosurfactants, and advanced catalyst recycling. Evonik also gains access to innovative technology and new business options through its corporate venture capital activities (see chapter 4. Research and development p. 55 ff.).

Targets

- Increase the proportion of sales generated with Next Generation Solutions to >50 percent by 2030
- Proportion of sales from challenged products should be permanently <5 percent
- Generate €1.5 billion in additional sales from innovation growth engines by 2032

We aim to increase the proportion of sales generated by our Next Generation Solutions to over 50 percent by 2030. Viewed long-term, we intend to keep the proportion of sales generated with products that are classified as challenged as a result of changes in market conditions, consumer behavior, rising reference levels, or tighter regulation to below 5 percent (see chapter 9.2 Sustainability at Evonik p. 97 ff.).

Compared with 2023, we want to generate additional sales of €1.5 billion from the three new innovation growth engines Advance Precision Biosolutions, Accelerate Energy Transition, and Enable Circular Economy by 2032.

Actions

We aim to achieve this, on the one hand, through the ongoing development of existing Next Generation Solutions. And, on the other, by aligning our research and development in order to generate additional sales with new Next Generation Solutions. At the same time, we are reducing the proportion of sales from products classified as transitioners or challenged through selective reformulation of chemical compositions or withdrawal from specific businesses.

[1] Chemical Industry Methodology for Portfolio Sustainability Assessments (PSA).

Continuous sustainability analysis of our businesses is the key tool for the strategic management and ongoing development of our portfolio. The methodology is based on the chemical industry standard for portfolio analysis. Extensive evaluation of these sustainability signals in all three dimensions of sustainability—economic, ecological, and social—provides insights for the foresighted management of individual products as well as entire business areas. The analysis findings are used in our strategic management process.

Sustainability analysis of our businesses: Methodology

The market signals identified by Evonik as significant form the core of our sustainability analysis. These include anticipated regulatory trends such as those relating to chemical safety along the value chain, ecological and social performance compared with alternative solutions, and major sustainability ambitions in our markets. The evaluation is aligned with the WBCSD framework. This lets us take account of different market signals in the various end-markets for our business.

The unit of evaluation is defined through a differentiated assessment of the relevant products in specific product-application-region combinations (PARCs). For each PARC, we also evaluate the sustainability performance of the products during their usage phase. This evaluation starts with a qualitative expert assessment that is then gradually refined and quantified using life cycle assessments. We dynamically extend the PARC approach to include new requirements, for example, in the area of circularity.

Starting in 2023, we have hence analyzed our entire chemical business in greater detail with regard to the circular economy. The sustainability analysis of our business provides us with timely signals in case key Evonik products or services are subject to prohibitions in certain markets. This is currently not the case. The chart **C32** "Sustainability analysis of our business: methodology" **p. 102** visualizes our approach.

Analysis of the measurability of sustainability **T30**

Type of analysis	Questions addressed
Sustainability analysis of our business	What are the strengths and weaknesses of the products in our portfolio with regard to sustainability requirements? (inside-out perspective)
Earnings per carbon emitted	How resilient is our business when it comes to carbon prices? (inside-out perspective)
Life cycle assessments	What are the environmental impacts of our products due to their production (cradle-to-gate) or including their application by our customers (cradle-to-grave)? (inside-out perspective)
Value chain analysis	What are the opportunities and risks associated with our products from a stakeholder perspective in their own supply chains? (outside-in perspective)
Analysis for identifying sustainable development goals relevant to the group	Which products and solutions for our customers address the challenges facing society? How do we contribute to meeting the 17 SDGs? (outside-in perspective)

The assessment of all the PARCs analyzed is used in a structured overall evaluation of the sustainability performance of our portfolio, resulting in allocation to the performance categories leader (A++), driver (A+), performer (B), transitioner (C–), or challenged (C––) (see chart **C32** "Sustainability analysis of our business: methodology" **p. 102**). We refer to products and solutions allocated to the categories leader (A++) and driver (A+) as **Next Generation Solutions.** These have attractive growth rates and stand out positively in their markets because of their clear sustainability benefits.

Life cycle assessments

Life cycle assessments are a focal area of our sustainability analysis. The proven expertise and good operational networking of our internal life cycle management group play an important part in continually enhancing our knowledge with regard to the impact of our business activities. We harness a broad spectrum of life cycle assessments for this. The findings are used for selective improvement of the product carbon footprint at our sites worldwide.

Value chain analysis

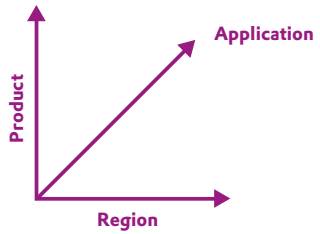
We involve the product managers of our businesses through workshops where we analyze the potential opportunities and risks of the relevant value chains. That includes disruptive factors observed in their markets, for example, as a result of shifting customer requirements or increased regulation. This is how we derive strategic recommendations for action on short- and long-term developments.

Sustainability analysis of our business: methodology

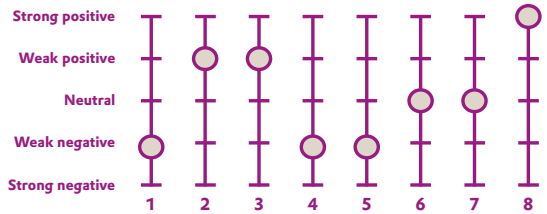
C32

I Defining objectives, scope, and processes

II Defining assessment segments



III Detecting market signals

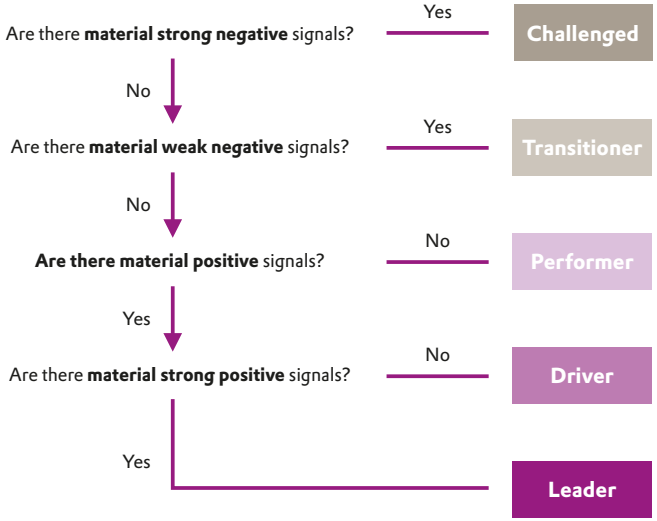


Market signals[a]

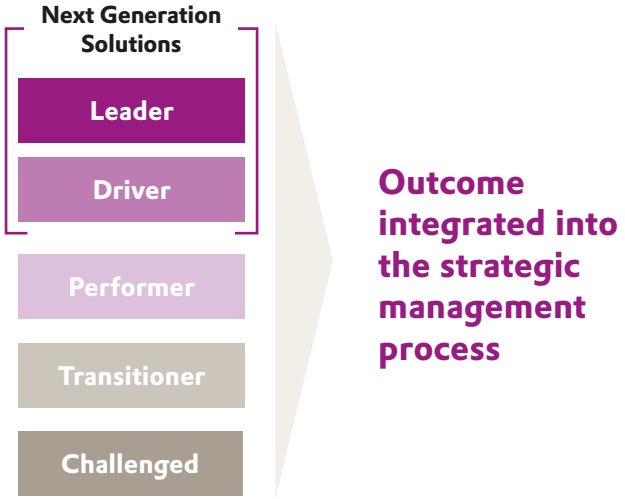
1 **Critical substances**
2 **Regulatory trends and global commissions**
3 **Sustainability ambitions along the value chain**
4 **Ecolabels, certification, and standards**
5 **Relative environmental and social performance**
6 Contribution to ecological and social value creation
7 Contribution to the SDGs
8 Internal guidelines and objectives

[a] Signal categories 1-5 are compulsory for the evaluation of the PARCs (product-application-region combinations); categories 6-8 are optional (additional evaluations).

IV Categorizing the portfolio



V Reporting and using the results



Integration of sustainability and financial information

We are selectively refining the management of our business and working on integrating sustainability and financial information. In the reporting period, we introduced the new metric of earnings per carbon emitted (EPCE), which we use to correlate our adjusted EBITDA with our Scope 1 and 2 emissions. This ensures transparency by benchmarking, enabling us to use this metric in assessing investments and carbon prices, for example.

Progress in 2024

Evonik uses biotechnology to develop solutions that improve people's health and quality of life, save energy and resources, and protect ecosystems. These include state-of-the-art biosurfactants, such as rhamnolipids. In May 2024, the Care Solutions business line (Nutrition & Care division) inaugurated the world's first industrial plant for manufacturing this new class of biosurfactants in Slovakia (see chapter 10.5 Circular economy p. 153 ff.). At the same time, Evonik is forging ahead with the development of rhamnolipids for other applications. The High Performance Polymers business line (Smart Materials division) in Schörfling, Austria, manufactures membranes that can be used to purify biomethane and other gases as a contribution to the energy transition. The plant was expanded as recently as 2023 and construction of another plant is already underway. In addition, Evonik is researching other membrane solutions—including for hydrogen production. We describe the details of the investment projects in chapter 2.6 Performance of the divisions p. 40 ff.

Metrics

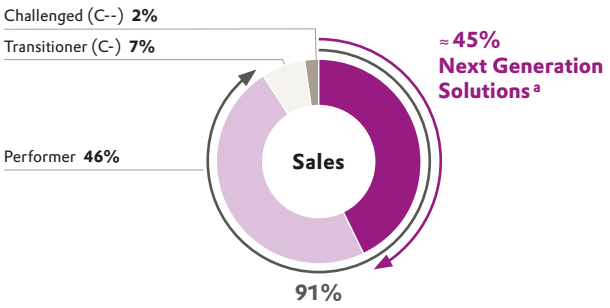
2024 findings

In 2024, we examined 532 PARCs (2023: 531 PARCs), covering the total sales generated by Evonik with chemicals in the fiscal year. The number of PARCs remained virtually unchanged year on year, firstly, because we take an increasingly differentiated view of applications and regions and, secondly, because the number of PARCs was reduced as a result of divestments. The most important findings are:

- Evonik generated 91 percent of sales with products and solutions whose sustainability performance was at least in line with the market reference level (leader, driver, and performer categories). The figure for 2023 was likewise 91 percent.
- Forty-five percent of Evonik's sales came from Next Generation Solutions. These are products and solutions with a positive sustainability profile that is above—or even well above—the market reference level (leader and driver categories). In 2023, the proportion stood at 43 percent. The percentage increase compared with 2023 resulted both from a higher number of sales relating to various Next Generation Solutions and from the sale of the superabsorbents business, which included a disproportionately small number of Next Generation Solutions.
- Slightly negative market signals were identified for 7 percent of sales (transitioner category), while clearly negative signals were identified for 2 percent (challenged category) (2023: also 7 percent transitioner, 2 percent challenged). We are addressing these in dialogue with our customers and suppliers through innovation or active portfolio management.

The EPCE of Evonik's portfolio in 2024 was €408/metric ton of CO_2eq.[1]

Portfolio overview C33



a Next Generation Solutions comprise products and solutions in the leader and driver categories.

Quantifying the handprint of selected Evonik Next Generation Solutions

Evonik markets a range of products whose use has a positive sustainability profile (handprint) compared with conventional alternatives. We use the following metrics to quantify this effect: CO_2eq savings and resource savings in the usage phase. The savings are generated over the life cycle of the applications produced with the quantities of Evonik products sold. The calculation employs an in-house handprint evaluation methodology based on the Avoided Emissions Guidance published by the WBCSD and the International Council of Chemical Associations (ICCA) as well as on the WBCSD's new cross-sector guidance[2]. Both primary data for Evonik products and secondary data such as information from life cycle databases and market studies of reference products and their applications are used for calculation purposes. The

[1] CO_2 equivalents.
[2] https://www.evonik.com/content/dam/evonik/documents/Avoided-Emissions-2022-Methodology.pdf.coredownload.pdf

assumptions for quantifying the sustainability impacts of our products during their usage phase are examined specifically by way of sensitivity analyses.

A total of ten product applications were analyzed this year. Firstly, the values for the following products were updated: "green" tire" technology, amino acids for animal nutrition, additives for hydraulic fluids, the hydrogen-peroxide-to-propylene-oxide process, POLYVEST® for tires with lower rolling resistance, metal oxides for lithium-ion batteries, the Excel® rejuvenation process for catalysts, silicas for paper production, and TEGO® RC silicones for linerless labels. In addition, a new product application for quantifying our handprint was included in the form of ROHACELL® for lightweight materials. The data used and the data quality are documented for both the Evonik product application and the reference product application for each example and are published on our website.[1]

Our calculations show that, in 2024, application of what is now a total of ten products—with which we generated sales of €1.5 billion—avoided greenhouse gas emissions of 50 million metric tons CO_2eq. With three of these products, we additionally achieved resource savings totaling 41 kt.[2] Since examples of other products were included in 2024, a direct comparison with the previous year is not meaningful. Evonik aims to further expand on quantifying the benefits of its Next Generation Solutions in customer applications (handprint) in the future.

UN Sustainable Development Goals of relevance for Evonik

ESRS E3-1

The Sustainable Development Goals (SDGs) provide guidance on actively aligning our current business activities with overarching development paths. Evonik supports implementing the SDGs and has been intensively examining its own positive and negative contributions for a number of years. Examples of the positive contributions made by our products and solutions to implementing the SDGs can be found on our website.[3] At the same time, we have devised a methodology to identify the SDGs that are of special relevance to the Evonik Group. This approach includes the 169 sub-targets of the 17 SDGs.

An SDG is particularly relevant for us if there is a significant positive or negative influence on or by Evonik. To this end, we use a multi-step process to examine and weight key criteria such as sales, earnings contribution, and inclusion in our growth engines or innovation growth fields. The evaluation additionally includes the expectations of internal and external stakeholders. The following are the SDGs of particular relevance for Evonik:

SDGs of particular relevance for Evonik C34

In 2024, 55 percent of sales from our chemicals businesses (2023: approx. 52 percent) contributed to SDGs 3, 6, 12, and 13, which are of particular relevance from the viewpoint of the Evonik Group.

[1] https://www.evonik.com/en/sustainability.html
[2] Excel® rejuvenation process for catalysts, silicas for paper production, and TEGO® RC silicones for linerless labels. The significant reduction in resource savings compared with the previous year resulted from a correction to the calculation method. If this correction had already been made the previous year, the figure for 2023 would have been 36 metric kilotons.
[3] https://www.evonik.com/en/sustainability/Sustainable-Development-Goals.html

9.4 Stakeholder engagement

Engaging with our stakeholders

ESRS 2 SBM-2

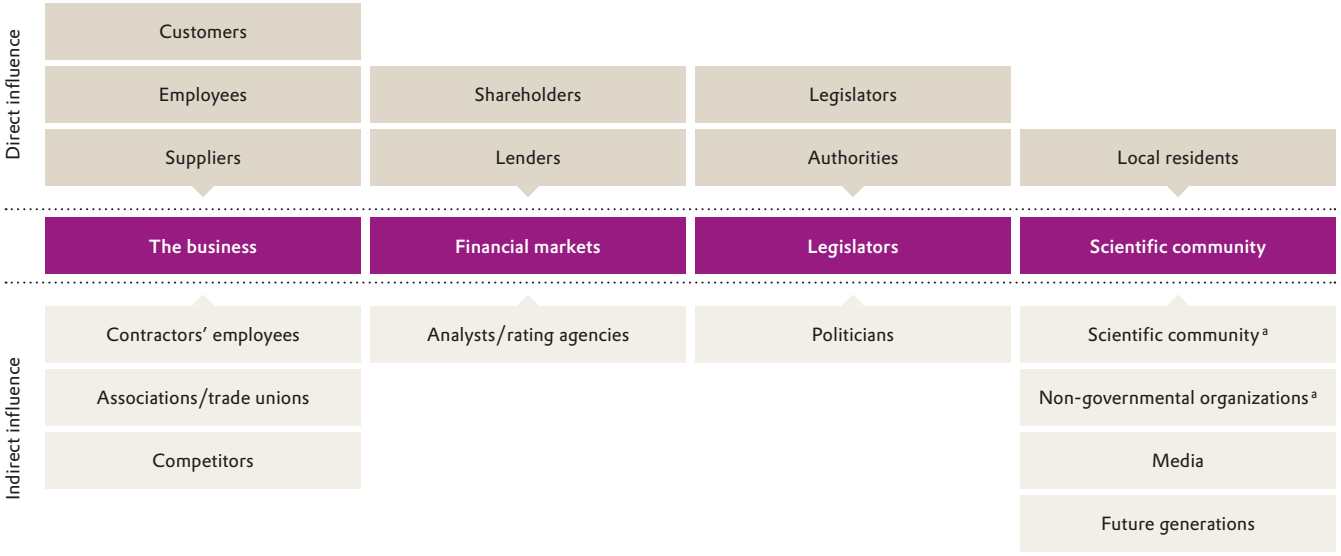
We firmly believe that only companies that act responsibly, enjoy people's trust, and are open to continuous improvement will be successful. This includes listening very carefully to how we are perceived by our stakeholders. In this way, we aim to counteract any potential lack of trust on the part of our key stakeholders—such as customers, suppliers, and shareholders.

Dialogue with our stakeholders is important as it gives us a better understanding of different perspectives and lets us regularly review our own positions. It enhances our insights into present and future societal challenges. In addition, we harness our stakeholder engagement in enhancing our grasp of how new market trends and developments may impact our business. This makes it easier for us to pinpoint potential opportunities and risks at an early stage and position Evonik more resiliently. We use the following criteria to define and prioritize our stakeholder groups:

- Type of influence (direct, indirect)
- Impact cluster (for instance, business, financial market)
- Characterization (for example, suppliers, employees, customers)

The following chart shows the stakeholder groups of relevance to Evonik and their influence on our company.

Stakeholder groups and their influence on Evonik C35



a We indirectly include nature as a silent stakeholder via data from NGOs and the scientific community.

Our dialogue with stakeholders is a continuous process—both in the operating business and at group level—and includes a wide range of topics and events. The chart "Communication channels for stakeholder engagement" provides an overview of the main communication channels we use for this.

Each year, our dialogue with stakeholders takes place through a wide range of topics and events (see chart C37 "Stakeholder engagement 2024" p. 107). Our executive board plays an active role in stakeholder engagement by attending events such as our annual shareholders' meeting, investor meetings, site visits, and townhall meetings. We share the insights gained within the company. These flow into the relevant processes, such as the sustainability analysis of our business and the materiality assessment. Our approach to engaging with our stakeholders includes involving the Evonik regions. In general, we take care to achieve the widest possible coverage of operational, political, social, and community perspectives, and also regularly hold a stakeholder conference.

Stakeholder communication channels[a] C36

	Personal or remote discussions	Town hall meetings, workplace/ staff meetings	Open days, site visits	Whistleblower system (compliance, human rights)	Surveys	Sustainability reporting	Evonik website, social media
Customers	✓		✓	✓	✓	✓	✓
Suppliers, contractors, business partners	✓		✓	✓	✓	✓	✓
Employees	✓	✓	✓	✓	✓	✓	✓
Local residents, general public	✓		✓	✓	✓	✓	✓
Investors and shareholders	✓		✓	✓		✓	✓
Authorities, legislators, regional and national politicians	✓		✓	✓		✓	✓

[a] Stakeholders with direct influence.

Stakeholder engagement 2024

C37

Stakeholder groups[a]	Most important material topics[b]	Examples of stakeholder engagement
Customers	• Mitigating climate change • Circular economy • Cybersecurity • Portfolio transformation • Product stewardship • Responsible corporate governance/ human rights • Responsibility within the supply chain	• Dialogue with customers on topics such as product carbon footprint/life cycle assessment; climate neutral-certified hydrogen peroxide; sustainable silica production • Exchange in sustainability working groups of various industry associations such as Plastics Europe; VCI
Employees	• Attractiveness as an employer/ employee satisfaction • Mitigating climate change • Portfolio transformation • Occupational health and safety • Responsible corporate governance/ human rights • Diversity and equal opportunity	• Works/employee meeting • Dialogue with Evonik regions on various sustainability topics • Employee training courses, including on occupational safety and water use • Sharing of experience on various sustainability topics in-house • Evonik learning sessions • In-house social media communities
Suppliers	• Mitigating climate change • Circular economy • Portfolio transformation • Responsible corporate governance/ human rights • Responsibility within the supply chain	• Dialogue with strategic suppliers on sustainability topics such as product carbon footprint; mass balance products • Cooperation for CO_2-reduced ammonia
Shareholders	• Mitigating climate change • Circular economy • Cybersecurity • Green energy • Portfolio transformation • Responsible corporate governance/ human rights	• Virtual shareholders' meeting • Roadshows, conferences such as the Berenberg CSO Conference • RAG-Stiftung site visit in Darmstadt (Germany) • Dialogue with investor associations on sustainability topics
Legislators	• Mitigating climate change • Biodiversity • Circular economy • Cybersecurity • Green energy • Product stewardship • Occupational health and safety • Responsible corporate governance/ human rights • Responsibility within the supply chain • Diversity and equal opportunity • Water management	• Site visit by German Federal Chancellor in Marl (Germany) • Site visits by German and European politicians, including in Rheinfelden and Hanau (Germany) • Dialogue and exchange with German and European politicians
Authorities	• Mitigating climate change • Product stewardship • Responsible corporate governance/ human rights • Diversity and equal opportunity • Water management • Cybersecurity	• Discussions with authorities, including on emission control, low water, and inland shipping • Dialogue with the hessian environment ministry on chemical recycling
Local residents[c]	• Attractiveness as an employer/ employee satisfaction • Mitigating climate change • Biodiversity • Green energy • Occupational health and safety • Responsible corporate governance/ human rights • Water management	• Supporting local projects and activities, e.g., the "Social Day" at the Friedensdorf in Oberhausen (Germany); plastics recycling at the Mexico site; participation in the Hanau sustainability fair (Germany) • Digital and analog vocational training fair
Lenders	• Mitigating climate change • Circular economy • Cybersecurity • Green energy • Portfolio transformation • Occupational health and safety • Responsible corporate governance/ human rights • Diversity and equal opportunity	• Continuous dialogue on sustainability topics

[a] Only includes stakeholder groups with a direct influence. | [b] Most important material topics for stakeholders from Evonik's perspective, see graphic "Materiality analysis process". | [c] Around Evonik sites.

9.5 Materiality assessment

Procedure used for the materiality assessment

ESRS 2 IRO-1

We evaluated actual and potential positive and negative impacts of our business on our area of activity (inside-out perspective) and the impact of external factors on our business activities (outside-in perspective). Our double materiality assessment comprised five steps:

1 Analysis/description of Evonik's environment

First, we examined Evonik's business environment including the upstream and downstream value chain. This was aimed at supporting the identification of current and potential positive/negative IROs. To this end, we took into account such aspects as our business model and Evonik's global operations, our sustainable corporate strategy, key performance indicators, and our communication with stakeholders.

2 Identification of IROs

At its core, the second step involved identifying IROs. For this, we evaluated a wide range of internal and external data sources. Examples of internal sources included the sustainability analysis of our businesses, our risk management (see chapter 9.6 Opportunity and risk management p. 114 ff.), and our compliance, environment, and safety management systems. In addition, we considered aspects of the questionnaires for the sustainability rankings that are of relevance to us, such as MSCI and EcoVadis, as well as of reporting frameworks such as GRI, SASB[1], and TCFD[2]. Using this diversity of sources, we covered both the business and the stakeholder perspective. The IROs thus filtered out were determined in a gross analysis and are to be regarded as prior to formulating strategies or taking action. We combined the IROs on the long list into a consolidated long list.

3 Assessment of the significance of the IROs

Based on this consolidated long list, we generated an evaluation sheet to determine the impact materiality and financial

Materiality analysis process C38

1. Analysis of Evonik's environment	2. Identification of IROs (outside-in and inside-out perspective)	3. Assessment of the significance of IROs	4. Cut-off, clustering, prioritization	5. Validation	Material topics			
					A	E	S	G
• Purpose • Key figures • Business model • Markets • Sustainability strategy • Regions • Stakeholder groups • Value chain	**Impact materiality** • How do our business activities impact the economy, the environment, and society (including human rights)? **Financial materiality** • Do sustainability aspects represent opportunities or risks for our business activities in terms of cash flow and enterprise value?	• Development and distribution to relevant Evonik experts of an evaluation sheet based on a consolidated IRO long list • Assessment of the evaluation sheet	• Define materiality thresholds • Clustering of IROs by topic, followed by prioritization	• Validation of the material topics by internal and external experts and stakeholders • Approval by relevant executive board member • Definition of reporting boundaries	• Portfolio transformation	• Mitigating climate change • Green energy • Water management • Biodiversity • Circular economy • Product stewardship	• Attractiveness as an employer/ employee satisfaction • Diversity and equal opportunity • Safety and health protection	• Responsible management/ human rights • Responsibility within the supply chain • Cybersecurity

[1] SASB: Sustainability Accounting Standards Board. | [2] TCFD: Task Force on Climate-related Financial Disclosures.

materiality. This was assessed by internal experts who possess both an understanding of Evonik's business model and a close affinity to sustainability issues. When selecting these experts, we aimed for a well-balanced mix with regard to functions, regions, divisions, and age groups. The corporate functions ESHQ, Compliance, Human Resources, Innovation, Strategy, Investor Relations, Communications, Finance, Accounting, Controlling, and Sustainability were all involved as well as Governmental Affairs and Procurement.

IROs were assessed using different criteria and scales. The impact materiality assessment was performed using the severity criteria defined in the ESRS (scale, scope, remediability) and the likelihood of occurrence. Financial materiality was assessed using the five-level scale—from "minimal" = zero to "critical" = four—contained in the EFRS implementation guidance published by EFRAG.

The corporate functions involved served as proxies for stakeholders with direct or indirect influence on Evonik as well as for affected stakeholders and users of the sustainability statement. Stakeholder engagement took place notably in process steps two, three, and five: identification and evaluation of the IROs and final validation of the material topics. Our more extensive analyses of opportunities and risks in relation to biodiversity, water, product stewardship as well as in our supply chain are based on the listed, data-based investigation methods and our stakeholder engagement described; as of today, they do not include any broader engagement of (potentially) affected parties or their representatives at the sites. ESRS E2.IRO-1, ESRS E4-3, ESRS E4.IRO-1

4 Cut-off, clustering, and prioritization

Analysis of the evaluation sheets led to four IRO rankings, subdivided into impact materiality and financial materiality—and further subdivided in each case into positive and negative IROs. Due to the significance (product of severity and likelihood of occurrence), we applied materiality thresholds for impact materiality. For financial materiality, we applied the materiality threshold of more than two recommended by EFRAG (classifications of "important", "significant", and "critical").

The result of this process step was the total amount of material IROs in the categories impact materiality and financial materiality. By clustering these IROs, we identified the material topics. These were then re-examined in light of company-specific and external conditions. As a result, diversity and equal opportunity was added as an additional topic in the prioritization process.

5 Validation of the material topics

We presented the findings of the materiality assessment, together with the underlying process and the methodological approach, to internal and external sustainability and financial experts who had not previously been involved in the evaluation. External validation was undertaken by representatives of industrial unions, industry associations, NGOs, sustainability consultancies, and the financial sector. The feedback we received generally confirmed our approach and prompted fine-tuning of the terminology of three material topics.

The final outcome, following the prioritization and validation steps, was a list of material topics. This list was then approved by the Evonik executive board member responsible for sustainability. This means that the focus of our reporting and the reporting boundaries are based on the sustainability topics derived from our materiality assessment.

Review of the materiality assessment

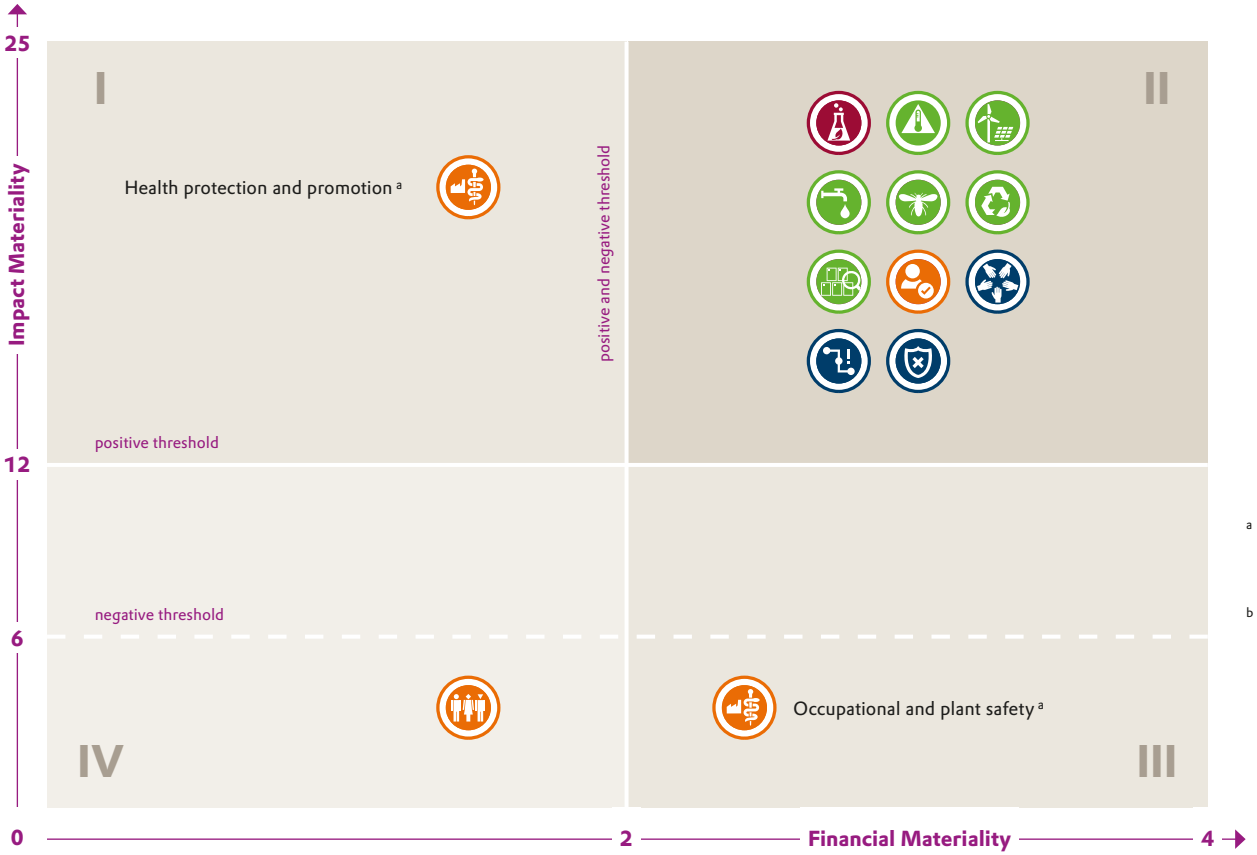
ESRS 2 IRO-1

Each year, we review and update the findings of our double materiality assessment. If trigger events occur, such as significant acquisitions/divestments or modifications to the business model, we review the impacts, including changes in the scope of consolidation. Moreover, we incorporate any fundamentally new insights provided by our opportunity and risk management (see chapter 9.6 Opportunity and risk management p. 114 ff.). In 2024, we again reviewed and validated the topicality and completeness of our material sustainability topics using a peer and media analysis. Although this analysis confirmed that our topics are still current and complete, we gained insights that led us to modify the 15 topics determined up to that point. Going forward, we will no longer highlight the top topics, but will combine the topics "attractiveness as an employer" and "employee satisfaction" into "attractiveness as an employer/employee satisfaction", and combine "health protection and promotion" and "occupational and plant safety" into "occupational health and safety". This means that there are now 13 material sustainability topics for Evonik (see chart C39 "Summary of update to 2024 materiality assessment" p. 110).

In preparation for the expected transposition of the Corporate Sustainability Reporting Directive (CSRD) into German law, we provided the Transformation Committee of the Works Council, the employee representative body, with detailed information about the process and the outcomes of the materiality assessment and exchanged views on the planned scope of the report.

Summary of update to 2024 materiality assessment

C39



- Portfolio transformation
- Mitigating climate change
- Green energy
- Water management
- Biodiversity
- Circular economy
- Product stewardship
- Attractiveness as an employer/ employee satisfaction
- Diversity and equal opportunity b
- Safety and health protection a
- Responsible management/ human rights
- Responsibility within the supply chain
- Cybersecurity

a Material topic consolidated in 2024, combining health protection and promotion with occupational and plant safety. The IROs for health protection and promotion fall in quadrant I; the IROs for occupational and plant safety fall in quadrant III.

b Added as a further material topic due to its significance for the Evonik Group.

Since conducting the materiality assessment in 2022, the ESRS have evolved, with interim standards published in November 2022 and June 2023. The final version of the ESRS was published on July 31, 2023. They are supplemented by further implementation guidance documents and FAQs from EFRAG. Our 2022 materiality assessment was already based on the principle of double materiality, which remained the basis for the 2024 materiality assessment. In the course of the 2023 and 2024 updates, we critically examined whether our approach was in line with the requirements of the final version of the ESRS.

We performed the following review steps to ensure that our materiality assessment complies with the ESRS. Among other things, we carried out a gap analysis in 2023 to ensure that our IROs covered all the sustainability matters specified in the ESRS, including the underlying sub- and sub-sub-topics. As part of the 2024 update, we again examined our IROs from process step two in greater detail and expanded these to include whether they have an impact on people and the environment (inside-out) and/or on Evonik's development, performance, and position (outside-in). We additionally assessed whether the respective impact could potentially result in a short-, medium-, or long-term[1] opportunity or risk with a financial impact on Evonik. Furthermore, we examined our IROs along the value chain and classified them according to whether their focus was upstream, gate-to-gate, or downstream.

We also looked closely at all IROs that were below the defined thresholds. This allowed us to verify that no IRO with a very high level of severity in one of the characteristics—scale, scope, or remediability—was omitted. In the case of negative impacts, we supplemented information as to whether they are potential or are already occurring. We reviewed last year's classification of positive IROs and, based on our current understanding, made some changes on a case-by-case basis. We similarly added information as to whether the IROs on the consolidated long list were identified using a top-down or bottom-up approach, or a combination of the two.

In addition, we assigned our IROs to the ESRS ESG logic and to the individual topical standards. In a further step, we assigned our IROs to the structure of the ESRS up to the level of the sub-sub-topics of ESRS 1 AR 16. This approach also reflected the materiality assessment based on AR 16 from the perspective of relevance and value to decision-making.

After assessing the materiality of the topical standards, we completed the review and definition of the materiality of the underlying data points on the basis of ESRS 1 Appendix E. For this purpose, we used available data and expert opinions from our specialist colleagues. We prepared two indices containing the findings (see "ESRS Index: Disclosure requirements covered" p. 210 ff. and "ESRS Index: Disclosure requirements under other EU legislation" p. 213 f.). ESRS 2 IRO-2

The IROs aggregated into material topics that resulted from this process define the structure of our sustainability report 2024. We allocated these topics to the General information, Environmental information, Social information, and Governance information chapters stipulated in the ESRS.

The chart C40 "IROs and material topics" p. 112 f. shows the IROs allocated to the respective material topics as well as the positive/negative and actual/potential impacts of and on Evonik, the time horizon, and the focus in the value chain. ESRS 2 SBM-3

According to ESRS requirements, IROs must be assessed initially without countermeasures. Negative consequences may not be offset by positive ones. The effectiveness of the actions taken is detailed in the sustainability report, but not in the materiality assessment. However, these actions are important to understanding the IROs in the context of Evonik. That is why we describe the individual IROs, together with their relevance to the strategy and business model, in the management approaches in the respective chapters on the material topics, and **highlight the IROs there in the text.** We then describe the targets, actions, and specific progress in 2024 for the aggregated IROs related to the material topics.

[1] Short-term = up to 1 year, medium-term = 1 to 5 years, long-term = more than 5 years.

IROs and material topics

C40

IRO	Impact type	Impact materiality > threshold	Opportunity	Risk	Financial materiality > threshold	Time horizon[a]	Actual/ potential	Focus of value chain[b]	Material topic
Expansion of Evonik product portfolio to include sustainable products	Positive	x	x		x	S, M, L	Actual	U, G, D	Portfolio transformation
Access by Evonik to new business opportunities thanks to sustainable products and technologies	Positive	x	x		x	S, M, L	Actual	U, G, D	
Drop in Evonik's sales due to a change in consumer behavior	Negative	x		x	x	S, M, L	Potential	G, D	
Stronger loyalty among Evonik customers due to innovative products and technologies	Positive	x	x		x	S, M, L	Potential	D	
Improved customer sustainability performance due to the use of Evonik products	Positive	x	x		x	S, M, L	Actual	D	
Growth at Evonik due to the development of new business models	Positive	x	x		x	M, L	Potential	G, D	
Damage at Evonik caused by extreme weather events	Negative	x		x	x	S, M, L	Potential	U, G, D	Mitigating climate change
Lack of internal carbon pricing in Evonik's investment decisions	Negative	x		x	x	S, M, L	Potential	G	
Increase in CO_2 emissions by Evonik (incl. Scope 3)	Negative	x		x	x	S, M, L	Potential	U, G, D	
Increase in other emissions by Evonik	Negative	x		x	x	S, M, L	Potential	G	
Energy savings through the use of digitally controlled energy processes at Evonik	Positive	x	x		x	S, M, L	Actual	G	Green energy
Insufficient energy supply for production processes at Evonik	Negative	x		x	x	S, M, L	Potential	U, G	
Increased water consumption by Evonik in water stress areas	Negative	x		x		S, M, L	Potential	G	Water management
Production stoppages due to water shortages at Evonik sites in water stress areas	Negative	x		x	x	S, M, L	Potential	G	
Supply chain disruption and resultant production stoppages at Evonik caused by biodiversity loss and damaged ecosystems	Negative	x		x	x	L	Potential	U, G	Biodiversity
Loss of biodiversity on land and in the oceans, including microbial organisms	Negative	x		x	x	L	Potential	G	
Improved resource use by Evonik	Positive	x	x		x	S, M, L	Potential	G	Circular economy
Improved reliability of raw material supply for production processes at Evonik	Positive		x		x	S, M, L	Potential	U, G	
New business opportunities for Evonik thanks to growth of circular economy	Positive	x	x		x	S, M, L	Potential	U, G, D	
Increased proportion of renewable raw materials in production processes at Evonik	Positive	x	x		x	S, M, L	Actual	U, G	
Non-availability of renewable raw materials in production processes at Evonik	Negative	x		x	x	S, M, L	Potential	G	
Inadequate resource availability in Evonik's supply chain	Negative	x		x	x	S, M, L	Potential	U	
Future-proofing Evonik's product portfolio by replacing hazardous substances in the supply chain (upstream)	Positive		x		x	S, M, L	Potential	U, G	Product stewardship
Making Evonik's product portfolio more sustainable by providing alternative solutions for hazardous products (downstream)	Positive	x	x		x	S, M, L	Potential	G, D	
Damage to the environment and/or harm to human health caused by Evonik's products	Negative			x	x	S, M, L	Potential	G, D	

[a] S = short-term (up to 1 year); M = medium-term (1 to 5 years); L = long-term (more than 5 years). | [b] U = upstream; G = gate-to-gate); D = downstream.

IROs and material topics (cont.)

C40

IRO	Impact type	Impact materiality > threshold	Opportunity	Risk	Financial materiality > threshold	Time horizon[a]	Actual/ potential	Focus of value chain[b]	Material topic
Successful recruitment and retention of skilled personnel by Evonik	Positive		x		x	S, M, L	Actual	G	Attractiveness as an employer/ employee satisfaction
Vacant positions at Evonik due to the shortage of skilled workers	Negative	x		x	x	M, L	Potential	G	
Low productivity due to a lack of satisfaction among Evonik employees	Negative	x		x	x	S, M	Potential	G	
High turnover rate among new recruits at Evonik	Negative	x		x		S, M	Potential	G	
Increased cases of discrimination at Evonik	Negative			x		S, M	Potential	G	Diversity and equal opportunity
Improved recruitment and retention thanks to diversity and equal opportunity at Evonik	Positive		x			M, L	Potential	G	
Damage to Evonik's production facilities resulting from inadequate in-house safety precautions	Negative			x	x	S, M, L	Potential	G	Occupational health and safety
Damage to Evonik's production facilities resulting from external influences (manipulation or terror attacks)	Negative			x	x	S, M, L	Potential	G	
Increase in fatal accidents involving Evonik employees	Negative			x	x	S, M, L	Potential	G	
Release of hazardous chemicals (hazardous substances) into the environment by Evonik	Negative			x	x	S, M, L	Potential	G	
Water pollution at Evonik's sites in water stress areas	Negative			x	x	S, M, L	Potential	G	
Lack of work-life balance among Evonik employees	Negative	x		x		S, M, L	Potential	G	
High rates of sickness-related absences at Evonik	Negative	x		x		S, M	Potential	G	
Increase in stress-related illness and mental health issues among Evonik employees	Negative	x		x		S, M, L	Potential	G	
Human rights violations (especially child and/or forced labor) by Evonik	Negative			x	x	S, M	Potential	G	Responsible corporate governance/ human rights
Compliance violations by Evonik (e.g., bribery and corruption, antitrust violations, money laundering, tax violations)	Negative			x	x	S, M, L	Potential	G	
Compliance violations by Evonik suppliers (e.g., bribery and corruption, antitrust violations, money laundering, tax violations)	Negative	x		x		S, M	Potential	U	
Lack of transparency in Evonik's value chain	Negative	x		x		S, M, L	Potential	U, G	Responsibility within the supply chain
Environmental violations by Evonik suppliers	Negative	x		x		S, M, L	Potential	U	
Human rights violations (especially child and/or forced labor) in Evonik's supply chain	Negative	x		x	x	S, M, L	Potential	U	
Loss of customer data at Evonik	Negative	x		x	x	S, M, L	Potential	G, D	Cyber-security
Loss of Evonik's intellectual property	Negative	x		x	x	S, M, L	Potential	G	
Loss of business at Evonik due to cybersecurity risks	Negative	x		x	x	S, M, L	Potential	U, G, D	

[a] S = short-term (up to 1 year); M = medium-term (1 to 5 years); L = long-term (more than 5 years). | [b] U = upstream; G = gate-to-gate); D = downstream.

9.6 Opportunity and risk management

ESRS 2 IRO-1

Since Evonik operates globally, it is exposed to a range of influences along the entire value chain that may be either opportunities or risks. There are three elements to managing sustainability risks:

1. Risk management in compliance with the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission): This identifies net opportunities and risks (after factoring in actions) that represent a positive or negative deviation from the present business plan or the medium-term plan over a three-year period. Both sustainability-related opportunities and risks that materialize within this period as well as extreme risks (long-term risk scenarios) are taken into account.

2. A long-term risk analysis based on the frameworks issued by the Task Force on Climate-related Financial Disclosures (TCFD, merged into the IFRS International Sustainability Standards Board, ISSB, in 2024) and the Taskforce on Nature-related Financial Disclosures (TNFD): This determines and evaluates long-term opportunities and risks using prescribed categories for defined scenarios. The scenarios are based on externally prescribed climate scenarios.

3. Sustainability aspects as an additional risk assessment criterion for capital expenditures for property, plant and equipment that exceed €25 million.

Our risk management in compliance with the COSO framework takes a multidisciplinary approach. Early identification and evaluation of potential opportunities and risks is part of our extensive opportunity and risk management. This takes into account financial and non-financial opportunities and risks—for example, in relation to occupational safety, plant safety, product stewardship, health protection, and climate change. These insights are applied in our materiality assessment process (see chapter 9.5 Materiality assessment p. 108 ff.).

Our established risk management system methodically captures and monitors both quantifiable and non-quantifiable risks in the current fiscal year and the medium-term period. Risk reporting is the starting point and result of our continuous risk management process. Risk coordinators ensure that internal and external risks are identified and reported by their organizational unit (identification). Risk assessment uses clear and uniform criteria to allow classification and prioritization (see chapter 5.1 Opportunity and risk management p. 60 f.). The financial impact of a risk or opportunity is calculated as the net effect on adjusted EBITDA. The actions selected and implemented to manage risks are designed to limit the likely damage caused by the risk factors and/or their probability of occurrence (controlling). Progress of the actions implemented and the development of risks are tracked over time (monitoring). Monitoring ends only when a risk actually occurs, becomes obsolete, or is reduced to an insignificant level. All units are required to update their opportunity and risk reports on a quarterly basis. Ad-hoc risks must be reported without delay also outside the defined reporting intervals (reporting).

Examination of extreme risks

We continuously align our risk management system with new requirements. Following the revision of German audit standard IDW PS 340, we also examine so-called extreme risks. Alongside identifying opportunities and risks for relevant extrapolation and planning purposes, we consider long-term scenarios such as, for instance, a major earthquake in the Rhine Valley. In light of the increasing frequency of extreme weather events due to climate change, we have developed contingency plans for some of the sites at risk (e.g. the early shutdown of plants or plant sections) in order to reduce or avoid consequential damage to production facilities. Extreme risks are incidents that could cause a crisis—for instance, as a result of a major fire, cyberattack, or the collapse of supply chains. There is a very low probability that risks of this type will occur, but their impact on our business would be very extensive and they could substantially jeopardize the affected company's status as a going concern.

The risk management process at Evonik C41

Identifying sustainability opportunities and risks within conventional risk management

Identifying sustainability opportunities and risks within conventional risk management and monitoring the actions taken are organized on a decentralized basis. Responsibility is assigned to the risk coordinators and risk officers in our management units: The risk coordinators in the divisions enter sustainability-related opportunities and risks, including their impacts and likelihood of occurrence, in the group-wide risk reporting system for the current year and the three-year medium-term period. The status of

the relevant actions is also entered. For example, this is how PARCs, as determined by the sustainability analysis for our business, that pose a sales risk due to negative sustainability signals are taken into account (see chapter 9.3 Portfolio transformation p. 100 ff.). In addition to analyzing the sustainability of our business activities, our risk management addresses the effects of a potential ban on "forever chemicals" (PFAS), particularly with regard to the discontinuation of technical equipment in production processes, or production stoppages due to extreme weather events (e.g., hurricanes). Using the risk tool, both opportunities and risks relevant to sustainability can be flagged. We use our annual risk coordinator conference to raise awareness among the relevant personnel of the increasing significance of sustainability-related opportunities and risks.

Long-term risk analysis in accordance with the TCFD (now: ISSB) and TNFD frameworks

The significance for Evonik of the opportunity and risk categories in these frameworks has been evaluated. The LEAP[1] method contained in the TNFD framework is used to evaluate local environmental risks. The following opportunity and risk categories are the focus of our scenario assessment and integration into the corporate strategy and strategic financial planning:

Transition risks

ESRS E1.IRO-1

A Transition risks attributable to political and regulatory changes in the course of transitioning to a more sustainable economy

Evonik is exposed to potential risks arising from changes in policies and regulatory conditions in all countries where we source raw materials and services or have production operations or sales activities. Examples are changes in emissions and waste regulations, recycling legislation, or approval requirements. In 2024, we analyzed our exposure to the pricing of greenhouse gas emissions and of fresh water extraction.

B Transition risks attributable to technological change

Evonik is exposed to potential technology risks wherever these affect the relative cost position of existing products and services. Examples include new production processes that are significantly more energy-efficient or use alternative raw materials and energy sources with far lower CO_2 costs. In the reporting year, we examined our risk exposure in this category to a change in the raw material base as well as to increasing restrictions on SVHC[2] chemicals, and expanded our analysis to include endocrine disruptors and persistent-mobile-toxic/very persistent-very mobile chemicals.

C Transition risks attributable to market changes

Evonik is exposed to potential market risks that could affect demand for our products. Our assessment of market transition risks includes our exposure to competing systems and whether our products could be replaced by others on the market. Political decisions and business decisions by other companies could accelerate the market transition. Examples include the substitution of combustion engines by electric motors and switching from non-recyclable or non-biodegradable, fossil-based materials to reusable materials.

D Legal transition risks

Evonik is exposed to potential legal risks because NGOs and political decision makers are increasingly resorting to legal means in order to urge companies to take steps to mitigate climate change or address other sustainability issues. These risks are heavily dependent on where a legal dispute takes place and may relate to various aspects of our business, such as the manufacture of our products, our supply chain, or the disclosure of risks. Examples may include lawsuits to reduce environmental impacts, counter greenwashing, or obtain compensation for damage to people and the environment.

E Reputation transition risks

Evonik is exposed to potential risks resulting from an erosion of trust and loss of reputation among its customers, suppliers, communities close to its sites, authorizing agencies, and other stakeholders. A loss of trust could affect both the sales and the cost side as well as significantly restrict our ability to enter into strategic alliances.

Physical opportunities and risks

ESRS E1.IRO-1, ESRS E1.SBM-3

F Acute physical risks of climate change

Evonik is potentially exposed to acute physical risks[3] in the form of extreme weather events due to climate change, e.g., hurricanes, floods, heatwaves, and extremely cold periods. Acute events could impact production, supply chains as well as our markets. In 2024, we analyzed water-related risks, such as water scarcity or flooding that might affect our production sites, and began assessing the physical risks to the supply chains of some sites.

G Chronic physical risks of climate change

Evonik is potentially exposed to chronic physical risks in its supply chains, production facilities, and markets. Examples include exposure to water scarcity as a result of progressive climate change or productivity losses in countries with low labor productivity due to high temperatures and humidity. In 2024, we estimated the impact of heat stress on demand for our products.

[1] LEAP = Locate, Evaluate, Assess, Prepare (TNFD framework approach). | [2] SVHC = substances of very high concern.
[3] Country-specific risk assessments can be found in "Economics of Climate Change" (Swiss Re Institute, 2021) and "Climate risk and response: Physical hazards and socio-economic impacts" (McKinsey, 2020).

H New product and service business opportunities

Evonik can seize potential opportunities by devising products and services that cause only low emissions, developing other sustainability aspects, and increasing the sales generated by these products and services, as set out in the Evonik Transition Plan. Besides avoiding greenhouse gas emissions, opportunities include reformulating products to adapt to climate change and avoid critical chemicals. In 2024, we analyzed the future growth opportunities of our Next Generation Solutions with a positive impact on climate change, biodiversity, and water withdrawal or pollution.

I Benefits of energy and resource efficiency

Evonik can seize potential opportunities through more efficient production that reduces the use of energy, water, and materials. We estimated the positive impacts on energy consumption in the current reporting year.

J Benefits of renewable energy sources

Evonik can harness potential opportunities by achieving a high level of electrification. This helps lower the company's exposure to rising or volatile energy prices.

For the initial quantification of some of the risk categories described above, we developed monetization approaches in 2024 that allow us to compare the impact of a variety of risks and opportunities on existing and future sales and costs. The risks and opportunities were identified for the entire Evonik portfolio by compiling the categories listed above for both production platform-specific and end-market-specific aspects and classifying them into five categories, depending on how they are impacted:

●●●● "Going concern": Aggregated opportunities/risks in this category can have a very strong impact on the outcome
●●● "Substantial": Aggregated opportunities/risks in this category can have a strong impact on the outcome
●● "Substantive": Aggregated opportunities/risks in this category can have a moderate impact on the outcome
● "Not relevant": Aggregated opportunities/risks in this category can have a very minor impact on the outcome
–/– "Not determined"

The impact is calculated as the net impact for the current fiscal year. For the medium- and long-term period, the potential gross impact is determined before action is taken. With regard to the long-term period, we distinguish between minimum and maximum impact based on the scenarios described (see chart C42 " Sustainability opportunities and risks").

Sustainability opportunities and risks C42

	Category: Opportunities and risks	**Net**	**Gross**	**Gross**
		Current fiscal year **2024**	Medium-term period **2025–2027**	Long-term period minimum/maximum impact **2028–2040**
	Transition risks			
A	Political and regulatory changes: pricing for greenhouse gas emissions	●●	●●	●●/●●●●
A	Political and regulatory changes: pricing for freshwater withdrawal	–/–	–/–	●/●●
B	Technological change: change in the raw material base	●	●	●/●●
B	Technological change: SVHC exposure	–/–	–/–	●/●
C	Market changes	–/–	–/–	●/●●
D	Legal	–/–	–/–	–/–
E	Reputation	–/–	–/–	–/–
	Physical opportunities and risks			
F	Acute physical risks of climate change: water scarcity/flooding	●	●	●●/●●
G	Chronic risks of climate change: heat stress	–/–	–/–	●/●●
H	New business opportunities	●●	●●	●●/●●
I	Benefits from energy and resource efficiency: energy efficiency	●	●●	–/–
J	Benefits from renewable energy sources	–/–	–/–	–/–

We use scenarios to identify opportunities and risks for the long-term period. The scenario data can be used to identify cost drivers such as prices for greenhouse gas emissions as well as growth rates for various end-markets. To apply suitable scenarios to our portfolio, we have based our analysis on the NGFS[1] Net Zero, Low Demand, Fragmented World, and Current Policies scenarios and supplemented them with data from other scenarios, allowing us to preserve the original character and consistency of the scenario factors.

Sustainability as a separate criterion in the risk assessment of capital expenditures on property, plant and equipment

ESRS 2 GOV-2

Projects costing €25 million or more have to be approved by the executive board. The review criteria are country, competition, other stakeholders, Evonik resources and competencies, customers, and sustainability. This latter category addresses risks arising from changes in the political and legal situation, market developments, and technological change. These are assessed with a view to production, cost-efficiency, and reputational risks. Acute physical risks are included in the "country" category as location-based environmental risks, alongside the other risks considered in this category.

We are pursuing this work by confirming transition and physical risks with regard to our businesses and sites. Here, we plan to increase the granularity of the data and align them with the sustainability analysis of our businesses and production platforms. At the same time, we will incorporate updates from the long-term scenarios and work on a refined net perspective to optimize assessment of our resilience.

You will find further information on risk management in chapter 5. Opportunity and risk report **p. 59 ff.**

The scenarios presented are only used in Evonik's financial reporting if the parameters have been adequately clarified. This applies in particular to the anticipated developments in carbon and energy prices (see chapter 10.1, section "Carbon pricing" **p. 131 f.**, and note 6.5 **p. 252 ff.**).

Scenario analysis T31

Scenario	Source	IPCC classification	Description
Net Zero	NGFS IV	SSP1	Physical risks limited in the case of 1.4 °C warming up to 2100. Rapid political reaction reflected in high carbon prices. Rapid technology development as well as significant CO_2 storage and use. Global cooperation and level playing field. Significant reduction in environmental SVHCs.
Low Demand	NGFS IV	SSP1	Significantly lower energy and resource consumption enables warming to be limited to 1.4 °C up to 2100. Markedly lower investment in the transformation of energy systems and industry. Lower transition risks for energy but high transition risks for industry. Change in consumer behavior.
Fragmented World	NGFS IV	SSP3	Widely varying carbon prices between industry, transportation, and building sectors as well as among rival regions. Both transition and physical risks if warming is limited to 2.9 °C up to 2100. Cautious, fragmented response by policymakers. Slow technology development.
Current Policies	NGFS IV	SSP5	No further reaction by policymakers. This is the scenario with the highest acute and chronic physical risks of climate change with warming >3 °C up to 2100.
Global Burden of Disease reference	GBD 2021	SSP1	A study on the significant increase in non-communicable diseases (cardiovascular, diabetes, malignant and non-malignant neoplasms, chronic respiratory, neurological, musculoskeletal). This information is relevant for the growth potential of our healthcare activities. Allocated to NGFS Low Demand.
Global Burden of Disease combined intervention	GBD 2021	SSP1	This scenario describes a more minor increase in diseases thanks to combined interventions with regard to water and hygiene, child nutrition, and vaccinations. Allocated to NGFS Net Zero.
Circular economy model Germany	WWF Deutschland 2023	SSP1	A holistic approach to reducing GHG emissions, material and food consumption, with impacts on land use and biodiversity. The scenario analyzes both economic and social consequences. We are using this scenario to estimate sufficiency effects in developed economies. Allocated to NGFS Low Demand.
Food & agriculture >3 °C historic trend	WBCSD/ McKinsey	SSP5	This scenario provides us with growth assumptions for meat as well as agricultural and forestry products, which are essential as a raw material base. Allocated to NGFS Current Policies.
Food & agriculture 1.5 °C innovation	WBCSD/ McKinsey	SSP1	This scenario reflects the progress in agricultural technologies. Allocated to NGFS Net Zero.
Food & agriculture 1.5 °C societal transformation	WBCSD/ McKinsey	SSP1	This scenario reflects changing consumer behavior. Allocated to NGFS Low Demand.
WWF Water Risk Filter pessimistic	WWF	SSP3	Allocated to NGFS Fragmented World.
WWF Water Risk Filter optimistic	WWF	SSP1	Allocated to NGFS Net Zero.

[1] NGFS = Network for Greening the Financial System.

9.7 Targets and significant actions

ESRS 2 SBM-3

We have defined the following targets at Evonik. Their management as well as actions to be taken are described in the individual chapters. The traffic light colors show the degree of target achievement.

Implementation of our sustainability targets and their achievement C43

Sustainability areas of action	Strategic targets for 2024 and beyond	Status 2024	Target achievement in 2024
General information	**Portfolio transformation**		
	• Increase the proportion of sales generated with Next Generation Solutions to >50 percent by 2030	45%	●
	• Proportion of sales from challenged products should be permanently <5 percent	2%	●
	• Generate €1.5 billion in additional sales from innovation growth engines by 2032 [a]	–	●
p. 92	**30 percent women at both the first and second management levels below the executive board by 2026** [b]	36.0/32.8%	●
Environmental information	**Climate**		
	• Reduce Scope 1 and 2 emissions by 25 percent between 2021 and 2030	–20%	●
	• Reduce Scope 3 emissions [c] by 11 percent [d] between 2021 and 2030	–9%	●
	Energy		
	• Overall savings of 1,200 GWh [a] of energy from implemented energy efficiency projects between 2021 and 2030 [a]	–	●
	• Switch in externally purchased or acquired electricity to 100 percent green electricity by 2030	47%	●
	Water		
	• Reduce specific freshwater withdrawal by 3 percent between 2021 and 2030 [e]	+21%	●
	Circular economy		
	• Generate at least €1 billion in additional sales with circular products and technologies by 2030	approx. €0.20 billion	●
	• Reduce specific production waste volume by 10 percent between 2021 and 2030 [e]	+17%	●
	Product stewardship		
p. 127	• Include and evaluate substances/products from acquisitions [f] in CMS/CMS^{PLUS} by the end of 2026 [b]	–	●

[a] New target set in 2024. | [b] Target extended in 2024. | [c] Scope 3 emissions of all upstream categories and downstream category "Transport and distribution".
[d] Exact target: 11.07 percent. | [e] Relative to production volume. | [f] Since 2017.

● Target not achieved
● Target horizon extends beyond 2024
● Target achieved

Implementation of our sustainability targets and their achievement (cont.) G43

▼ Sustainability areas of action	▼ Strategic targets for 2024 and beyond	▼ Status 2024	▼ Target achievement in 2024
Social information	**Proportion of women and intercultural mix**		
	• Proportion of women at senior management level should be 30 percent by 2026	21.8%	●
	• Proportion of women at middle management level should be 25 percent by 2026	19.1%	●
	• Proportion of women at other management levels should be 33 percent by 2026	31.4%	●
	• Intercultural mix at senior management level should be 25 percent by 2026	18.4%	●
	• Intercultural mix at middle management level should be 35 percent by 2026	26.2%	●
	Learning time per employee and year in LILY and LinkedIn Learning > 3 hours by 2026	1.7	●
	Occupational health and safety		
	• Lost time injury rate (LTI-R) ≤ 0.26	0.14	●
	• Process safety incident rate (PSI-R) ≤ 0.40	0.44	●
	• Occupational health performance index ≥ 5.0	5.5	●
Governance information	**Risk analyses and training**		
	• Regular risk analyses of human rights (HU), antitrust law (AT), fighting corruption (FC), and anti-money laundering (AML) by year-end 2025	HU/AT: Yes	●
	• Group-wide training rate ≥ 80 percent for antitrust law (AT), fighting corruption and anti-money laundering (FC/AML), human rights (HU), code of conduct (CoC)[a]	84–99%	●
	> 90 percent of significant raw material suppliers examined by TfS assessments by 2030[b]	87%	●
	> At least 90 percent cyber awareness training rate	94%	●

p. 169
p. 187

[a] See "Compliance training and training rate in 2024" table for exact targets. | [b] With an annual procurement volume >€100 thousand.

● Target not achieved
● Target horizon extends beyond 2024
● Target achieved

Significant investments will be necessary to reach our targets of increasing the proportion of sales from Next Generation Solutions and reducing our greenhouse gas emissions by 2030. We have plans to invest more than €3 billion in **Next Generation Solutions** and approximately €700 million in **Next Generation Technologies** between 2022 and 2030. We have thus devised two action plans in line with ESRS. Actions can fall under both action plans and contribute to attaining multiple targets. This applies in particular to environmental targets. For instance, energy efficiency actions can go hand in hand with water conservation or waste reduction. Moreover, other actions contribute to reaching our sustainability targets, such as those geared to reducing our Scope 3 emissions. Alongside the action plans, we take into account individual investments of €50 million or more, which must be approved by the full executive board. We also use green finance instruments in compliance with our Green Finance Framework to finance investments in Next Generation Solutions and Next Generation Technologies (see chapter 9.2 Sustainability at Evonik p. 97 ff.). Very few of Evonik's products, especially our Next Generation Solutions, are covered by the EU taxonomy. For this reason, we have no explicit plans to expand taxonomy alignment. ESRS E1-1

Investments in Next Generation Solutions

Evonik is focusing its investments for growth on products and solutions with a strong sustainability profile. This allows us to enhance our role as an enabler of transformation. We aim to make these investments in Next Generation Solutions in attractive markets with a good competitive position. To ensure this, the annual capital allocation is aligned with the parameters that apply in our markets at the time.

Investments allocated to Next Generation Solutions T32

in € million	Short-term (2024)	Medium-term (2025–2027)	Long-term (2028–2030)
Investments allocated to Next Generation Solutions	331	>1,000	>1,000

In 2024, investments in Next Generation Solutions accounted for 41 percent of our total capital expenditures. ESRS E1-3

Investments in Next Generation Technologies

We have combined our core actions for reducing the carbon footprint, fresh water consumption, and production waste in our global project "Evonik Assessment of GHG Emission Reduction" (EAGER) (see chapter 10.1 Mitigating climate change p. 129 ff.). Many mitigation actions in our global EAGER project are currently being implemented. The focus is on reducing our Scope 1 and 2 emissions. In 2024, Evonik was in the process of planning and implementing projects that will reduce CO_2eq emissions by approximately 440,000 metric tons per year in the years ahead. The investment volume for these projects amounted to €99 million in the reporting period.[1]

Investments allocated to Next Generation Technologies T33

in € million	Short-term (2024)	Medium-term (2025–2027)	Long-term (2028–2030)
Investments allocated to Next Generation Technologies	99	> 150	> 250

In 2024, investments in Next Generation Technologies accounted for 12 percent of our total capital expenditures. Of the investments in Next Generation Technologies in 2024, less than €1 million was taxonomy-aligned CapEx because most of the projects related to taxonomy non-eligible products (see chapter 10.7 Disclosures on the EU taxonomy p. 164 ff.).

Other material actions

Other material actions during the reporting period to achieve our sustainability targets include actions to reduce Scope 3 emissions by investing in our own processes. A reverse integration project at our site in Mobile (Alabama, USA) reduces our Scope 3 emissions while simultaneously increasing Scopes 1 and 2. Overall, this has resulted in a significant reduction in CO_2 emissions across all Scopes (see chapter 10.1 Mitigating climate change p. 129 ff. and chapter 12.2 Responsibility within the supply chain p. 200 ff.).

Investments in individual projects T34

in € million	Short-term (2024)	Medium-term (2025–2027)	Long-term (2028–2030)
Investments in individual projects >€50 million over and above the action plans	> 30	> 30	n/a

The distribution of potential operating expenditures depends on the pricing structure along the value chain. Actions are implemented depending on our customers' willingness to pay—for example, to use circular raw materials. No significant operating expenditures were incurred in implementing the actions in 2024 and no significant operating expenditures are planned for this purpose in the years ahead.

[1] This figure relates to the CO_2 effects following completion of the project in question. As the execution of such projects stretches over several years, the actual total investment leading to the stated effects is higher.

9.8 Sustainability governance

Corporate governance

ESRS 2 GOV-1

As a specialty chemicals company with a presence across the globe, Evonik considers good corporate governance with a long-term focus indispensable. The governance system of Evonik Industries AG consists of the executive board and supervisory board levels, where management and supervision are separated. The executive board and supervisory board are explicitly committed to responsible corporate governance and identify with the goals of the German Corporate Governance Code. We regard respecting and applying the principles of corporate governance as core management tasks. That starts with collaboration within the executive board and supervisory board as well as between these two boards. It likewise includes Evonik's relationship with its shareholders as well as with other individuals and organizations who have a business relationship with the company.

As provided for by the foreword to the German Corporate Governance Code, Evonik reserves the right not to implement certain provisions if deviation from the recommendations is justified by factors specific to the company. The latest declaration of conformity with the requirements of the German Corporate Governance Code has been published on our website.[1]

Supervisory board

The supervisory board advises and supervises the executive board. It appoints the members of the executive board and names one member as the chair of the executive board. It also decides on the remuneration of the members of the executive board. The supervisory board examines the company's annual financial statements, the executive board's proposal for the distribution of the profit, the consolidated financial statements for the Evonik Group, and the combined management report. The executive board is required to obtain the approval of the supervisory board on decisions of fundamental importance, which are defined in a separate list. The supervisory board has established the following committees: an executive committee, an audit committee, an investment and sustainability committee, an innovation and research committee, a nomination committee, and the mediation committee required by the German Codetermination Act. Among other duties, the investment and sustainability committee addresses all topics related to sustainability—such as the portfolio transformation or the achievement of climate neutrality—that are relevant to the supervisory board. The chair of each committee reports to the full supervisory board at its next meeting on the topics discussed in the committee.

In accordance with the Articles of Association of Evonik Industries AG and the provisions of the German Codetermination Act, the supervisory board comprises 20 members, ten of whom are representatives of the shareholders while ten are representatives of the workforce. The supervisory board considers all of its current members to be independent.

A minimum quota of 30 percent women is set by law. The supervisory board currently meets this requirement as it comprises six women and 14 men. The supervisory board takes diversity into account, both in its own composition and in appointments to the executive board. The supervisory board's diversity concept includes rules on the independence and age of supervisory board members and their maximum term of office. Supplementary criteria apply to the skill set of the supervisory board as a whole. These relate to the requisite knowledge and abilities of supervisory board members—for example, international experience, a knowledge of business administration and science, or experience in managing a company. The supervisory board has expanded its skill set to include experience in ecological and social sustainability. At present, ten members of the supervisory board have expertise in this area.

Executive board

ESRS S1-9

The executive board of Evonik Industries AG is responsible for running the company in the company's interests, taking into account the interests of the shareholders, employees, and other stakeholders. It discusses sustainability at its meetings several times a year, especially aspects relating to the environment, safety, and portfolio transformation.

When making appointments to the executive board, the supervisory board considers both the professional qualifications of the candidates and the other criteria it has defined for the executive board as part of the diversity concept. These include, for example, a suitable mixture of ages, professional competencies, and fulfillment of the targets for the proportion of women on the executive board.

The executive board bears overall responsibility for sustainability and all climate-related aspects at Evonik. Direct responsibility is assigned to the chief human resources officer, who deals with sustainability issues on an ongoing basis and reports on them to the executive board and supervisory board.

[1] https://www.evonik.com/en/company/governance-compliance/corporate-governance.html

Percentage of women on the executive board and in management

For the period from July 1, 2022 through June 30, 2027, the supervisory board has set a target of 25 percent for the proportion of women on the executive board. As of December 31, 2024, one member of the executive board is female and three are male, so it meets this target.

With respect to Evonik Industries AG, for the period from January 1, 2021 through December 31, 2024, the executive board had set a target of 30 percent female managers at both the first and second management levels below the executive board. As of December 31, 2024, the proportion of female managers was 36.0 percent at the first management level and 32.8 percent at the second management level, thus exceeding the targets defined for this period. For the period from January 1, 2025 through December 31, 2026, the executive board again set a target of 30 percent female managers at both the first and second management levels below the executive board of Evonik Industries AG.

The executive board provides regular, timely, and extensive information to the supervisory board on all matters of relevance for the company. Major sustainability aspects are included in context. On this basis, Evonik's sustainability activities were discussed at several supervisory board meetings in 2024.

You can find further information in the declaration on corporate governance (see chapter 7. Declaration on corporate governance p. 75 ff.), which is also available on our website.[1]

Sustainability in the governance structure and bodies

ESRS 2 GOV-1

Responsibility for sustainability management is defined in a corporate sustainability policy. Given its relevance for management, we have integrated sustainability into our governance framework.

The executive board has delegated responsibility for sustainability topics at a lower level as follows:
The sustainability council is responsible for the management of sustainability-related aspects and the associated decisions. It meets at least twice a year and is chaired by the chair of the executive board. To strengthen close alignment with our businesses, members include the heads of the divisions alongside the executive board. Following approval by the executive board, the actions are implemented by the operational units in close consultation with the relevant functions—for instance, Strategy, Sustainability, Research, Development & Innovation, and Procurement. ESRS 2 GOV-2

The decisions taken by the sustainability council are prepared by the sustainability circle, which comprises representatives of the functions and organizational units of relevance for sustainability. The sustainability circle monitors such aspects as the defined sustainability targets and decisions on group-wide coordinated actions, and is responsible for new sustainability target proposals. Meeting at least twice a year, the sustainability circle is chaired by the chief human resources officer, who is the executive board member responsible for sustainability.

Sustainability governance structure C44

CEO = Chairman of the Executive Board
CHRO = Chief Human Resources Officer and Labor Relations Director

Evonik is involved in national and international competency networks in the area of sustainability. The organizational units inform the executive board about new insights and relevant content. This is how we integrate the necessary sustainability expertise into the group. We are a member of the World Business Council for

[1] https://www.evonik.com/en/company/governance-compliance/corporate-governance.html

Sustainable Development (WBCSD) and are committed to its Vision 2050. Furthermore, we collaborate with econsense—Forum for Sustainable Development of German Business—, Chemie[3], the sustainability initiative of the German chemical industry, and the global GRI Community.

As a member of the UN Global Compact, we have given an undertaking that, within our sphere of influence, we will actively respect and promote labor rights and human rights, protect people and the environment, and fight against corruption. In addition, we make a contribution to achieving the United Nations 17 Sustainable Development Goals (SDGs). To this end, we have identified the SDGs that are most relevant for the Evonik Group (see chapter 9.3 Portfolio transformation p. 100 ff.). In addition, Evonik is one of the six founding members of the Together for Sustainability (TfS) initiative, which aims to increase transparency in the supply chain through collaboration (see chapter 12.2 Responsibility within the supply chain p. 200 ff.).

In the reporting year, within the framework of the sustainability council and sustainability circle bodies, the supervisory board and its investment and sustainability committee and audit committee as well as the executive board addressed matters including the following environmental, social, and governance (ESG) aspects, and hence the core material sustainability topics for Evonik (see chart C46 "Committees and sustainability topics" p. 124). ESRS 2 GOV-2

Performance-linked remuneration of senior management

ESRS 2 GOV-3

The supervisory board is responsible for the employment contracts of executive board members. It sets the total remuneration package for each member of the executive board, comprising a basic salary, variable short- and long-term components, pension benefits, the reimbursement of expenses, insurance, and various other fringe benefits. The contracts of the executive board members and all executives include remuneration elements based on personal performance and the overall performance of the Evonik Group.

In addition to the basic salary and the executive board's short-term remuneration, the short-term incentive (STI), Evonik's remuneration system includes a long-term remuneration component in the shape of the long-term incentive (LTI) plans for members of the executive board and senior executives (approximately 160 people worldwide).

Alongside financial targets, the executive board's short-term remuneration includes a sustainability component. This considers the development of plant safety and the accidents that occurred in the past fiscal year. In addition, the following non-financial targets from the sustainability focus are included in the executive board remuneration performance factor for 2024:

- Successful implementation of the first ESRS-compliant reporting for 2024
- Establishment of the Evonik Carbon Footprint and the portfolio sustainability assessment
- Development of the first key building blocks of an Evonik climate transition plan to transform Evonik's value chains using Next Generation Technologies and Next Generation Solutions
- Next Generation Culture: Transformation and change management

Commitments in respect of sustainability expertise C45

External	
World Business Council for Sustainable Development (WBCSD)	Chemie[3]
econsense—Forum for Sustainable Development of German Business	Global Reporting Initiative
UN Global Compact	Together for Sustainability

Committees and sustainability topics C46

Committee	Main material sustainability topics	Matters discussed at the meetings
Supervisory board	Portfolio transformation Mitigating climate change Green energy Circular economy Product stewardship Attractiveness as an employer/employee satisfaction Diversity and equal opportunity	• Next Generation Solutions • Next Generation Technologies and implementation of EAGER measures • Next Generation Culture • Sustainability reporting • Circular economy • Chemicals in the environment • Evonik Transition Plan and external influences of politics, science, and markets • Management in the multi-stakeholder environment • Management of risks and opportunities under the portfolio sustainability assessment
Investment and sustainability committee of the supervisory board	Portfolio transformation Mitigating climate change Green energy Attractiveness as an employer/employee satisfaction Diversity and equal opportunity	• Next Generation Solutions • Next Generation Technologies and EAGER measures • Next Generation Culture • Evonik Transition Plan und Science Based Targets • Sustainability data management • Sustainability reporting and metrics • Annual shareholders' meeting statistics • Ratings, rankings, and peer comparisons • Management in the multi-stakeholder environment
Audit committee of the supervisory board	Occupational health and safety Responsible corporate governance/ human rights Cybersecurity	• Materiality assessment[a] • Sustainability reporting in accordance with CSRD • Compliance update and financial report • Cybersecurity and other IT risks • Annual ESHQ report
Sustainability council as part of the extended executive board	Portfolio transformation Mitigating climate change Green energy	• Next Generation Solutions • Next Generation Technologies and EAGER measures • Evonik Transition Plan • Refinement of sustainability opportunity and risk management • Management in the multi-stakeholder environment • Sustainability data management • Sustainability reporting in accordance with CSRD • Ratings, rankings, and peer comparisons
Sustainability circle	Portfolio transformation Mitigating climate change Green energy Circular economy Product stewardship Attractiveness as an employer/employee satisfaction Diversity and equal opportunity Responsibility within the supply chain	• Next Generation Solutions • Next Generation Technologies and EAGER measures • Next Generation Culture • Chemical Safety und Circularity Assessment • Refinement of sustainability opportunity and risk management • Evonik Transition Plan and SBTi status • Green Finance Framework • Database and potential along the value chain • Sustainability reporting in accordance with CSRD

[a] Cross-business approach to all material sustainability topics.

Starting in 2023, the long-term remuneration system (LTI) for members of the executive board and senior executives has been expanded to include a sustainability component. Eighty percent of the award is based on the performance of Evonik shares and 20 percent on the achievement of one or more sustainability targets. The sustainability component is determined on the basis of Evonik's ESG targets. Each year, before allocating a tranche, the supervisory board stipulates the precise targets, their weighting in relation to each other, and their target value for measuring 100 percent target achievement. Target achievement ranges from 0 to 200 percent.

The defined targets for the 2024 LTI are:

- 1st target: CO_2 emissions reduction (40 percent weighting)
  This measures absolute CO_2 emissions as defined for Scope 1 and 2 (in millions of metric tons of CO_2/year). Target achievement is measured once at the end of the performance period for the final year, in this case at the end of 2027. The base point for measurement is the value of 6.3 million metric tons of CO_2 emissions in 2021 that is defined in the SBTi targets. ESRS E1.GOV-3
- 2nd target: Increasing the proportion of the portfolio with an outstanding sustainability profile (Next Generation Solutions) (40 percent weighting) ESRS E1.GOV-3
  This measures the proportion of the portfolio with an outstanding sustainability profile (Next Generation Solutions) once at the end of the performance period for the final year, in this case at the end of 2027. It is calculated as part of the sustainability analysis of the business.
- 3rd target: Social index (20 percent weighting)
  Three sub-targets relating to Learning, Health, and Diversity are measured for the social index. All three sub-targets are weighted equally by calculating their average target achievement as the target evaluation for the social index target, and doing so once at the end of the performance period for the final year, in this case 2027.

a) "Learning" sub-target
One aspect of the social index is the learning sub-target, which measures the number of digital learning hours per employee relative to the total number of employees worldwide with access to a PC. This value is regarded as an indicator of continuous workforce upskilling through digital learning or a shift from in-person to online training.

b) "Health" sub-target
Another important aspect of the social index is the health sub-target. The relevant health ratio is calculated as the target working hours (100 percent) less total sickness-related hours lost relative to the target working hours. It is calculated for all Evonik employees in Germany, Belgium, China, and the USA. This value serves as an indicator of the success of actions relating to leadership, stress management, motivation, and health protection.

c) "Diversity" sub-target
The third social index sub-target is diversity in the form of gender diversity. This is measured as the proportion of women relative to the total number of employees worldwide at management levels 1 and 2 (approximately 600 people worldwide). It serves as an indicator of diversity and equal opportunity, and is particularly important for Evonik and its success as a company.

In accordance with the recommendations of the German Corporate Governance Code, the supervisory board commissions a remuneration report (vertical comparison) to review the remuneration of the executive board compared with that of senior executives and Evonik's workforce. The most recent such report was prepared in 2024 and the findings confirm that the remuneration system is in line with the market. The 2024 remuneration report provides further information on executive board and supervisory board remuneration.[1]

Sustainability due diligence

ESRS 2 GOV-4

Sustainability is a core element of Evonik's overall strategy. All identified material sustainability topics are incorporated into the company's strategic alignment. This strategy is complemented by specific policies on topics such as climate change, water, biodiversity, product stewardship, and circular economy. The due diligence and risk management requirements, which are consistent with our sustainable corporate strategy, are firmly embedded in our business processes. This is effected through policies such as the policy statement on human rights, the Evonik Code of Conduct, and the Evonik Code of Conduct for Suppliers. The sustainability report contains an overview of the existing management systems with which we meet our due diligence obligations for each material topic. This report shows how Evonik assesses the IROs identified and what actions we have taken to counteract negative ones and give greater emphasis to positive ones, including the outcomes of those efforts.

Statement on due diligence T35

Core elements of due diligence	Page
a) Embedding due diligence in governance, strategy, and business model	97 f., 108 ff., 118 ff., 122 ff., 125
b) Engaging with affected stakeholders in all key steps of the due diligence	93 ff., 105 ff., 108 ff., 122 ff.
c) Identifying and assessing adverse impacts	108 ff., 112 f.
d) Taking actions to address those adverse impacts	93 ff., 105 ff., 108 ff., 122 ff.
e) Tracking the effectiveness of these efforts and communicating	93 ff., 118 ff.

[1] https://www.evonik.com/en/company/governance-compliance/corporate-governance.html


EVONIK
Leading Beyond Chemistry

ENVIRONMENTAL INFORMATION

Protecting our environment and the climate are major global challenges of our time. Maintaining the natural basis of life for future generations is part of our corporate responsibility. This also includes continuously reducing emissions in keeping with our sustainable corporate strategy.

MATERIAL TOPICS

- Portfolio transformation

- **Mitigating climate change**
- **Green energy**
- **Water management**
- **Biodiversity**
- **Circular economy**
- **Product stewardship**

- Attractiveness as an employer/ employee satisfaction
- Diversity and equal opportunity
- Occupational health and safety

- Responsible management/human rights
- Responsibility within the supply chain
- Cybersecurity

−20%
Reduction in absolute scope 1 & 2 greenhouse gas emissions [1]

−9%
Reduction in absolute scope 3 greenhouse gas emissions [1, 2]

47%
Proportion of purchased green electricity

[1] Reference base 2021. | [2] Scope 3 emissions from all upstream categories and the category "Downstream transportation and distribution" as defined in our SBTi target.

10. Environmental information

- **Implementation of actions under our climate transition plan and our SBTi targets**
- **Continued expansion of external green electricity procurement**
- **Simultaneous reduction of our water consumption through synergies with climate actions**
- **New policies for biodiversity, circular economy, and product stewardship**

As a specialty chemicals company, we are aware that our production activities—including the upstream and downstream value chains—impact the environment. To minimize the impacts, we set ourselves ambitious targets and put many actions in place. Our actions are based on an extensive, integrated management system for the topics environment, safety, health, and quality. This system applies to the whole of the Evonik Group and is based on legal requirements, internal policies, and standard operating procedures. Hence, we foster a targeted improvement in our environmental performance that goes well beyond meeting compliance requirements. At the same time, we require our manufacturing sites to be certified according to ISO 14001, the internationally recognized environmental management standard. Our divisions and regions are subject to annual audits in order to monitor the process of certification to DIN EN ISO 14001 and RC 14001 at our production locations. At present, 80 percent of our sites are certified accordingly. In 2024, we conducted 77 internal and external ESHQ audits. The proportion of certified production volumes covered varies from year to year because of the addition of newly acquired units, but so far it has always been between 95 and 100 percent.

The ESHQ (Environment, Safety, Health & Quality) corporate function has a central audit system to regularly monitor implementation of our strategy and management system. Based on the findings and analyses of internal and external audits as well as site inspections, talks are held on possible improvements and ways of implementing them. The executive board is informed annually of the audit outcomes.

The procedures used to collect and process environmental data[1] are subject to internal and external audits. Our quality standards are backed up by regular training. Data input is decentralized and the data can be evaluated with regard to management units, legal units, or regions. Since 2023, environmental data reporting has been carried out entirely through ESTER (Evonik Standard Tool ESHQ and Reporting). That has allowed us to significantly improve data quality and effect timely evaluation. In 2024, we recorded all internal and external audits for matrix certification in the ESTER tool. This further harmonizes processes and systems, thus contributing to enhanced efficiency.

The ESHQ function bundles all group-wide strategic management and coordination activities relating to the topics of environment, plant safety, occupational safety, and health (see chapter 11.3 Occupational health and safety p. 180 ff.). The global strategy for safety is defined by the HR Executive Committee, which comprises the chief human resources officer, the HR partners of the divisions, and the heads of the ESHQ, Sustainability, and HR Business Management functions. Decisions on implementing this strategy are taken by the ESHQ panel. Its members are representatives of the divisions, regions, technical committee, and employee representatives. The panel is chaired by the head of the ESHQ function, who reports directly to the chief human resources officer. Management and decision making with respect to the topic environment are assigned to the sustainability council and the sustainability circle. Both bodies work closely together to prepare and implement the sustainability and ESHQ functions (see chapter 9.8 Sustainability governance p. 121 ff.). ESRS E1-1

Our ESHQE[2] positions are predicated on the protection of people and the environment. Together with more detailed policies and procedures, they form Evonik's ESHQE set of regulations. There are now five policies adopted by the executive board[3]. They are designed to ensure sustainable business practices in the company relating to the topics of climate, circular economy, water, product stewardship, and biodiversity. The content of the policies was incorporated into the corresponding strategic and management approaches described in the following environment sections.

Policies on the environment, safety, health, and quality C47

Internal				
ESHQE policy				
Climate	Water	Biodiversity	Circular economy	Product stewardship

[1] The reported data are based on a combination of direct measurements and calculations as well as estimates made on the assumption that the data are similar to those of the prior period and/or developed in line with the production volume. These estimates are made against the data available and allowing for measurement uncertainties. | [2] ESHQE = Environment, safety, health, quality, and energy. | [3] https://www.evonik.com/en/sustainability/policies.html

10.1 Mitigating climate change

Strategy and management

Climate change is increasingly causing damage as a result of extreme weather events. This is a challenge that Evonik, too, has to face. It is also necessary to reduce CO_2 emissions worldwide. For this reason, we not only seek to avoid **increasing our CO_2 and other emissions that contribute to climate change,** but also to reduce them. In 2022, Evonik set new targets as part of its strategy (Next Generation Evonik). Reducing our CO_2 emissions (Scope 1 and 2 emissions) is likewise embedded in the remuneration of the executive board and other executives (see chapter 9.8 Sustainability governance p. 121 ff.). **Investment decisions may result in higher costs if there is no carbon pricing.** This is why we use carbon pricing as an additional planning criterion. Along the value chain, we are working on innovative solutions to reduce emissions—often in collaboration with suppliers and customers. Evonik adopted a climate policy in 2023 and published it on its website.[1] ESRS 2 SBM-3, ESRS E1.GOV-3, ESRS E1-2

In the reporting period, we worked on refining the Evonik transition plan. Our climate transition plan[2] initially provides for reducing our CO_2 emissions in line with our validated SBTi targets by 2030. We are planning to reduce the remaining greenhouse gas (GHG) emissions in the period from 2030 to 2050. ESRS E1-1, ESRS E1-7

As the scenarios analyzed are based on theoretical parameters, the actual development of the external conditions must be constantly evaluated and the characteristics and focus of the transformation must be continually adapted to reflect these. The findings of our analyses in 2024 corroborate Evonik's strategy of continuously transforming its portfolio toward Next Generation Solutions and continuously reducing Scope 1 and 2 emissions using Next Generation Technologies (see chapter 9.2 Sustainability at Evonik p. 97 ff.). ESRS E1.SBM-3

Targets

- Reduce absolute Scope 1 and Scope 2 emissions by 25 percent between 2021 and 2030[3]
- Reduce absolute Scope 3 emissions by 11 percent[4] between 2021 and 2030[3, 5]

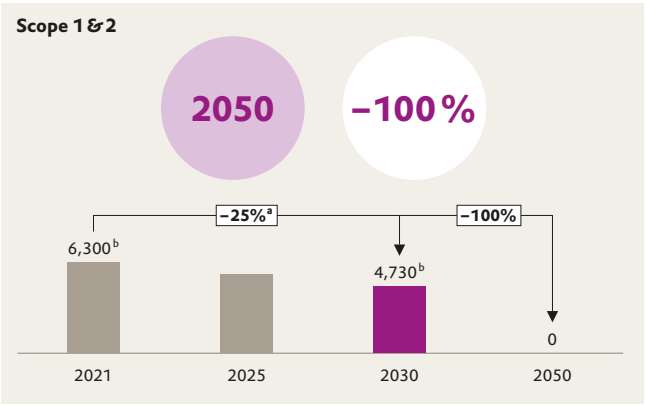
Evonik announced its commitment to the Science Based Targets initiative (SBTi) in 2022. SBTi is a partnership of CDP[6], the United Nations Global Compact, the World Resources Institute, and the World Wide Fund for Nature. It defines and encourages best practices for science-based target-setting[7] and independently evaluates targets set by companies from this perspective. These have now evolved into internationally accepted standards. We followed the SBTi recommendation for selecting the base year and chose 2021 because this was the most recent year of our GHG inventory at the time of our commitment to the SBTi. In 2023, the emission reduction targets submitted by Evonik were validated by the SBTi. It confirmed that the ambitious target set for Scope 1 and 2 emissions is suited to helping limit global warming to well under 2 °C.[8] Our superordinate group-wide target is an absolute reduction in Scope 1 and 2 emissions by 25 percent between 2021 and 2030. In addition, Evonik has given an undertaking to reduce absolute Scope 3 emissions in the upstream categories and in the downstream category "transportation and distribution" by 11.07 percent within the same period.[3, 5] ESRS E1-4

[1] See Policies – Evonik Industries. **https://www.evonik.com/en/sustainability/policies.html**
[2] Our transition plan is not a full transition plan within the meaning of the ESRS.
[3] The exact wording of all Evonik emissions reduction targets validated by SBTi can be viewed at: **https://sciencebasedtargets.org/companies-taking-action**
[4] Exact target: 11.07 percent.
[5] Scope 3 emissions of all upstream categories as well as the downstream category "transportation and distribution" as defined in our SBTi target, but excluding the Scope 3 emissions that fall within the scope of the SBTi criteria for the electricity sector and are hence covered by a different intensity target.
[6] **https://www.cdp.net/en**
[7] The SBTi methodology is subject to inherent uncertainties relating to the underlying scientific insights and forward-looking assumptions about reducing greenhouse gas emissions.
[8] Well below 2 °C.

Ambitious climate targets

C48

Our path to climate neutrality



New targets[c] for GHG emissions reduction (2021 – 2030)

Scope 1 & 2
Well below 2 °C

2030 –25 %

Scope 3

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

2030 –11 %

[a] Gross emissions; base year 2021, target year 2030.
[b] In thousand metric tons CO_2e.
[c] Validated by SBTi, **https://sciencebasedtargets.org/companies-taking-action#dashboard**

Our levers[a] to reduce GHG emissions along the value chain

C49

Upstream	Gate-to-gate	Downstream
• Projects with key suppliers • Using climate-neutral instead of fossil-based raw materials • Closed-loop material flows; raw materials from recyclate	• Integrated facilities to use by-products • EAGER[b] project/Next Generation Technologies/research • Green energy • Process efficiency	• Next Generation Solutions • CO_2e avoided by using Evonik products • Products to support a circular economy

[a] Examples.
[b] EAGER = Evonik Assessment of Greenhouse Gas Emission Reduction.

Evonik's science-based carbon reduction targets cover 100 percent of our Scope 1 and Scope 2 emissions and more than two-thirds of our Scope 3 emissions. Our climate targets form part of our climate transition plan and contribute to achieving the Paris Agreement goals. We aspire to be climate-neutral by 2050. Our SBTi targets and roadmap up to 2030 were approved by the executive board. ESRS E1-1, ESRS E1-4, ESRS E1-7

Actions

ESRS E1-3

Actions for implementing our climate transition plan: Scope 1 and Scope 2 emissions up to 2030

ESRS E1-1, ESRS E1-4

To achieve our ambitious Scope 1 and Scope 2 target, we have put a wide range of actions in place. These include exiting coal-fired power generation at our site in Marl (Germany) by the end of March 2024, ongoing global development of production processes and infrastructure (Next Generation Technologies), and an incremental switch to renewable energy. Our efforts will be supported by digital process technologies and the integration of sustainability data into existing business processes.

The chart **C50** "Our roadmap 2030 (Scopes 1 & 2)" **p. 131** shows our action plan for achieving our Scope 1 and Scope 2 target. It consists of the three pillars "exiting coal-fired power generation", "Next Generation Technologies", and "renewable energies".

We decommissioned our coal-fired power plant in Marl (Germany) at the end of March 2024, thus reducing our CO_2 emissions by as much as 1 million metric tons per year. Since then, Evonik has stopped producing electricity from coal worldwide. In view of the geopolitical situation, we were initially unable to decommission the Marl coal-fired power plant, originally planned for 2022. Due to the consequences of Russia's invasion of Ukraine, we were forced to retain the capacity to safeguard the general reliability of supply. In this way, we secured the supply of electricity, heat, and steam to the site.

We are expediting our Scope 1 and 2 targets by investing in optimized processes such as enhancing energy efficiency, waste heat upcycling for heat integration, or in process redesign—for example, electrification. To do this, we implemented the EAGER project in 2022 to pinpoint the potential for reducing GHG emissions at our sites. A cross-functional team identified the potential to reduce Scope 1 and 2 emissions (including the related costs of emissions avoidance) at the top 20 sites around the world by around 1 million metric tons of CO_2eq, in accordance with the "well below 2°C" target. The top 20 sites account for 80 percent of Evonik's GHG emissions. In the period to 2030, we plan to invest €700 million in Next Generation Technologies—in other words, in the ongoing development of production processes and infrastructure to reduce GHG emissions (see also chapter 9.2 Sustainability at Evonik p. 97 ff.). In the reporting period, Evonik was in the process of planning and implementing projects that will reduce CO_2eq emissions by approximately 440,000 metric tons annually in the years ahead. The investment volume for these projects amounted to around €99 million in 2024. ESRS E1-1

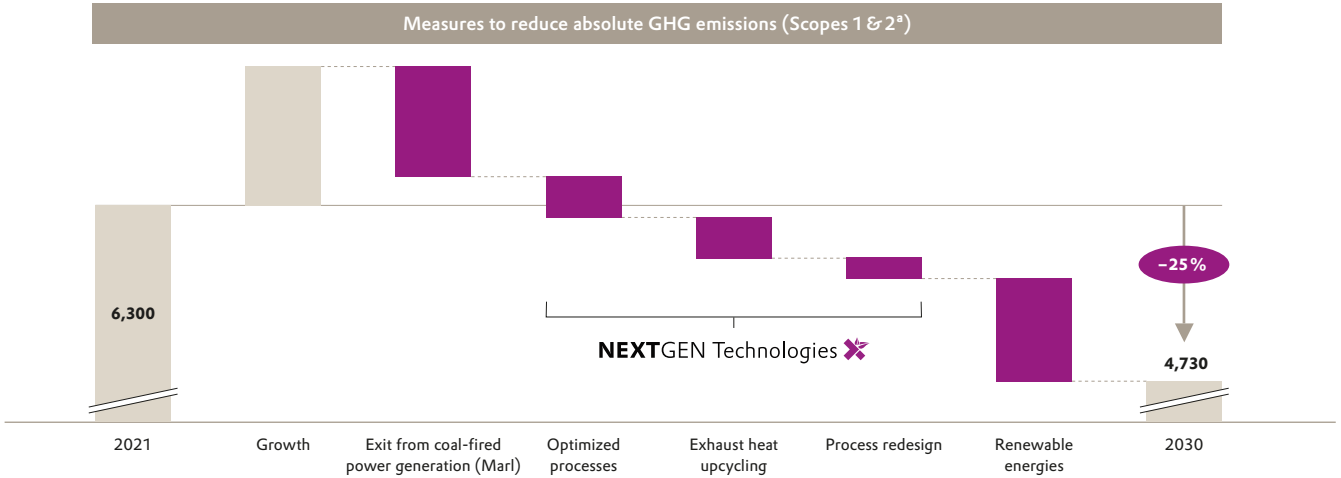
In addition, we intend to switch our externally purchased or acquired electricity completely to green energy in order to achieve our Scope 1 and 2 target (see chapter 10.2 Green energy p. 140 ff.).

Carbon pricing

ESRS E1-8

Investment projects that help achieve our CO_2 reduction target and hence our climate transition plan are part of the annual financial resource planning and investment allocation process, including approval by the executive board and supervisory board. For instance, we apply internal carbon pricing when planning major investment projects. The aim is to harness this planning criterion so that developments in carbon-intensive investments can be reliably and consistently reflected in all investment applications worldwide. In addition, the expected development of carbon prices is factored into our impairment tests. When estimating useful

Our 2030 roadmap (Scopes 1 & 2) C50



[a] Gross emissions in kt CO_2eq.

lives, these are generally included in our profitability calculations. Our current assumption is that a price of €131/metric ton of CO_2 will be used in the EU Emissions Trading System (EU ETS) by 2030. In all other regions relevant to Evonik, we have revised our forecast to an average of €37/metric ton of CO_2 by no later than 2030. This reflects the development of the political framework in key emerging markets and developing countries, which does not currently indicate an increase in carbon pricing. In view of regional differences in the baseline situation, we have developed scenarios for the development of carbon pricing—differentiated by country and region—showing the rise to the assumed final global price. Here, we take into account both direct CO_2 emissions (Scope 1 emissions) from production and energy generation and indirect CO_2 emissions from the purchase of secondary fuels (Scope 2 emissions). This generally applies to all of our Scope 1 and 2 emissions (100 percent). Specific calculations are made solely for investment planning. To support the departments affected, we use a CO_2 cost calculator that allows efficient and systematic calculation of the carbon costs to be factored into every investment. Location- and fuel-specific emission factors as well as regional carbon price development scenarios are applied. This enables harmonized evaluation of investments with regard to carbon cost throughout the group.

Actions for implementing our climate transition plan: Scope 3 emissions up to 2030

ESRS E1-1, ESRS E1-4

Reducing Scope 3 emissions is especially challenging for the entire value chain because these emissions are outside its direct sphere of influence and are affected by many external factors. This calls for in-depth cooperation with partners at every link in the value chain. Our action plan for achieving our Scope 3 target is based on three reduction levers: reducing emissions of purchased raw materials, using alternative sources of raw materials, and reducing emissions in logistics and packaging.

To achieve our Scope 3 target, our businesses are working with procurement and our suppliers to reduce the emissions of the raw materials used. One of the prerequisites for this is knowledge of the actual supplier-specific emission factors of the raw materials purchased. That is why Evonik is actively involved in the TfS (Together for Sustainability) initiative (see chapter 12.2 Responsibility within the supply chain p. 200 ff.), the definition of common calculation standards (TfS Product Carbon Footprint Guideline[1]), and the creation of a platform to exchange supplier-specific emission factors. We analyze which raw materials and suppliers offer us the greatest potential for reduction. The starting point comprises secondary data from databases but also increasingly primary data. To increase the proportion of primary data, we contact our key suppliers once a year. In this context, for instance, we discuss with our suppliers the main ways in which we can leverage emissions reduction. That may be renewable energies, improved processes, or alternative raw materials. Taking the overview of all factors, we then discuss specific targets with our suppliers. This is how we support our customers' goals with a focus on circularity and reducing carbon emissions. More than 84 percent of our suppliers already had their own sustainability targets in 2024.

The short-term availability of raw materials with a reduced carbon footprint is limited. Hence, we also draw on detailed medium- and long-term scenario analyses when it comes to aligning our procurement strategies and securing our access to raw materials with a lower carbon footprint at an early stage. For example, Evonik and BASF announced an agreement in October 2024 for the first delivery by BASF of biomass-balanced ammonia with a product carbon footprint that is 65 percent lower. Evonik is monitoring developments and is in close contact with potential suppliers. Since ammonia can be used as a transport medium for hydrogen and as a substitute for marine diesel, we anticipate that the pace of development here will be faster than for other raw materials.

A first step toward reducing our Scope 3 emissions is the use of ISCC Plus-certified C4—for example, based on canola oil. There are signs of a significant increase in volumes, especially of biomethanol, which is used to produce MTBE (methyl tert-butyl ether). Moreover, green acetone is used to produce sustainable isophorone products. As an additional measure, we started to procure inorganic raw materials produced using green electricity in 2023. We have similarly extended certification under the mass balance standard of the Roundtable on Sustainable Palm Oil (see chapter 10.5 Circular economy p. 153 ff.). Process enhancements can hence be reported as a Scope 3 measure on the supplier side. Additionally, we are working on improving data transparency through a range of supplier engagements.

[1] https://www.tfs-initiative.com/app/uploads/2024/03/TfS_PCF_guidelines_2024_EN_pages-low.pdf

Furthermore, Evonik has since 2023 also reported actions to reduce CO_2 in the procurement of logistics services and packaging. Based on initial talks with selected logistics providers, we have been able to include in our forecasts the CO_2 reduction actions that our suppliers are already implementing or planning. Examples of savings include switching to intermodal transportation or using hydrotreated vegetable oil (HVO) as a substitute for diesel fuel in road transportation. In addition, we have expanded our supplier engagement program to include selected indirect suppliers in order to check the availability of primary data and the inclusion of potential actions to reduce CO_2eq.

Actions for implementing our climate transition plan: Emissions 2030 – 2050

ESRS E1-7

In the period after 2030, the remaining Scope 1 and 2 emissions will be reduced through further energy efficiency and heat integration actions. We are already engaged in broad-based screening of our technology portfolio for Scope 3 emissions. This identifies potential circular (bio-based, recycled, or CO_2-based) raw material sources for our production processes and considers how our production processes could be adapted to circular raw materials. In the period up to 2030, this screening will be completed and we will forge ahead with the requisite research into modified or new manufacturing processes.

Generally speaking, for the period beyond 2030, we regard broadening technology and raw material portfolios as well as globally rising costs for CO_2 emissions as the main transformation drivers. From 2035, we expect new technologies to reach maturity, one example being the widespread availability of green hydrogen. As for the following years, we anticipate the breakthrough of processes such as carbon capture and storage (CCS) as well as carbon capture and utilization (CCU). Carbon capture and utilization technologies pave the way to reducing the consumption of fossil fuels and cutting CO_2 emissions. Together with partners, we are engaged in research in this field to deepen our understanding of how such technologies interact with our portfolio of specialty chemicals under market conditions. For instance, our expertise in catalyst research offers the possibility of using the stable CO_2 molecule in combination with green hydrogen and renewable energies to generate a higher quality product. Following chemical conversion, CO_2 counts as a raw material and no longer as waste. This could enable the production of methanol and other hydrocarbons for use in products such as solvents, polymers, and liquid e-fuels. The use of CO_2 for e-fuels will be further boosted by the ReFuelEU regulations for aviation. We are supporting such projects and are in close contact with those involved at the relevant stages of the value chain.

A wealth of actions for achieving net zero by 2050 are already known today, but in many areas they cannot yet be implemented economically. In the reporting period, carbon pricing mechanisms with what are assumed to be very high global prices for CO_2 emissions represent the largest single risk in the net zero scenario (see table **T31** "Scenario analysis" in chapter 9.6 Opportunity and risk management **p. 114**). ESRS E1.SBM-3

As of 2024, Evonik's portfolio includes no GHG emissions that cannot be technically reduced by 2050. At this time, it is not possible to forecast the economic viability of actions that are technically feasible by 2050. Potentially locked-in GHG emissions (Scopes 1 to 3) primarily result from the generation of heat and electricity using fossil fuels, notably in power plants, parts of production facilities, and raw materials. ESRS E1-1, ESRS E1.IRO-1

Progress in 2024

In the reporting period, Evonik continued implementing its EAGER projects as part of the company's climate transition plan. The following projects, for example, are contributing to the reduction of our Scope 1 and 2 emissions. In 2024, we commissioned the expanded production facilities at our methionine plant in Singapore. The product manufactured in this expanded facility has significantly lower specific CO_2 emissions than before when using the previous technology. In addition, Evonik is building a new alkoxide plant in Singapore. This will enable alkoxides to be produced carbon-neutrally going forward. Construction is expected to be completed in 2025. In addition, investments in the restructuring of steam supply at our site in Antwerp (Belgium) were approved. There are plans under the Ecluse[1] project to source the steam from the neighboring waste incineration plant instead of from a combined steam and power supply based on natural gas starting in 2027. About 50 percent of the plant's heat energy is generated from biomass. The electricity at the site will then be purchased under the long-term agreements for green electricity that have already been signed (see chapter 10.2 Green energy **p. 140 ff.**). Moreover, Evonik focused its operational and continuous process improvements on energy efficiency and emission reduction in the reporting period, thereby contributing to CO_2 reductions.

[1] **https://ecluse.be/homepage**

In 2024, we also forged ahead with various projects to reduce our Scope 3 emissions in the upstream value chain. We have now converted our entire caustic soda supply in Germany to green caustic soda, which is produced by electrolysis using carbon-reduced electricity, for example, from renewable sources. Compared with the prior year, we also further increased the proportion of re-refined base oils in the base oils we purchase by just under 12 percent. The carbon footprint of re-refined base oils is 50 percent lower than that of fossil-based base oils. This is another way in which we are reducing our Scope 3 emissions. Additionally, the first large-scale quantities of green ammonia were processed at our Herne site in Germany during the reporting period. At our production site in Essen (Germany), we produced polyether on a technical scale for the first time using mass-balanced ethylene oxide and propylene oxide. Our project for reverse integration in the production of methyl mercaptan, a precursor for methionine, at the Mobile site in the US has progressed well and we expect to complete it in 2025. By producing this precursor ourselves rather than purchasing it, we will reduce Scope 3 emissions while simultaneously increasing Scopes 1 and 2. Thanks to our manufacturing process for methyl mercaptan, the reduction in Scope 3 emissions is greater than the increase in Scope 1 and 2 emissions. Hence, overall, there is a significant reduction in CO_2 emissions across all Scopes. In addition, our supplier engagement program is making a significant contribution to Scope 3 reduction. For example, an ever growing number of our suppliers of sodium silicate for silica production switched their procurement of sodium carbonate needed to produce sodium silicate to natural sources in 2024. Our announcement that, starting in 2025, we would only consider suppliers who can provide information about their products' actual emission factors (primary data) led to significant activity among our suppliers and, as a result, the majority now either provide primary data already or are working on being able to do so during 2025.

Metrics

Since 2008, we have reported an extensive GHG emissions balance—from the extraction of raw materials through production to disposal of the products. The key metric is the carbon footprint (CO_2eq footprint). The data cover Evonik's direct energy and process emissions (Scope 1), emissions from purchased or acquired electricity and heat (Scope 2) as well as upstream and downstream emissions (Scope 3).[1] These include emissions from the production of purchased raw materials, services, and capital goods, fuel- and energy-related emissions not included in Scope 1 and Scope 2, emissions from upstream and downstream transportation and distribution, from the disposal of waste, emissions caused by business travel and employee commuting, energy requirements for leased administrative buildings and company vehicles, and emissions from the use and end-of-life treatment of sold products. By contrast, we do not report emissions from the processing of Evonik products, from franchises or downstream leasing activities, or from investments. The method is closely based on the GHG Protocol Standard of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), as well as the Guidance for Accounting & Reporting Corporate GHG Emissions in the Chemical Sector Value Chain published by the WBCSD. Purchased or acquired electricity (Scope 2) is calculated by the market-based method using the relevant power suppliers' individual emission factors. Evonik does not use carbon offsets outside its own value chains in its carbon footprint accounting. ESRS E1-6, ESRS E1-7

In 2024, total gross Scope 1 GHG emissions and gross market-related Scope 2 GHG emissions decreased by 4.4 percent year on year to 5.06 million metric tons of CO_2eq. During the same period, production shrank by 2.6 percent to 7.31 million metric tons, largely due to the sale of the superabsorbents business that was completed in August 2024. The reduction in total gross Scope 1 and 2 GHG emissions was mainly attributable to the closure of the coal-fired power plant in Marl at the end of March 2024. From this point in time, the two new highly efficient gas and steam turbine power plants in Marl began operating at full capacity. As already publicized, we were initially unable to decommission the Marl coal-fired power plant—originally planned for 2022—due to the geopolitical situation. The higher gross CO_2eq emissions from purchased electricity resulted mainly from increased purchases by Evonik Operations GmbH. Although this was more than offset in their net electricity balance by the sale to third parties of surplus self-generated electricity, it had no effect on Evonik's gross Scope 1 and 2 GHG balance (see chart **C51** "Electricity and steam data in 2024" in chapter 10.2 Green energy **p. 141**). The increase in CO_2eq emissions from purchased steam was primarily due to the sale of the superabsorbents business. The steam it delivered was previously classified as internal supply within Evonik. Following the sale, it must now be included as purchased steam in Evonik's gross GHG balance. ESRS E1-6, ESRS E1-7

[1] For details, see "Emissions along the value chain (Scope 3)" **p. 137 ff.**

Evonik Carbon Footprint[a] ESRS E1-6 T36

in million metric tons of CO_2eq		2023[b]	2024
Scope 1	Gas	1.87	2.00
	Coal	0.93	0.32
	Oil	0.01	0.00
	Substitute fuels and process emissions	1.01	1.02
	Methane (CH_4)	0.02	0.02
	Dinitrogen oxide (N_2O)	0.02	0.02
	HFCs, PFCs, SF_6 and NF_3	0.02	0.02
Total Scope 1 emissions		**3.89**	**3.39**
	thereof Scope 1 GHG emissions from regulated emission trading schemes (in %)	77	79
Scope 2	Purchased or acquired electricity (market-based)	0.70	0.83
	Purchased or acquired steam (market-based)	0.70	0.84
Total Scope 2 emissions[c]		**1.40**	**1.67**
Scope 3	Category 1: Purchased chemical raw materials, packaging materials, and indirect goods and services	10.1	11.8
	Category 2: Capital goods	0.3	0.3
	Category 3: Energy-related activities (not included in Scope 1 and 2)	1.3	1.7
	Category 4: Upstream transportation and distribution	1.0	0.9
	Category 5: Disposal and recycling of waste	0.3	0.3
	Category 6: Business travel	0.02	0.02
	Category 7: Employee commuting	0.04	0.05
	Category 8: Upstream leased assets (electricity and heating of administrative buildings)	0.00	0.00
	Category 9: Downstream transportation and distribution (to direct customers)	0.04	0.04
	Category 11: Use of sold products (direct emissions only)	3.1	3.7
	Category 12: Disposal and recycling of products	2.7	2.9
Total Scope 3 emissions[d,e,f]		**18.9**	**21.6**
	thereof upstream	13.1	15.1
	thereof downstream	5.8	6.6
Total GHG emissions (Scope 1, 2, and 3), market-based[g]		**24.2**	**26.7**
Sales in € billion[h]		15,267	15,157
Intensity of GHG emissions, market-based, in thousands of metric tons of CO_2eq/€ billion		1.58	1.76

The 20-percent decrease in Scope 1 and 2 GHG emissions between 2021 and 2024 was largely the result of portfolio measures, the consistent expansion of the proportion of green electricity used, and efficiency improvements in energy generation—primarily due to substitution of the coal-fired power plant at Marl Chemical Park with the new gas and steam turbine power plants.

In 2024, Evonik had 23 (2023: 26) facilities that fell within the scope of the EU Emissions Trading System 1 (EU ETS 1). In total, these EU ETS 1 facilities emitted 2.20 million metric tons of CO_2 in the reporting period (2023: 2.52 million metric tons of CO_2). Moreover, we are subject to additional carbon pricing systems in a number of countries. Both Germany and Austria have a national emissions trading system alongside EU ETS1. In the provinces of Fujian and Shanghai in China, our Nanping and Shanghai sites are subject to regional emissions trading systems. National emissions trading systems apply to our sites in Morrinsville (New Zealand) and Ulsan (South Korea). Our sites in Gibbons and Maitland (Canada) and Singapore are subject to the relevant national CO_2 taxes. Overall, about 79 percent of Evonik's Scope 1 GHG emissions were subject to carbon pricing systems in 2024.

[a] The balance covers fossil GHG emissions and emissions of gases—other than CO_2—of biogenic origin. The relevant use of biomass and associated net amounts of CO_2 removal and biogenic CO_2 emissions are reported separately as follows: In 2024, –1.3 million metric tons of CO_2 was recorded for Scope 3 category 1, +0.8 million metric tons of CO_2 for categories 11 and 12 together, and around +0.1 million metric tons of CO_2 for direct Scope 1 process emissions. In 2023, the net amounts of biogenic CO_2 were approximately –1.2 million metric tons of CO_2 for Scope 3 category 1 and approximately +0.8 million metric tons of CO_2 for categories 11 and 12 together. The corresponding direct process emissions (Scope 1) remained constant at +0.1 million metric tons of biogenic CO_2 in 2023.

[b] Since activity was lower in the second half of 2023 than in the first half of the year, emissions in the fourth quarter of 2023 were overestimated for Scope 3 as the fast-close process uses a projection based on the first three quarters. Moreover, in addition to retrospective corrections, the method for calculating category 3 emissions was amended for application from 2024 and retroactively for 2023. The difference overall to our fast-close value was less than 5 percent. Nevertheless, we decided to publish the updated data for 2023 to ensure consistency between our externally communicated and internally used metrics.

[c] Total Scope 2 emissions, site-based (2024): 1.94 million metric tons of CO_2eq.

[d] Since the calculation of emissions data for 2023, the IPCC AR6 – GWP100 impact model (Sixth Assessment Report IPPC AR6 (2021)), which is based on a 100-year period) is being used where possible to determine Scope 3 emissions, instead of the previous method developed by the University of Leiden (Netherlands) (CML2001-Aug. 2016).

[e] Fast-close process reporting was in part used for the current period for Scope 3 (see chapter 9.1 About this sustainability report **p. 93 ff.**). Differences between the data and totals are due to rounding. Some calculations are based on assumptions and estimates.

[f] Contains categories 1–9, 11, and 12. Scope 3 categories 10 "Processing of sold products", 13 "Downstream leased assets", 14 "Franchises", and 15 "Investments" are not reported.

[g] Total GHG emissions (Scope 1, 2, and 3), site-based (2024): 26.96 million metric tons of CO_2eq.

[h] See the consolidated financial statements, "Income statement" table, "Sales" line item.

In 2024, Scope 3 GHG emissions calculated using the fast-close approach increased to 21.6 million metric tons of CO_2eq compared with the Scope 3 GHG emissions of 18.9 million metric tons of CO_2eq in 2023. Various factors contributed to this development, in addition to economic trends. The sale of the superabsorbents business in late August 2024 might have been expected to contribute to a reduction in emissions, since the emissions of the sold unit were accounted for solely for the period January to August, which is when the emissions were generated. However, this effect was offset and, in part, even overcompensated by several opposing effects. Firstly, the emission factors rose in some Scope 3 categories because more recent scientific findings regarding the GHG effect of methane leakage[1] and flaring during the extraction, storage, and distribution of natural gas and crude oil had been integrated into some of the emissions data used by Evonik. Besides category 3 fuel- and energy-related emissions, this particularly affected emissions from category 1 purchased raw materials. Here, the effect compared with the previous year 2023 was much more pronounced than compared with the base year, as the average emission factor for purchased raw materials had continued to fall from 2021 up to and including 2023. This effect was heightened by differences in the development of individual business areas as well as by the increase in the volumes of electricity and natural gas supplied to third parties compared with the previous reporting period. At the same time, enhancements in the accuracy of some of our activity data, such as purchasing data, coupled with constant efforts to improve our emissions calculations led to the recording of further emissions—for example, during the usage phase.

Status of emissions targets

- Reduce absolute Scope 1 and Scope 2 emissions by 25 percent between 2021 and 2030[2]
- Reduce absolute Scope 3 emissions by 11 percent[3] between 2021 and 2030[2]

ESRS E1-4

Target achievement T37

in million metric tons of CO_2eq	Base year 2021	2024	Target year 2030	Change in %, 2024 versus base year
Scope 1 and Scope 2 emissions	6.30	5.06	4.73	–20
Scope 3 emissions[a]	15.8	14.5	14.1	–9

[a] Scope 3 emissions of all upstream categories as well as the downstream category "transportation and distribution" as defined in our SBTi target, but excluding the Scope 3 emissions that fall within the scope of the SBTi criteria for the electricity sector and are hence covered by a different intensity target. The exact wording of all Evonik emissions reduction targets validated by SBTi can be viewed at: **https://sciencebasedtargets.org/companies-taking-action**

[1] **https://esu-services.ch/fileadmin/download/jungbluth-2021-plastics%20Europe.pdf**
[2] The exact wording of all Evonik emissions reduction targets validated by SBTi can be viewed at: **https://sciencebasedtargets.org/companies-taking-action**
[3] Exact target: 11.07 percent.

Emissions along the value chain (Scope 3)

ESRS E1-6

Calculating emissions along the value chain is a complex process requiring a wealth of activity and emissions data. As a general rule, all companies over which Evonik exercises operational control are included in the calculation of the Scope 3 GHG inventory. This largely corresponds to the scope of consolidation for financial reporting. In some cases, however, it goes beyond it since the emissions data of some subsidiaries over which Evonik exercises operational control but which are not included in the consolidated financial statements for reasons of materiality are also included in the calculation of the Scope 3 GHG inventory. Emissions from micro-businesses whose data are not already included in Evonik's regular data systems are not reported due to their lack of materiality and for reasons of practicality. Emissions from purchased raw materials are mainly determined using an emissions calculation tool developed in-house. All other calculations are usually based on Microsoft Excel tables and are then performed using internally configured workflows in KNIME[1]. In some cases, assumptions must be made and estimates used, with each category being evaluated separately as described below.

Category 1: Purchased chemical raw materials, packaging materials, and indirect goods and services

Category 1 comprises emissions from the extraction, manufacture, and transportation[2] of chemical raw materials, packaging materials, and indirect goods and services.

Chemical raw materials:
The calculation of the CO_2eq "backpack" was essentially based on a list of all purchased chemical raw materials from Evonik's central ERP system, which were supplemented by relevant raw material quantities from other sources in individual cases. Emissions were calculated for all raw material quantities for which a carbon footprint was available at the time of calculation. GHG emissions for the raw material quantities with no available carbon footprint were extrapolated on this basis. In selecting the emission factors, preference was given to primary data from suppliers. Alternatively, they were based on secondary data from CarbonMinds or providers of generic LCA data, such as Sphera's Managed LCA Content database or the ecoinvent[3] database. If no suitable substance-specific emission factor could be determined, averaged emission factors were used or estimates made on the basis of similar products.

Packaging materials and indirect goods and services:
For the accounting of emissions from the production of services and purchased goods, with the exception of chemical raw materials, these items were assigned to categories 1 and 2 (capital goods) with the help of industry codes (Standard Industrial Classification (SIC)). The emissions were then calculated using output-based emission factors[4] for the corresponding codes. They are adjusted annually for inflation to ensure that they remain representative. Compared with the emissions caused by the purchase of raw materials, emissions from the purchase of other goods, services, and packaging are of little relevance.

Category 2: Capital goods

As described under category 1, a list of the indirect procurement items and allocation via industrial sectors were used to identify all capital goods relevant for category 2. It is calculated in the same way as the emissions calculation for indirect purchases in category 1.

Category 3: Energy-related activities (not included in Scope 1 and 2)

GHG emissions from the upstream value chain of solid, liquid, and gaseous fuels used in Evonik's power plants and processes during the reporting period were determined as the product of energy quantities and representative, region-specific emission factors from the Managed LCA Content database[5]. Global energy data were obtained from the internal ESTER ESHQ software. The upstream emissions for externally purchased energy quantities of steam and electricity were determined using assumptions regarding the fuel mix and the associated location-based emission factors. Emissions from purchased or acquired electricity resold to customers were also included.

[1] https://www.knime.com
[2] Except for transportation to Evonik reported in category 4.
[3] GaBi database from Sphera Solutions GmbH or ecoinvent 3.10, as of 2024; GWP100, IPCC AR6.
[4] 2012 Guidelines to DEFRA/DECC's GHG Conversion Factors for Company Reporting, Annex 13 (Indirect emissions from the supply chain) (2012); GWP100, IPCC AR2.
[5] GaBi database, Sphera Solutions GmbH, as of 2024; GWP100, IPCC AR6.

Approximate calculation was carried out using the classification of the electricity supplies from Evonik Operations GmbH and adequate CO_2 emission factors for activities outside of Germany, supplementing the corresponding upstream CO_2eq emissions. The calculation was primarily based on full-year data, eliminating the need for extrapolation using the fast-close approach. Only the emissions from the energy trading business were calculated on the basis of extrapolated data.

Category 4: Upstream transportation and distribution
Upstream transportation and distribution includes incoming goods transportation from direct suppliers to Evonik as well as transportation of products between Evonik sites, and from Evonik to customers, as instructed by Evonik. The CO_2eq emissions from internal and outbound transportation of (intermediate) products were calculated using specific emission factors[1], which take account of the different types of transportation as well as direct and indirect emissions (well-to-wheel). The calculations are based on data from logistics purchasing on quantities of goods, estimated transportation distances to direct customers or other sites using the Haversine formula, and the specific modes of transportation. Since we do not have complete information about the distances and means of transportation for inbound shipments, an average emission factor per metric ton of product transported was calculated based on data regarding Evonik's outbound shipments. Use of this average emission factor is based on the assumption that the means of transportation and average transportation distances can be applied to inbound shipments, whose emissions were then estimated using the quantity of raw materials purchased.

Category 5: Disposal and recycling of waste
Emissions from waste disposal were calculated on the basis of the volumes of waste for each type of disposal for the entire reporting period, which are recorded in the internal ESTER ESHQ software, together with the energy consumption figures. This included externally treated quantities of wastewater as well as solid production, construction, and demolition waste. The calculation was based on the average data method, with representative and in some cases regionalized emission factors for each type of disposal being determined using the Managed LCA Content database[2] and plausible assumptions regarding the carbon content.

Categories 6 to 8
Although we calculate and report categories 6 to 8, their insignificance means they are of no further relevance for Evonik and are hence not described in greater detail.

Category 9: Downstream transportation and distribution (to direct customers)
GHG emissions from the downstream transportation of goods from Evonik to direct customers (excluding the activities already covered in category 4) were calculated in the same way as for category 4 but using outbound goods volumes.

Category 10: Processing of sold products
Evonik sells intermediates primarily in a B2B environment. The portfolio includes thousands of products for a diverse range of end uses in a variety of end-customer markets. Evonik's position primarily at the heart of most value chains results in a large number of possible types and further intermediate steps for processing the individual products. This leads to an unmanageable complexity, making it impossible for us to calculate or even estimate a plausible figure for this category. It is a fundamental, familiar, and recognized problem for the chemical industry—especially in the early and mid-stage value chain.

Category 11: Use of sold products (direct emissions only)
Due to the diversity of Evonik solutions for different applications, the focus here is on calculating direct GHG emissions that are generated and released during the usage phase in the

[1] https://cefic.org/app/uploads/2021/09/Calculating-GHG-transport-and-logistics-emissions-for-the-European-Chemical-Industry-Guidance.pdf
[2] GaBi database, Sphera Solutions GmbH, as of 2024; GWP100, IPCC AR6.

downstream value chain through metabolization and decomposition from the carbon content of the Evonik products sold. Calculation of the emissions in the reporting period was based on the sales volumes, the actual or estimated carbon content of the products, and stoichiometric conversion to CO_2. Also included were the N_2O emissions of nitrogen-containing products sold as fertilizers—converted into CO_2eq using the characterization factor defined by IPCC AR6. It was assumed that they are fully released into agricultural soils and the atmosphere.

Category 12: Disposal and recycling of products

Since Evonik is in many cases not aware of the end-use applications of its own products—especially the intermediates—the emissions from their disposal were not calculated for the applications themselves, but for our products. GHG emissions associated with the disposal of the product volumes sold—excluding the quantities directly emitted already during the usage phase—were calculated on the basis of the actual or estimated product carbon content. For this purpose, emission factors from the Managed LCA Content database[1] were used or, for pure incineration, waste water treatment, and landfill, the CO_2 emission volumes were calculated using stoichiometric conversion of the carbon content. For landfill and the wastewater treatment of inert products that do not degrade within 100 years[2], only the processing effort was modeled. Recycling was assumed to have an emission factor of 0. If energy recovery during waste treatment was expected to a relevant extent, this was taken into account using representative emission factors. Statistics were used to determine the proportions of different treatment types for certain (end) product groups. If applications and disposal route(s) were unknown, a division of treatment between incineration and landfilling was assumed.

Categories 13 to 15

Category 13 emissions that arise when Evonik acts as a lessor are not reported because this category is not material for Evonik. Category 14 "Franchises" is not relevant for Evonik because it is not applicable. Screening was conducted for category 15 "Investments" and included those companies and joint ventures in which Evonik has an equity interest but over which Evonik does not exercise operational control. Including those activities where relevant emissions might be expected, this was estimated to account for less than 1 percent of Evonik's total emissions. This category is hence not considered to be material and is not reported due to the high cost of regular data collection.

The proportion of Scope 3 emissions calculated using primary data in the reporting period, based on the fast-close method, was 13.6 percent. This was primarily attributable to the increasing proportion of specific raw material emission factors made available to us by our suppliers.

[1] GaBi database, Sphera Solutions GmbH, as of 2024; GWP100, IPCC AR6.
[2] See World Business Council for Sustainable Development: Guidance for Accounting & Reporting Corporate GHG Emissions in the Chemical Sector Value Chain (2013).

10.2 Green energy

Strategy and management

To ensure that our production processes run dependably, Evonik has to rely on a stable energy supply. One of the ways in which we are countering **insufficient energy supplies and potential bottlenecks** is by switching to renewable energy sources over the long term. More than 50 sites in Europe, Asia as well as North and South America currently source or generate sustainable energy. We additionally see opportunities for **saving energy through new technologies and efficient processes (Next Generation Technologies: EAGER), such as digitally controlled energy systems.** Evonik is working to mitigate climate change by saving energy, thereby contributing to reducing the impact of adverse climate effects on people and the environment. Our energy management system ensures a continuous and lasting increase in energy efficiency at our sites. We have already optimized approximately 85 percent of our global energy requirements using an ongoing, certified process. ESRS 2 SBM-3

In the reporting period, we successfully had other sites in Europe, North America, Brazil, and Thailand certified as conforming with ISO 50001. Our certified energy management system now includes 65 sites, and ISO 50001 certification is planned for further sites in the coming years. The aim is for certification to cover more than 90 percent of Evonik's global energy consumption by 2027.

Targets

- Overall savings of 1,200 GWh of energy from implemented energy efficiency projects in the period 2021 to 2030
- Switch in externally purchased or acquired electricity to 100 percent green electricity by 2030

The executive board approved a new energy target in the reporting period. The previous energy target of reducing absolute and specific energy consumption by 5 percent in each case in the period from 2020 to 2025 was replaced by the ambitious new energy target of achieving sustainable energy savings of 1,200 GWh from implemented energy efficiency projects in the period from 2021 to 2030. At present, Evonik is comfortably ahead of schedule, but continued efforts will be needed to reach the target by 2030. Furthermore, we aim to switch to green sources for 100 percent of externally purchased or acquired electricity by 2030.

Actions

Evonik is using long-term green power purchase agreements (PPAs[1]) with various energy utilities to switch to green energy. This will make us significantly less dependent on fossil fuels at our European sites in the future. Such long-term agreements ensure the financial viability and realization of the relevant projects and help advance the energy transition. Evonik compensates for fluctuations in the wind energy and solar power feed-in through its own balance group management in Germany. Alongside green electricity, biomethane is becoming increasingly important for Evonik as a substitute for fossil-based natural gas.

In addition, we are implementing actions to increase energy efficiency on the basis of our EAGER project (see chapter 10.1 Mitigating climate change p. 129 ff.).

Progress in 2024

In August 2024, all 64 foundations for the new 960 megawatt (MW) He Dreiht offshore wind farm were installed in the North Sea on schedule as an important interim step in its construction. We are expecting the first deliveries of green electricity under the PPAs agreed with EnBW in 2022 for a total of 150 MW to start in 2026.

[1] PPAs are long-term power supply agreements between a producer (e.g., a wind farm operator) and a major customer (e.g., an industrial company).

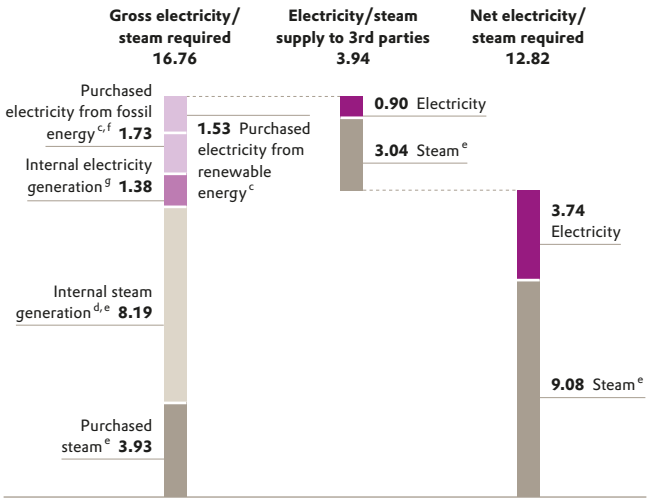
Good progress is similarly being made at the two photovoltaic sites to be newly constructed in Schleswig-Holstein (Germany). Vattenfall has meanwhile made the final investment decision for both projects. The first photovoltaic site will be commissioned in the first half of 2025 and will subsequently lead to initial deliveries of green electricity. The second photovoltaic project is expected to follow from the end of 2025. In addition, RWE will supply us with around 37.5 GWh of green electricity annually from the Kaskasi offshore wind farm starting in 2028. Kaskasi has already been in operation since the beginning of 2023.

Evonik now uses electricity solely from renewable sources for producing its ROHACELL® high-performance foam at the Darmstadt (Germany) site. This is saving the High Performance Polymers business line 3,400 metric tons of CO_2 emissions annually. PPAs and green electricity certificates ensure that the Darmstadt site receives all the electricity it needs for ROHACELL® production from renewable sources. This reduces emissions and enables customers to increase the sustainability of the products they manufacture.

Metrics

In our energy reporting, we distinguish between primary energy inputs, generally fossil fuels used to generate our own electricity and steam, and secondary energy inputs. The latter mainly comprise purchased or acquired electricity and steam. We also use substitute fuels such as thermal fuels, for instance, in the processing of by-products, waste, and sewage sludge.

Evonik's electricity and steam accounting 2024 [a,b] C51



[a] In petajoules.
[b] Including energy requirements for cooling; excluding the sale of cooling energy to third parties and internal drying heat generation.
[c] Excluding trading and excluding supply of purchased electricity to third parties in Germany.
[d] Including process heat, e.g., from acrolein production.
[e] Conversion factor: 0.78 PJ per metric ton steam.
[f] Including 0.03 TWh of electricity from nuclear power.
[g] Including 0.10 TWh of internally generated electricity from renewable sources.

Electricity and steam data T38

in GWh	2024
Self-generated electricity and steam from fossil sources	9,468
thereof steam	8,191
thereof electricity	1,277
Self-generated electricity from renewable sources	101
Purchased or acquired electricity from fossil sources	1,705
Purchased or acquired electricity from nuclear sources	27
Purchased or acquired electricity from renewable sources	1,534
Purchased or acquired steam	3,929
Electricity sold	–903
Steam sold	–3,039
Total net energy consumption	**12,822**

The coal-fired power plant in Marl (Germany) was decommissioned at the end of March 2024, making coal-fired power generation at Evonik worldwide a thing of the past. Coal has since been an insignificant component of Evonik's energy mix. In addition to natural gas-fired generation of our own electricity and steam, large amounts of process heat from exothermic reactions—for example, from the production of acrolein—are used in integrated heating systems.

Evonik's net electricity/steam consumption in 2024 decreased by 8 percent year on year to 12,822 GWh (2023: 13,997 GWh). This was mainly due to a large number of energy-saving actions and the sale of the superabsorbents business that was completed in August 2024. The use of renewable energies in 2024 amounted to 1,679 GWh, corresponding to a share of 13 percent in Evonik's total net electricity/steam consumption.

In addition, we plan to switch to green sources for 100 percent of externally purchased or acquired electricity by 2030 (status as of 2024: 47 percent). Our PPAs with EnBW, Vattenfall, and RWE in Germany will successively increase the share between 2025 and 2040. At the same time, we expect full implementation of these arrangements to reduce Scope 2 emissions (purchased power) by about 150,000 metric tons of CO_2 a year. Accordingly, this will also help us reach our Scope 1 and 2 target (see chapter 10.1 Mitigating climate change p. 129 ff.). About one-third of this reduction is to be achieved through the use of renewable energies.

ESRS E1-5

Energy consumption[a] and mix T39

in GWh	2024
Natural gas	9,901
Coal and coal products	931
Crude oil and petroleum products	1.1
Other fossil sources	1,424
Purchased or acquired electricity from fossil sources	1,705
Purchased or acquired steam	3,929
Total fossil energy consumption	**17,891**
Consumption from nuclear sources	**27**
Purchased or acquired electricity from renewable sources	1,534
Consumption of self-generated non-fuel renewable energy	101
Fuel consumption for renewable sources, including biomass[b]	44
Total renewable energy consumption	**1,679**
Total gross energy consumption	**19,597**
thereof share of fossil energy (in %)	91
thereof share of nuclear sources (in %)	0.1
thereof share of renewable sources (in %)	8.6
Sales in € billion[c]	15,157
Energy intensity ratio in GWh/€ billion	1.29

[a] As a specialty chemicals company, Evonik is allocated to the energy-intensive sector in accordance with NACE Code Division 20.
[b] Including industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.
[c] See the consolidated financial statements, "Income statement" table, "Sales" line item.

Status of the energy target

ESRS E1-5

- Switch in externally purchased or acquired electricity to 100 percent green electricity by 2030

Target achievement T40

	2024	Target year 2030	Target attainment in 2024
Proportion of green electricity in externally purchased or acquired electricity in %	**47**	100	47

Outside of Evonik Operations GmbH (Germany), Evonik obtains its electricity exclusively under external power purchase agreements (100 percent). In some cases, the responsible supplier provides individual green labeling, with unbundled guarantees of origin[1] accounting for around 97 percent and bundled renewable energy certificates only representing around 3 percent. In Germany, Evonik Operations GmbH generates most of its electricity itself, supplemented by direct sales and purchases on the wholesale market. ESRS E1-6

[1] Unbundled guarantees of origin can be marketed separately, meaning that guarantees of origin can be treated independently of the respective power supply agreement.

10.3 Water management

Strategy and management

ESRS E3-1

Adequate availability of water for cooling and production processes plays a key role in our production activities. **Production stoppages due to water shortages, particularly in water stress areas,** pose a potential risk. This is why Evonik regularly analyzes the short-, medium-, and long-term water risks at all production sites. We aim to improve water use both in our own operations and along the upstream and downstream value chain. One example of this is the reduction of water consumption in water stress areas. In 2023, we broadened our approach to analyzing water stress at our sites so as to assess water risks holistically. We use the WWF Water Risk Filter to analyze various physical risks such as water availability, droughts, flooding, and water quality. Furthermore, we evaluate transitional risks, including regulatory risks, as well as reputational risks such as water conflicts and media scrutiny. Another focus is on the 2030 and 2050 time horizons, based on the SSP (Shared Socioeconomic Pathways) climate scenarios defined by the IPCC[1]. **Increased water consumption** should be avoided in water stress areas. Going forward, we aim to develop location-specific action plans that contribute to reducing water usage and securing our production. In this way, we will conserve water resources and show consideration for the needs of our site neighbors. ESRS 2 SBM-3, ESRS E3-3

As a general rule, Evonik assesses its potential impacts, risks, and opportunities associated with water resources along its entire value chain (cradle-to-grave). We use the LEAP[2] method for this assessment. An extensive analysis of our direct operational activities has already been conducted. In 2024, we additionally began analyzing upstream and downstream activities. Water management at Evonik focuses especially on water scarcity as a material physical risk. Our water risk assessment looks at risks relative to the water catchment area and the type of water use at each site. Examples include particularly water-intensive processes. In 2023, we performed a full water catchment area assessment, which was updated in 2024. In addition to the water risks outlined above, we perform a holistic risk analysis covering the additional potential impact of natural catastrophes such as storms, hail, floods, hurricanes, tornadoes, and torrential rainfall (see chapter 9.6 Opportunity and risk management p. 114 ff.). Moreover, our sites are regularly audited by insurance companies. ESRS E3.IRO-1

Evonik saves water wherever possible and is working to further reduce its emissions to water (see chapter 11.3 Occupational health and safety p. 180 ff.). Looking ahead, we intend to contribute to improving water use both in our own operations and along the upstream and downstream value chain, including by reducing water consumption in water stress areas. To achieve this, we are working on ways to optimize the reuse, recovery, reduction, and treatment of the water used in our operations. Water quality is improved through wastewater treatment plants. We harness advanced technologies for water treatment and reuse as well as for wastewater recovery. In this way, Evonik reduces its reliance on freshwater supply and lessens its environmental impact. We ensure that our approach to wastewater discharge meets the relevant legal requirements on the preservation and protection of the aquatic environment. In 2023, Evonik adopted a water policy that is published on the company's website.[3]

Evonik additionally contributes to both reducing water consumption and keeping water clean through its products and solutions. In agriculture, for example, our amino acids for animal nutrition can help to reduce water consumption in certain regions. Additionally, our hydrogen peroxide and peracetic acid products are playing an increasingly prominent role as environmentally friendly alternatives for the disinfection of wastewater. Their only by-products are water and readily biodegradable acetic acid.

Target

ESRS E3-3

- Reduce specific freshwater withdrawal by 3 percent relative to production volume between 2021 and 2030

Our aim is to reduce specific freshwater withdrawal by 3 percent relative to production volume between 2021 and 2030. This voluntary corporate target adopted by the executive board aims to reflect the special significance of freshwater compared with seawater. No differentiation is made based on individual water risks such as water stress or on the basis of individual locations or thresholds. We plan to achieve our target through a wide range of actions applied across all of our production sites, taking technical and economic considerations into account. Identification of these actions and budgeting for their implementation are being carried out as part of our EAGER project (see chapter 10.1 Mitigating climate change p. 129 ff.).

[1] IPCC = Intergovernmental Panel on Climate Change.
[2] LEAP = Locate, evaluate, assess, prepare.
[3] https://www.evonik.com/en/sustainability/policies.html

Actions

ESRS E3-2

Evonik uses the WWF Water Risk Filter to determine the sites that are most affected by water risks. In the reporting period, we did not obtain a rating of very high or extreme for any of our 104 production sites (equivalent to a WWF Water Risk Filter score of >4.2 for the physical, regulatory, and reputational risk types). Five locations were rated high risk (equivalent to a WWF Water Risk Filter score of between 3.4 and 4.2 for the physical risk type). A further 76 locations were classified as medium risk (equivalent to a WWF Water Risk Filter score of between 2.6 and 3.4) in respect of the water catchment area for one of the three risk types. Of these, 19 locations were in the upper range. The changes compared with the previous year are attributable to the extensive updating of the WWF Risk Filter and the underlying data as well as adjustments made to the indicators used. Consequently, comparisons with the results published in the previous year are not possible. We also examined future risks for the 2030 and 2050 time horizons, including analyses for the pessimistic, current trend, and optimistic scenarios, using the WWF Water Risk Filter. The pessimistic scenario is based on very conservative assumptions. On this basis, 24 sites would be classified on average as high risk in 2030 (but none as very high or extreme). In 2050, 31 sites would be classified on average as high risk and a further five as very high risk (but none as extreme risk). Analyzing our sites using the WWF Water Risk Filter helps us identify relevant water-related impacts, dependencies, and risks within our portfolio of sites in order to derive and prioritize future actions. Furthermore, we have continued our work on an approach to assign a monetary value to water risks (see chapter 9.6 Opportunity and risk management p. 114 ff.). ESRS E1.IRO-1

We fine-tuned our assessment of water use in the reporting period by interviewing experts at our sites. We started with those sites that our water catchment area analysis identified as being in high-risk regions and/or which have high specific water consumption. To date, around half of our sites have been assessed. The interviews were designed to obtain a more in-depth understanding of the individual sites' dependencies in respect of their water resources and to determine whether the respective sites already faced water events in the past (operational water risk). The analysis helps us more effectively prioritize our sites with regard to their water risk. In 2024, we started running workshops for sites exposed both to high water risk according to the WWF Risk Filter (watershed risk) and to high operational water risk. The purpose of the workshops was to raise awareness around water risks among all relevant parties at the sites, enhance understanding of the consequences—such as higher costs or business interruptions—and derive actions.

In addition, we began analyzing activities related to water along the entire value chain in 2024. For example, we evaluated the water consumption of our raw materials based on life cycle assessment data and identified water-intensive raw materials. We subsequently initiated a more detailed supply chain analysis and conducted a water risk analysis for both these and our top five raw materials. The main focus was traceability in the supply chain. We drew on specific purchasing data as well as market analyses for our assessment. Overall, upstream and downstream activities are subject to a greater degree of ambiguity and complexity, so only parts of these activities are taken into account. Our direct operational activities are recorded and evaluated in full. Alongside life cycle assessments, we draw on data from our ESHQ software, ESTER. We model the water opportunity as part of the sustainability analysis of our business (see chapter 9.3 Portfolio transformation p. 100 ff.).

Progress in 2024

During the reporting period, we identified EAGER projects that contribute to reducing specific freshwater withdrawal, alongside cutting CO_2 emissions. For example, thanks to the use of vapor recompression, we will no longer need to purchase steam externally at our Singapore site from 2025. This integrated heat management action will reduce the demand for cooling water, in turn reducing the demand for freshwater. We also plan to use vapor

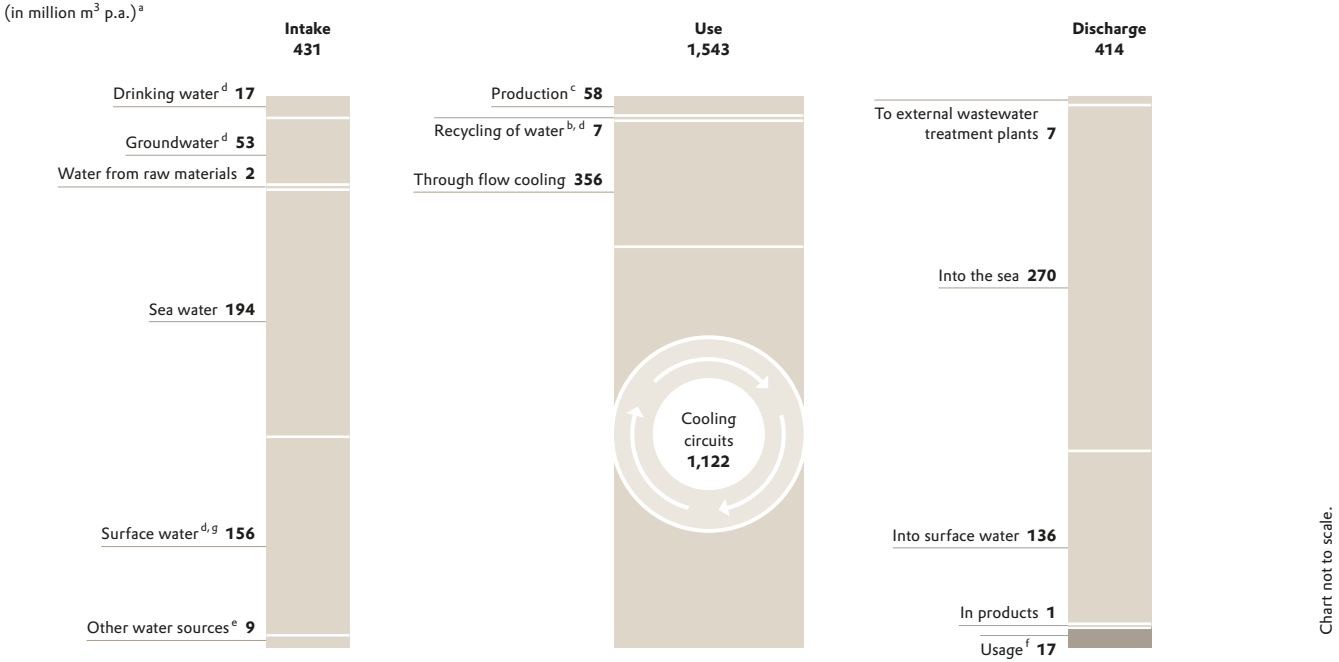
recompression at our site in Delfzijl (Netherlands). Furthermore, we began connecting our Antwerp site to the local Ecluse[1] steam network in the reporting period. This will considerably reduce fossil fuel consumption while simultaneously increasing direct heat use. As a result, we will be able to cut CO_2 emissions by at least 100,000 metric tons per year and contribute to annual water savings of around 42,000 m³ at the Antwerp site. In addition, our Active Oxygens business line is planning to implement Power-to-Heat (PtH) projects for the period up to 2030. These include, for instance, installing heat pumps in Europe, which are expected to save more than 3 million m³ of water a year.

Outside of our EAGER projects, further process improvements are helping reduce freshwater consumption. For example, Evonik is planning to use treated municipal wastewater instead of drinking water for the cooling towers at its Antwerp site. Additionally, there are plans to use the treated wastewater for steam generation, chemical processes, and in the desalination plants at this site. Based on full capacity utilization, this should allow savings of around 2.5 million m³ of drinking water a year at the site from 2026 and reduce freshwater requirements by a further 10 percent. In view of this, the municipal water utility in Antwerp is planning to build a cooling water factory with several technology companies in the next three years to recycle and treat municipal wastewater[2].

Metrics

Evonik's water data 2024

C52



[a] Figures in the chart are rounded. | [b] E.g., condensate recycling. | [c] Water used in chemical processes, including generation of steam and water for sanitary purposes.
[d] Freshwater. | [e] E.g., rainwater. | [f] Water consumption is the difference between water withdrawal and the return of water. It primarily relates to evaporation losses.
[g] Including brackish water.

[1] https://ecluse.be/homepage
[2] https://water-kracht.be/en/waterkracht

ESRS E3-4

Water data T41

in million m³	2024
Water withdrawal	
Drinking water	17
Groundwater	53
Surface water[a]	156
Water from raw materials	1.7
Other water sources	8.8
Total freshwater	**236**
Sea water	194
Total water withdrawal	**431**
Water discharge	
into sea water and brackish water	–270
into surface water	–136
into external treatment facilities	–7.4
into products	–0.9
Total water discharge	**–414**
Total water consumption[b]	**17**
thereof in areas at water risk, including areas of high water stress	2.5
Total water recycled and reused	7.4
Sales in € million	15,157
Water intensity ratio in m³/€ million	1,119
Production in million metric tons	7.31
Specific freshwater withdrawal in m³/metric tons	**32.3**

[a] Including brackish water.
[b] Water consumption is the difference between water withdrawal and the return of water. It primarily relates to evaporation losses.

Total water withdrawal was 431 million m³ in the reporting period (2023: 403 million m³), while discharges amounted to 414 million m³ (including water in products). In 2024, water consumption—defined as the difference between water withdrawal and discharge—amounted to 17 million m³. It resulted mainly from losses due to evaporation and drying. In 2024, the largest proportion of water discharges was accounted for by through-flow cooling water with 356 million m³. Wastewater amounted to 57.3 million m³.

Total water recycled and reused in 2024 amounted to 7.4 million m³. Most of this—80 percent—related to condensate recycling. The water intensity ratio is 1,082 m³/€ million.

Data used in Evonik's water inventories were mainly based on measured data, evaluations from internal accounting systems, and special reports to the authorities. The data thus obtained for our main sites were supported with additional calculations based on site-related input/output data.

Status of the water target

- Reduce specific freshwater withdrawal by 3 percent relative to production volume between 2021 and 2030

Between 2021 and 2024, production declined by 23 percent due to portfolio measures, plant closures, and falling demand. In the same period, the use of freshwater decreased less markedly, by 8 percent. The reasons for this include divestments and the closure of plants that used water in closed-circuit rather than through-flow cooling systems. As a result, their freshwater consumption in relation to production is lower than the group average.

Target achievement T42

in m³/metric ton	Base year 2021	2024	Target year 2030	Change in %, 2024 versus base year
Specific freshwater withdrawal relative to production volume	26.8	32.3	26.0	+21

10.4 Biodiversity

Strategy and management

ESRS E4-1, ESRS E4-2

We are aware that our business operations involve both opportunities and risks with regard to biodiversity. These include, for instance, the **loss of biodiversity on land and in the oceans, including microbial organisms.** It is important to **avoid supply chain disruption and any resulting production stoppages at Evonik caused by biodiversity loss and damaged ecosystems.** This may occur if it is no longer possible to deliver the necessary ecosystem services. For example, damaged ecosystems may restrict the availability of biogenic raw materials for production. The starting points for Evonik's examination of biodiversity are conventional environmental topics such as emissions into the air and water as well as water and waste management, which we report on regularly as part of our sustainability reporting. In addition, the following aspects of biodiversity are addressed in the sustainability analysis of our business (see chapter 9.3 Portfolio transformation **p. 100 ff.**) water, eutrophication, acidification, land use, use of renewable raw materials, emissions of critical and persistent chemicals, and microplastics. Evonik has adopted a biodiversity policy that is published on its website[1].

Declining biodiversity negatively impacts Evonik's business activities. At the same time, our business activities can adversely impact biodiversity. We performed a risk analysis of our business model in which, in addition to the areas of climate, water, biodiversity, and chemical safety, we evaluated long-term physical, transitional, and systemic risks (2030 and 2050 time horizons) (see chapter 9.6 Opportunity and risk management **p. 114 ff.**). Evonik's products and solutions also play a part in preserving biodiversity and help protect habitats. Through the responsible procurement of palm oil, palm kernel oil, and their derivatives, Evonik is seeking to ensure deforestation-free supply chains (see chapter 10.5 Circular economy **p. 153 ff.**). ESRS 2 SBM-3, ESRS E4.IRO-1

When considering the issue of biodiversity, we refer to the ecosystem services and direct drivers of biodiversity loss as defined by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBE[2]). According to this body, biodiversity and ecosystems are natural capital and pave the way for processes that are vital for life. They provide what are known as ecosystem services, which can be divided into four categories:

- Provisioning services (such as wood, water, clean air)
- Regulating services (such as climate regulation, pollutant decomposition, water purification)
- Supporting services (such as nitrogen and carbon cycles, water cycle, soil formation)
- Cultural services (such as therapeutic, recreational, spiritual fulfillment)

Communities and economic systems are supported by these ecoservices. According to the UN's IPBES report, biodiversity and ecosystem services have been decreasing across the globe as a result of anthropogenic influences. The IPBES defines the following as the direct drivers of biodiversity and ecosystem loss:

- Land-/sea-use change
- Direct exploitation
- Climate change
- Pollution
- Invasive alien species

Since 2023, we have examined and quantified the direct drivers of biodiversity loss as defined by IPBES. The main drivers of relevance for Evonik are climate change, pollution, direct exploitation (water withdrawal), and land use change (in the upstream supply chain).

Targets

Based on the IPBES definition of the direct drivers of biodiversity loss, Evonik contributes to preserving biodiversity by addressing issues such as the mitigation of climate change or the direct exploitation of resources such as water. Our climate, water, and waste targets (see chapter 10.1 Mitigating climate change **p. 129 ff.**, chapter 10.3 Water management **p. 143 ff.**, and chapter 10.5 Circular economy **p. 153 ff.**) thus contribute indirectly to preserving biodiversity. These targets are:

- Reduce absolute Scope 1 and Scope 2 emissions by 25 percent between 2021 and 2030
- Reduce absolute Scope 3 emissions[3] by 11 percent[4] between 2021 and 2030
- Reduce specific freshwater withdrawal by 3 percent relative to production volume between 2021 and 2030
- Reduce specific production waste volume by 10 percent relative to production volume between 2021 and 2030

[1] **https://www.evonik.com/en/sustainability/policies.html**
[2] Source: IPBES 2019; Global Assessment Report on biodiversity and ecosystem services of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services. E. S. Brondizio, J. Settele, S. Díaz, H. T. Ngo; **https://ipbes.net/global-assessment**
[3] Scope 3 emissions comprise all upstream categories as well as the downstream category "transportation and distribution" as defined in our SBTi target.
[4] Exact target: 11.07 percent.

Actions

We aim to achieve our targets through the implementation of our climate, water, and waste actions. Compensatory and restitution actions are carried out in line with regulatory and/or legal requirements (for example, in the context of permitting processes). In the future, we will introduce an IT application that, for instance, enables us to build a holistic understanding of the existence and diversity of Indigenous peoples at our locations. ESRS E4-3, ESRS E4-4

In the reporting period, we began examining water and biodiversity risks in the supply chain. Our primary focus here is water-intensive raw materials and renewable raw materials, as these generally have a greater need for irrigation. We also assess the effects of land use and the CO_2 emissions that result from a land use change on renewable raw materials. In order to gain a better understanding of how our operations influence biodiversity aspects, we analyze our sites. Since 2023, we have used the WWF Biodiversity Risk Filter and the WWF Water Risk Filter to assess the risks at our sites. This means that our assessments are based on the recognized methods of an established nature conservation and environmental organization. At sites where the anticipated risks are high and which are located close to conservation or key biodiversity areas, we aim to also examine the direct drivers of biodiversity loss in greater detail going forward. Key biodiversity areas are those with land, freshwater, and marine ecosystems that play a pivotal role in protecting global biodiversity. Areas are classified as global key biodiversity areas if they meet one or more of eleven criteria, which are clustered into the following five categories: threatened biodiversity, geographically restricted biodiversity, ecological integrity, biological processes, and biological irreplaceability. In the reporting period, we conducted interviews and workshops on the subject of biodiversity together with our sites. We subsequently initiated a more extensive analysis for sites in the Asia-Pacific region (for example, Shanghai MUSC and Rayong) because it is more exposed to physical risks and the topic is becoming increasingly important there. Looking ahead, we intend to take a more holistic approach in our site analyses. In 2024, we began identifying and evaluating nature-related opportunities and risks. Besides examining the drivers of biodiversity loss and making risk assessments, we reviewed our dependence on ecosystem services (see chapter 9.6 Opportunity and risk management p. 114 ff.). Furthermore, we plan to apply the LEAP approach developed by the TNFD[1] to even better reflect the issue of biodiversity in the sustainability analysis of our business activities. ESRS E4-1, ESRS E4-2

For other biodiversity analyses, Evonik uses a geoinformation system based on data from the IBAT Alliance[2]. On this basis, we annually examine the potential impact of our sites worldwide on areas of special significance for biodiversity. This focuses on all sites within one kilometer of conservation or key biodiversity areas. The data on conservation and key biodiversity areas made available by the IBAT Alliance are linked to the data on Evonik sites in our geoinformation system, GISSus. Going forward, we will examine the impact of our sites on endangered species. ESRS E4-2, ESRS E4.SBM-3

Moreover, we are working to compile and visualize additional biodiversity indicators. To this end, a group-wide biodiversity dashboard is currently being developed so that, in the future, the sites most affected can be identified more easily and appropriate actions defined.

Progress in 2024

Our sites are engaged in various initiatives to protect biodiversity. For example, at our site in Antwerp (Belgium), we have committed to participating in the Voka[3] Charter for Sustainable Entrepreneurship. Initial activities, including the renesting of protected barn swallows and litter collection, have been successful. Following a positive evaluation of the initiative as a whole, Evonik Antwerp was awarded the Voka Charter for Sustainable Entrepreneurship in the reporting period. The Antwerp site is also aiming for SDG Champion status in the PCA2030 trajectory (SDG Pioneer, SDG Champion, SDG Ambassador). A 14-point plan around the 17 SDGs has already been developed to achieve this. The project includes reducing the site's NO_x/NH_3/SO_x emissions. Our plan is expected to be validated in the first half of 2025.

[1] TNFD = Taskforce on Nature-related Financial Disclosures.
[2] The IBAT Alliance comprises the following four non-governmental organizations: (1) BirdLife International, (2) Conservation International, (3) International Union for Conservation of Nature (ICUN), (4) United Nations Environment Programme – World Conservation Monitoring Centre (UNEP-WCMC).
[3] Voka = A Flemish network of companies in Belgium.

Moreover, Evonik's products and solutions contribute to conserving biodiversity. At the site of the Pioneer Park residential quarter in Hanau (Germany), for instance, one of our products has been used to help remediate the groundwater that had been contaminated with volatile organic compounds (VOCs). A former military barracks, the area is being transformed into a contemporary residential area set to house 5,000 people. Evonik's EHC® Reagent product is being used for the project. It combines controlled-release organic carbon with micronized zero valent iron (ZVI) to trigger chemical and microbiological degradation. The product is injected directly into the soil. This in-situ treatment offers the advantage of not requiring soil to be excavated or groundwater to be pumped to the surface. EHC® Reagent is produced using recycled and bio-based raw materials. The joint remediation project of Evonik, AECOM, and Sensatec was recognized at the German Brownfield Award® 2024, taking the bronze medal in the "Especially Sustainable" category. In addition, Evonik's Health Care business line markets products that can be used as alternatives to animal-derived substances in pharmaceutical applications. In this way, we are positively contributing to circularity and biodiversity. With PhytoSquene®, a squalene derived from amaranth oil that can be used in vaccines such as the H1N1 flu vaccine, Evonik offers an alternative to traditional production using shark liver oil. As many species of shark are currently endangered, this product contributes to preserving biodiversity. In the reporting period, this innovation was recognized with the "CPHI 2024 (Convention on Pharmaceuticals Ingredients) Excellence in Pharma Award" in the sustainability category.

Since 2023, an internal expert group at Evonik has met regularly to address relevant biodiversity topics. We follow the activities of biodiversity initiatives such as the TNFD, the SBTN, and the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). Additionally, Evonik continues to support various legislative procedures on the subject of soil protection as a specific facet of biodiversity. By assuming leading roles in corresponding working groups at the German chemical industry association (VCI) and the federation of German industries (BDI), we maintain dialogue with national and international decision makers, contributing our experience. ESRS E4-1

Metrics

The following table **T43** "Sites exposed to potentially material risks" **p. 150** shows the sites with potential material risks that we have determined based on the WWF Biodiversity Risk Filter for both the physical risk and reputational risk types. Various indicators were assessed for each risk type. The overall assessment for each risk type was determined based on the individual assessments of the indicators. A potentially high risk exists for a risk type if the overall assessment is >3.40. ESRS E4.IRO-1, ESRS E1.IRO-1

The risk analysis shows that, at present, we have four production sites in regions with high potential physical risks. The biggest physical risks at these sites are air and water quality, landslides, fire hazard, extreme heat, tropical cyclones, and water scarcity. One of our sites is located in an area classified as having potentially high reputational risks, including particularly critical media coverage as well as a high risk related to labor rights and human rights. Furthermore, we have identified the material potential (negative) impacts of our sites on biodiversity, ecosystems, and biodiversity-sensitive areas. These are water consumption (see chapter 10.3 Water management **p. 143 ff.**), greenhouse gas emissions (see chapter 10.1 Mitigating climate change **p. 129 ff.**), pollution such as emissions into the air and water (see chapter 11.3 Occupational health and safety **p. 180 ff.**), and waste (see chapter 10.5 Circular economy **p. 153 ff.**). We also examined dependencies on ecosystem services. In this regard, water intake at the Jhagadia (India), Nanning, and Zhenjiang (both China) sites is noteworthy. Going forward, we plan to additionally consider the environmental condition of biodiversity-sensitive areas near our sites. ESRS E4.IRO-1

ESRS E4.SBM-3

Sites exposed to potentially material risks T43

Site	Country	Potentially material risks	Explanation
Jhagadia	India	High (3.4) for **physical risks**	• "High" **physical risk** for the water availability, air and water quality, and extreme heat indicators; "very high" for the pollution indicator • Additionally, "very high" risk for the media scrutiny indicator within the reputational risk type
Nanning	China	High (3.4) for **physical risks**	• "High" **physical risk** for the limited wild flora and fauna availability, air quality, fire hazard, extreme heat and tropical storms indicators; "very high" risk for the plant/forest/aquatic pests and diseases, and pollution indicators • Additionally, "high" risk for the labor and human rights indicator within the reputational risk type
Jilin	China	High (3.44) for **reputational risks**	• "High" **reputational risk** for the labor and human rights as well as sites of international interest indicators; "very high" for the media scrutiny indicator • Additionally, "high" risk for the air quality and tropical storms indicators; "very high" for pollution within the physical risk type
Nanping-Laizhou	China	High (3.5) for **physical risks**	• "High" **physical risk** for the water quality, air quality, landslide, fire hazard, extreme heat, and tropical storms indicators; "very high" risk for the pollution indicator • Additionally, "high" risk for the labor and human rights indicator; "very high" risk for the media scrutiny indicator within the reputational risk type
Zhenjiang	China	High (3.75) for **physical risks**	• "High" **physical risk** for the water quality, air quality, extreme heat, and tropical storms indicators; "very high" risk for the pollution indicator • Additionally, "very high" risk for the media scrutiny indicator; "high" risk for the labor and human rights indicator within the reputational risk type

The table T44 "Sites near to biodiversity-sensitive areas" shows our ten biggest production sites adjacent to conservation or key biodiversity areas. Overall, 36 percent of our production sites are located within one kilometer of conservation or key biodiversity areas. We also include Natura 2000 areas in our overview of conservation areas adjacent to our sites. A total of 30 production sites are adjacent to conservation areas. The total area of all production sites adjacent to conservation areas is around 1,971 hectares, which is 51 percent of the area of all production sites. Thirteen production sites with a total area of 219 hectares are adjacent to key biodiversity areas. This represents 0.6 percent of the area of all production sites. The Krefeld and Greensboro (North Carolina, USA) sites were sold on August 31, 2024. Hence, the areas of these sites were taken from the 2023 sustainability report.

ESRS E4.IRO-1, ESRS E4-5

Sites near to biodiversity-sensitive areas T44

Site	Country	Area in (ha)	Types of areas of importance for biodiversity	IUCN category	Name of the area of importance for biodiversity
Lafayette	USA	700.4	Private nature reserve	V	Lookout Point Site Fee
			Private nature reserve	V	Wabash Breaks Site Fee
			Nature reserve	V	Wea Creek Gravel Hill Prairie
Marl	Germany	664.2	Natura 2000	none	Lippeaue
			Protected landscape	V	LSG-Frentroper Mark
			Protected landscape	V	LSG-Grosse Heide, Wulfener Heide, Lange Heide
			Protected landscape	V	LSG-Haltern Lippetal und Dattelner Lippetal
			Protected landscape	V	LSG-Lippramsdorfer Flachwellen und Niederungen
			Protected landscape	V	LSG-Sickingmuehlenbach
			Nature reserve	IV	NSG Lippeaue
Morrisburg	Canada	113.2	Nature park	Ia	Dupont Provincial Park (Nature Reserve Class)
Antwerp	Belgium	108.3	Environmental network	none	De Slikken en schorren langsheen de Schelde
			Nature reserve	IV	Groot Buitenschoor en Galgenschoor
			Nature reserve	IV	NBP-AN-20-0145 type 3
			Natura 2000	none	Schelde- en Durmeëstuarium van de Nederlandse grens tot Gent
			Key biodiversity area	none	Schorren en Polders van de Beneden-Schelde
			Natura 2000	none	Schorren en Polder van de Beneden-Schelde
			Ramsar-Gebiet	none	Schorren van de Beneden Schelde

ESRS E4.IRO-1, ESRS E4-5

Sites near to biodiversity-sensitive areas T44

Site	Country	Area in (ha)	Types of areas of importance for biodiversity	IUCN category	Name of the area of importance for biodiversity
Hanau-Wolfgang	Germany	77.7	Protected landscape	V	Auenverbund Kinzig
			Natura 2000	none	Erlensee bei Erlensee und Bulau bei Hanau
			Nature reserve	IV	Rote Lache von Wolfgang
			Protected landscape	V	Stadt Hanau
			Natura 2000	none	US-Militärgelände bei Großauheim
Rheinfelden	Germany	55.4	Forest reserve	none	Eichenwaldreservate Rheinfelden (Wasserloch, Rüchi und Heimeholz)
			Key biodiversity area	none	Jura mountains of Baselland – Solothurn
			Protected landscape	V	Schloss Beuggen
Wesseling	Germany	33.2	Protected landscape	V	LSG-Entenfang
			Protected landscape	V	LSG-Freiräume um Meschenich, Immendorf und Rondorf
			Protected landscape	V	LSG-Freiräume um Zuendorf, Wahn, Libur, Lind und Langel rechtsrheinisch
			Protected landscape	V	LSG-Landschaftskorridore
			Protected landscape	V	LSG-Rhein, Rheinauen und Uferbereiche von Rodenkirchen bis Langel rechtsrheinisch
			Protected landscape	V	LSG-Urfelder Weiden und Rhein
			Nature reserve	IV	NSG Langeler Auwald, rechtsrheinisch
			Nature reserve	IV	NSG Luelsdorfer Weiden
			Natura 2000	none	Rhein-Fischschutzzonen zwischen Emmerich und Bad Honnef
Herne	Germany	26.1	Protected landscape	V	LSG-Dorneburger Muehlenbach in Bochum-Mitte
			Protected landscape	V	LSG-Park Hordel, Dahlhausen, Hueller Bach, Hofsteder Bach und Marbach in Bochum-Mitte
			Protected landscape	V	LSG-Südlich Holsterhauser Straße/Stadtgrenze Bochum
			Nature reserve	IV	NSG Hofsteder Weiher
Krefeld	Germany	23.7	Natura 2000	none	Latumer Bruch mit Buersbach, Stadtgräben und Wasserwerk
			Protected landscape	V	LSG-Elt
			Protected landscape	V	LSG-Muendelheimer Rheinbogen
			Protected landscape	V	LSG-Oppumer Feld
			Protected landscape	V	LSG-Rheinuferbereich
			Nature reserve	IV	NSG In der Elt
Greensboro	USA	23.5	Conservation area	V	Troy Street
			Conservation area	V	Vance Street

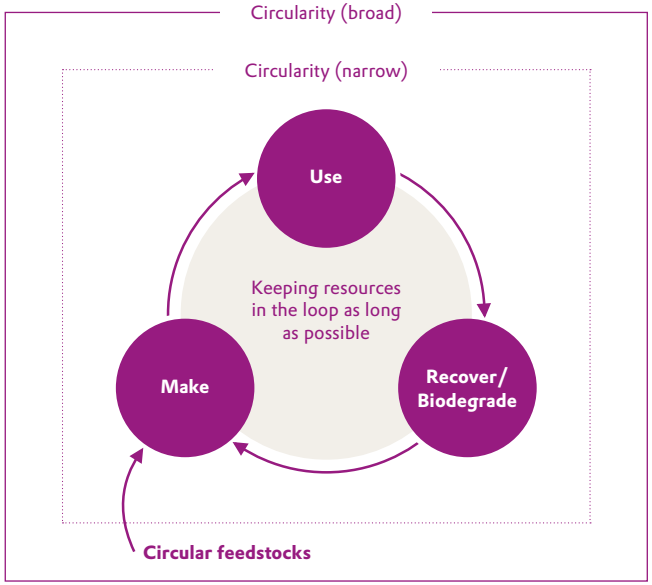
10.5 Circular economy

Strategy and management

Evonik regards circular economy as a fundamental transformation of economic activity. Circular economy is a system-oriented approach covering industrial processes and economic activities along the entire value chain. It aims to achieve a climate-neutral, resource-efficient economy which preserves the value of products, materials, and resources for as long as possible. Circular economy means decoupling economic growth and the use of resources by returning valuable raw materials to the loop at the end of their useful life. **Better use of resources** is a top priority for Evonik. Likewise, the circular economy is becoming increasingly important to Evonik in view of our planet's limitations. Growing scarcity of raw materials may lead to **inadequate resource availability in the supply chain.** Activities such as the diversification of raw materials enable us to **enhance the reliability of supply for production,** helping reduce our reliance on finite fossil-based and other non-circular resources. As a specialty chemicals company, Evonik is an integral part of various value chains and has in-depth knowledge of and expertise in the processes, technologies, opportunities, and risks of upstream and downstream players. **Circular economy thus opens up new business opportunities** and attractive growth potential for Evonik. ESRS 2 SBM-3, ESRS E5.IRO-1

Circular economy involves looking at the entire life cycle of products. We endorse all business activities, technologies, and innovations that help speed up ecologically and economically viable actions to promote circular value chains. In the reporting period, we adopted a policy on the circular economy and use of resources, which we published on our website[1]. As a specialty chemicals company, Evonik is primarily at the heart of various value chains. That makes refining our products and technologies and changing our raw material platforms fundamental to achieving a circular economy. Alongside our own aspirations, major drivers include the increasingly stringent regulatory requirements coupled with the voluntary commitments of our customers and other companies—like the manufacturers of end products—along the value chain, as they are defining ever more ambitious plans to reduce CO_2 as well as targets for the use of circular materials. Working with partners at every link in the value chain is key to Evonik's successful role in the transformation to a circular economy.

Circular economy C53



Within the WBCSD[2], Evonik's involvement relates to the use of circularity metrics and the ongoing development of portfolio sustainability assessments (see chapter 9.3 Portfolio transformation p.100 ff.) to improve the evaluation of the entire product portfolio from the perspective of circularity. The sustainability analysis enables us to manage our impacts, risks, and opportunities in relation to the use of resources and circularity as well as to fine-tune our strategies and business models. The focal areas in the product life cycle are the production phase (including raw materials procurement), the usage phase, and the recyclability of products. ESRS E5.IRO-1

One ongoing challenge is the **limited availability of circular raw materials.** These include renewable or bio-based, recycled, and CO_2-based raw materials. Of these, Evonik almost exclusively uses renewable raw materials. We are endeavoring to **increase the proportion of circular raw materials.** For example, we make use of bio-based raw materials in our fermentative production processes, with sugars such as dextrose and saccharose used as substrates for the production of amino acids, rhamnolipids, and sophorolipids. Additionally, natural fats and oils and their derivatives are used to produce precursors for the cosmetics, detergents, and cleaning agents industries as well as in technical processing aids. Renewable raw materials are among the goods that are to be given particularly careful consideration in the procurement process, especially with a view to ecology and the reliability of supply. Consequently, they are subject to special examination. At the same time, Evonik views the circular economy as an opportunity to switch its procurement of critical raw materials, as defined in the EU Critical Raw Materials Act, to circular sources. ESRS 2 SBM-3

[1] https://www.evonik.com/en/sustainability/policies.html
[2] WBCSD = World Business Council for Sustainable Development.

Palm oil, palm kernel oil, and their derivatives make up the largest proportion of renewable raw materials. At Evonik, these materials are primarily used to produce ingredients for the cosmetics, detergents, and cleaning agents industry (Care Solutions business line) as well as to produce polymers used to improve the viscosity index and reduce the pour point of lubricants (Oil Additives business line). Specific strategies, targets, and actions with regard to palm oil are defined by the operational management teams in the Care Solutions and Oil Additives business lines. Evonik's annual requirements are around 82,000 metric tons. We are critical of the establishment of new palm oil plantations and the associated land use change. This is why we pay special attention to the ecological and sociopolitical developments relating to this market. For many years, Evonik has supported the use of sustainable palm oil in the supply chain. The focus here is on internationally recognized certification standards. Evonik has been a member of the Roundtable on Sustainable Palm Oil (RSPO) since 2010. In our annual RSPO progress report, we outline our activities and targets to foster sustainable palm oil production. In keeping with our commitment to ensuring the responsible use of palm oil, we network with NGOs, customers, and other stakeholders in the value chain. Recommendations for the sustainable procurement and use of palm oil, palm kernel oil, and their derivatives can be found on our website.[1] In this way, we aim to heighten our employees' awareness around responsible palm oil use and procurement. Furthermore, Evonik advocates the responsible use of woodland and forests as well as protection of the soil. Our Care Solutions and Oil Additives business lines are founding members of Action for Sustainable Derivatives (ASD). The goal of the ASD initiative is to ensure the traceability of palm (kernel) oil derivatives to mills and plantations. Its risk analysis methods and joint action plans aim to help counter progressive deforestation and promote human rights considerations. Within ASD, Care Solutions and Oil Additives report annually on the degree of transparency in the supply chain and at the oil mills involved. In the future, ASD will broaden its scope to cover raw materials such as coconut derivatives in addition to palm oil. If there are (possible) human rights violations by our indirect suppliers in our palm oil supply chains, we ask our direct suppliers to clarify the matter reported to us and, in the case of actual violations, to initiate corrective measures. Due to the widespread and fragmented nature of palm oil supply chains, it is frequently impossible for us to trace whether the relevant indirect supplier is actually part of our own supply chains. We are aware that we need greater transparency in our deeper supply chains to be able to agree and implement appropriate and effective corrective measures with suppliers also in this area. We are already in contact with relevant providers and other stakeholders regarding this matter, which we also address in our biodiversity policy.[2] ESRS E5.IRO-1, ESRS E4-2

Through our global circular economy program, we are expediting our business activities toward a circular economy by integrating all business lines at Evonik. We review both the circularity of raw materials of all types and the value chains in all of Evonik's markets.

Our approach to waste management follows a clear principle: The first priority is to avoid waste; otherwise, waste should be recycled or used to generate energy. If this is not possible, and then only as a third option, it should be disposed of safely. Optimization of production processes contributes to avoiding and minimizing waste. That includes in-plant reprocessing of substance streams and the use of highly specialized catalysts to minimize side reactions. Where waste is unavoidable, material or energy recovery takes precedence. At our sites, various types of recyclable waste such as glass, paper, and wood are collected separately and sent to external recycling firms. We regularly monitor these firms through audits to review their suitability in line with statutory provisions. Evonik harnesses the benefits of integrated production sites and composite systems. By-products of a production process are used as raw materials in other production plants. Integrated management means that waste products can be used in nearby plants. At Marl Chemical Park in Germany, liquid organic residues are used as a substitute for heavy heating oil in the syngas plant and waste sulfuric acid is recycled in the sulfuric acid plant. If material recovery is not possible or not expedient with regard to the waste hierarchy, waste with a high calorific value ("substitute fuel") is used to produce energy.

[1] https://personal-care.evonik.com/en/sustainability/responsible-sourcing
[2] https://www.evonik.com/en/sustainability/policies.html

This reduces the use of primary fossil fuels. We use some of the exhaust gases from production plants as substitute fuels. In turn, heat from the substitute fuels and incineration gases is used to generate steam. ESRS E5-1

Targets

ESRS E5-3

- Generate at least €1 billion in additional sales with circular products and technologies by 2030
- Reduce specific production waste volume by 10 percent relative to production volume between 2021 and 2030

Through the global circular economy program, Evonik—in cooperation with internal and external partners—intends to help make circularity possible. This is also reflected in our target of generating at least €1 billion in additional sales with circular products and technologies by 2030. Circular products and technologies pave the way for design geared to enhancing circularity, the use of circular raw materials, extended useful lives as well as improved recycling processes and recyclate quality. While business areas associated with plastics and related applications have been the biggest contributors to date, other Evonik business areas are now emerging on the road to meeting our targets. ESRS E5-3

Moreover, between 2021 and 2030, we aim to reduce the volume of specific production waste relative to production volume by 10 percent. We plan to achieve this by implementing a wide range of actions at our production sites. These actions were identified, for example, within the scope of the EAGER project. Our voluntary targets adopted by the executive board are aimed at the top level of the waste management hierarchy, waste prevention.

Actions

Our global circular economy program comprises short- to medium-term actions with a clear focus on business developments. Examples of these actions include:

- The use of circular raw materials
- The development of solutions for mechanical and chemical recycling technologies
- The identification of business opportunities and the development of circular business models
- The intensive examination and structuring of new value chains

Evonik breaks down its activities into the areas of raw materials procurement, waste and resource management in its own production, and solutions that make circularity possible.

Raw materials procurement

The procurement of circular raw materials covers bio-based, recycled (bio-based and non-bio-based), and CO_2-based materials. Evonik's aim is to increase the use of circular raw materials to reduce the consumption of finite resources, shrink its own carbon footprint, and notably reduce Scope 3 emissions along the value chain. To this end, we are examining technical, economic, ecological, and social aspects as well as developing new business models. In line with this, Evonik opened a new plant for the production of rhamnolipids in Slovakia in 2024. Rhamnolipids are effective and sustainable biosurfactants suitable for use in areas such as personal care, cleaning, coatings, animal feed, and agriculture. Thanks to this IP-protected, fermentation-based process, we are now playing a leading role in the development and production of biosurfactants on an industrial scale. Our rhamnolipids are made from renewable corn feedstocks using a biotechnological process. This yields a high-performance, non-toxic, biodegradable biosurfactant. Rhamnolipids are in ever greater demand because they provide a sustainable alternative to surfactants based on fossil sources or tropical oils. Additionally, Evonik produces, for instance, ingredients for skincare products from plant-based residues—thereby playing a part in the conservation of primary plant-based resources. In order to build up a circular system for sustainable recycling of polyurethane, we cooperate with one of the world's leading recycling companies, which provides us with end-of-life mattress foams as a circular raw material.

Waste and resource management

Continuous process optimization and the efficient use of resources play a major role in our production activities. We use a wide variety of actions to drive our activities toward circularity. These include:

- Increasing resource efficiency by continuously optimizing production processes
- Measuring and reporting on waste from our production plants in keeping with our goal of reducing production waste
- Leveraging the benefits of integrated production sites and systems for systematic waste management in alignment with the waste hierarchy
- Reducing, reusing, and recycling the packaging used for our products

Our building protection additives enhance, for example, the stability and appearance of concrete structures that are exposed to weathering and environmental influences. Our surfactants enable printing inks to be washed out of used plastics faster, so they reduce the ink residues in recycled plastics. In addition, after the washing process, less water remains on the plastic, saving time and energy in the drying process. Our additives also minimize odor and improve the processability and mechanical properties of recyclates. This opens the way for higher yields of secondary materials with better quality recyclates. We are involved in a consortium with BMW and other companies along the value chain. Its aim is to increase the proportion of recyclates that can be used in automotive components to enable circularity in the automotive sector.

Chemical recycling is a solution for waste streams that cannot be recycled eco-efficiently using mechanical or technical processes. That applies, for example, to mixed, heavily contaminated, or colored thermoplastics and duroplasts that cannot be melted. To achieve this, Evonik makes additives, adsorbents, catalysts, and process know-how available to its partners. In doing so, we facilitate chemical recycling of plastics residues that would otherwise be incinerated or disposed of in landfills. It is our way of helping to avoid incineration of heavily blended or contaminated plastics by enabling their use in the production of pyrolysis oils. Thanks to this technology, plastics streams are converted into pyrolysis oil at a high temperature without air. This oil can then be used as a substitute for fossil naphtha in crackers, providing the basic ingredients for the synthesis of polymers. The technology is currently still at the pilot stage. To help meet the ecological and economic requirements also on an industrial scale, we have increased our product offerings for making pyrolysis oils. We supply adsorbents and catalysts for the separation of contaminants and purification as well as additives that enable the processing of pyrolysis oils at low temperatures. Our SiYPro™ additives help our partners make reprocessing in crackers safer and more robust. Another way of ensuring the circularity of heavily contaminated or mixed plastics streams is the production of synthesis gas. For this, too, we provide cleaning technologies such as adsorbents. Similarly, our alkoxide catalysts and process technologies enable the end-of-life-cycle recycling of PET packaging and colored PET plastics unsuitable for mechanical recycling. We envision that alkoxides will play a key role in chemical recycling of PET plastics going forward. Accordingly, Evonik is expanding its global alkoxides business with a new facility in Singapore. Alongside plastics, material classes like raw materials and the recycling of batteries for the energy transition are set to gain in importance going forward.

Since a circular economy extends beyond recycling approaches and includes the production and usage phases of products, Evonik technologies are also used in design for recycling and design for circularity. For instance, our binder for heat-sealing applications allows packaging materials such as yogurt pots to be produced from a single material so they can be recycled. Other examples include a 3D-printed monomaterial prototype of a car seat as well as monomaterial toothbrushes. In these applications, polyamide 12 replaces all previous material blends, facilitating cost-efficient and eco-friendly mechanical recycling. This concept is geared to inspiring other product designers to reduce the number of materials where possible. New business models such as leasing could make such concepts viable also in more price-sensitive markets. Evonik complements this technical approach by using bio-based products; these are particularly significant for our Nutrition & Care division.

Progress in 2024

We conducted a circular economy assessment also in the reporting period in order to provide a structured record of the circularity indicators for our sustainability analysis (see chapter 9.3 Portfolio transformation p. 100 ff.). We will continue to adapt this method in line with changing requirements. The aim is to determine opportunities and risks for our entire portfolio even earlier and more effectively so that we can derive specific strategic recommendations on how to refine it. To determine the environmental impact of circular products, Evonik primarily uses life cycle assessments in accordance with ISO standards 14040 and 14044. In this context, we also explore which methods may be suitable for determining quantitative indicators in the future.

During the reporting period, Evonik began extending RSPO certification to all available palm-based raw materials. The strategic priorities of the Care Solutions business line are certifying its sites and extending its portfolio of certified products. The business line's sites that use palm oil have been certified since 2018

as conforming to the RSPO's mass balance (MB) and segregated (SG) standards. This means that our organizational structure at these sites meets the RSPO requirements, which is a basic prerequisite for the ongoing transition to certified raw materials. Care Solutions continuously screens market supply and uses its influence on direct pre-suppliers so that it can switch products globally to the MB standard. Most of the palm-based products offered by this business line already conform to the RSPO MB or SG standard. This is indicated in the tradename of all RSPO-certified products marketed by Care Solutions. The strategic priority of the Oil Additives business line is extending its portfolio of certified products. At present, all five production sites that use palm oil derivatives have been certified as conforming to the RSPO's MB or SG standard. In 2021, Oil Additives drew up an incremental plan for RSPO certification of the raw materials it uses. This provides for a phased transition to certified starting products. Evonik plans to use only RSPO-certified palm oil and palm kernel oil in its products by 2025. In addition to the sharp price rise, significant regional fluctuations in the supply of certified derivatives are challenging as this entails uncertainty in meeting demand. Hence, the availability of the requisite raw materials coupled with commercial feasibility on the global market are necessary preconditions. ESRS E4-2, ESRS E5-3

Sustainable palm oil production: collaboration with WWF and Beiersdorf extended

Progressive deforestation to establish new palm oil plantations poses a major challenge. Through a joint project with WWF Germany and Beiersdorf, we aim to strengthen sustainable development in the Malaysian region of Tabin in Sabah on the island of Borneo. Taking a three-pronged approach—protect, produce, restore—, this project aims to encourage a more sustainable production of palm oil and put a stop to deforestation. By 2026, small- and mid-sized growers farming around 15,000 hectares of land are to have their palm oil cultivation RSPO-certified. In addition, a political framework is to be created for sustainable agriculture and forestry. This is to be supplemented by creating at least one ecological corridor to allow wild animals to migrate to other habitats. Moreover, the project in Tabin is designed to stabilize the population of threatened and endangered species such as the rare Borneo elephants and orangutans as well as to protect their habitats. Since 2022, Evonik has partnered with the WWF and Beiersdorf on another project in Borneo, in the Indonesian province of West Kalimantan. The aim here is to certify 200 independent palm oil producers with a total of 300 hectares of land as RSPO-compliant. Plans are to give these smallholders direct market access to a palm oil mill by 2026. This marks a major milestone for Beiersdorf and Evonik in their commitment to sustainability along the entire supply chain for palm (kernel) oil derivatives. ESRS E5.IRO-1, ESRS E4-2, ESRS S2.SBM-3, ESRS S2-4

Other activities

In 2024, Evonik additionally expanded its range of mass-balanced products. These products are certified under the ISCC PLUS and/or REDcert² standards[1]. By the end of 2024, Evonik had 13 ISCC PLUS and three REDcert² certificates covering a wide range of products and business lines. Ten business lines already offer mass-balanced products in accordance with ISCC PLUS and/or REDcert². The sites in Antwerp (Belgium) (Crosslinkers business line) and Worms (Oil Additives business line) were certified successfully in accordance with ISCC PLUS in 2024. Another site is preparing for certification in 2025.

Networks and partnerships are the lifeblood of the circular economy. Therefore, frameworks are vital to create a mutual understanding of activities. For example, Evonik is a member of the European Circular Plastics Alliance. This EU initiative aims to return 10 million metric tons of plastic recyclate to the market in Europe every year starting in 2025. Furthermore, we have extended our involvement with Plastics Europe in Germany and Europe and the European Chemical Industry Council Cefic[2], both of which are promoting circularity. In 2024, we continued our collaboration with Wildplastic, a start-up that supports countries that have inadequate waste management systems in collecting plastic waste from nature by providing fair payment to local workers and organizations. Alongside additives for cleaning and reprocessing, we offer Wildplastic an extensive network, thereby supporting the creation of jobs in the relevant countries. ESRS E5.IRO-1

Metrics

We strive to avoid waste wherever possible; otherwise, waste is to be recycled or used to generate energy—and solely as a last resort, it should be safely disposed of.

The waste volume in the reporting year totaled 366,000 metric tons (2023: 348,000 metric tons). Relevant waste streams are: building and demolition rubble, waste from inorganic chemical processes, waste from organic chemical processes as well as waste from waste treatment plants and wastewater treatment plants. These include various materials such as, for instance, chemical substances (organic and inorganic), plastics, paper, glass, wood, scrap metal, and electronic waste. The higher total waste volume in the reporting year is primarily due to the 6 percent rise in production waste to 305,000 metric tons (2023: 287,000 metric tons). This resulted in particular from changes in the product portfolio and plant expansions. ESRS E5-5

[1] Further information is given under ISCC PLUS and REDcert².
[2] Cefic = Conseil Européen des Fédérations de l'Industrie Chimique (European Chemical Industry Council).

ESRS E5-4, ESRS E5-5

Waste management[a] T45

in thousand metric tons	2024 non-hazardous waste	2024 hazardous waste
Recycling	88	61
Other recovery operations	21	44
Total amount of waste recovered	**109**	**105**
Incineration	5	58
Landfill	34	13
Other disposal operations	23	19
Total amount of waste sent for disposal	**62**	**90**
Total amount of non-hazardous and hazardous waste	**171**	**195**
Total amount of waste generated	**366**	
Total amount of non-recycled waste	**217**	
Percentage of non-recycled waste	59	

[a] Only includes waste streams in the gate-to-gate process.

Production waste[a] T46

in thousand metric tons	2024
Non-hazardous production waste, disposal	39
Non-hazardous production waste, recovery	74
Hazardous production waste, disposal	87
Hazardous production waste, recovery	105
Total amount of production waste generated	**305**
Production in million metric tons	7.31
Specific production waste in metric ton of waste/ metric ton production	0.042

[a] Only includes waste streams in the gate-to-gate process.

Status of waste target

- Reduce specific production waste volume by 10 percent relative to production volume between 2021 and 2030

Most of the data for Evonik's waste inventories were automatically retrieved from standard operational waste management software solutions. These are generally also used for mandatory reporting to the relevant authorities.

The total weight of the raw materials we used in 2024 was around 8.6 million metric tons. Bio-based materials accounted for 9 percent of this amount, while recycled materials made up 0.1 percent of the total, at 7,300 metric tons. The calculation of the data focused on the direct procurement of raw materials, including supplies and toll manufacturing, and was based on a list of all purchased chemical raw materials from Evonik's central ERP system, supplemented by relevant raw material quantities from other sources in individual cases. In the latter case, the fast-close approach was used to extrapolate the figure for the full year from the data for the first three quarters (see chapter 9.1 About this sustainability report p. 93 ff.). The data were supplemented and adjusted in particular to:

- Reflect acquisitions and divestments made during the reporting period
- Avoid double-counting of tolling products
- Standardize units of weight

In addition, around 2 percent of our direct procurement spending relates to units other than weight and is hence not considered. To offset this, the calculated weight data are increased by 2 percent.

ESRS E5-4

Target achievement T47

in metric ton of waste/metric ton production	Base year 2021	2024	Target year 2030	Change in %, 2024 versus base year
Specific production waste volume relative to production volume	0.036	0.042	0.032	+17

10.6 Product stewardship

Strategy and management

ESRS E2-1

Product stewardship is our "license to operate." Evonik monitors its products' entire value chain from procurement of the raw materials to delivery to our industrial customers. This approach should not be confused with a complete life cycle assessment. Product stewardship also encompasses evaluating **potential environmental and health risks caused by Evonik products** and minimizing these wherever possible. Besides complying with all statutory requirements such as the European chemicals regulation REACH[1], the Globally Harmonized System of Classification and Labelling of Chemicals (GHS), and specific implementing acts, product stewardship at Evonik includes voluntary commitments that go beyond these regulations. For many years, we have been committed to the international Responsible Care® initiative and the Responsible Care Global Charter of the International Council of Chemical Associations (ICCA). Evonik describes the implementation and control mechanisms for monitoring compliance in an internal product stewardship standard. The cornerstones of our approach to product stewardship are set out in a product stewardship policy published on our website.[2] This is about **future-proofing our product portfolio by replacing hazardous substances in the supply chain.** At the same time, we are working on **alternatives to hazardous materials in our products as part of our efforts to improve the sustainability of our portfolio.**

ESRS 2 SBM-3, ESRS E2.IRO-1

We examine aspects of product stewardship along the value chain as part of the sustainability analysis of our business (see chapter 9.3 Portfolio transformation p. 100 ff.). We record and evaluate different signals in different categories. Signal categories 1 and 2 specifically relate to critical substances and regulatory trends. Signal category 3 relates to sustainability ambitions along the value chain, including for product stewardship and chemical safety, even before the introduction of corresponding regulations. PARCs with a negative rating—sales classified as transitioner or challenged—account for only a small proportion of our portfolio. We aim to keep the proportion of sales generated with products classified as challenged to below 5 percent long-term. To achieve this, we are continuously replacing hazardous substances in our products and working on alternative solutions. ESRS E2-2, ESRS E2-3

Sustainability analysis of our business C54

Market signals[a]

1 Critical substances
2 Regulatory trends and global commissions
3 Sustainability ambitions along the value chain
4 Ecolabels, certification, and standards
5 Relative environmental and social performance
6 Contribution to ecological and social value creation
7 Contribution to the SDGs
8 Internal guidelines and objectives

[a] Signal categories 1–5 compulsory, 6–8 optional.

Chemical safety has always been a priority for Evonik. We are aware that both substances of concern (SoCs) and substances of very high concern (SVHCs) are used in our processes and/or that these substances may arise during our production processes. SVHCs are a subset of SoCs. According to the Chemicals Strategy for Sustainability (CSS)[3], SoCs include substances having a chronic effect on human health or the environment as well as those that prevent recycling to produce safe, high-quality secondary raw materials. SoCs comprise all substances included in the REACH SVHC Candidate List[4], substances with certain hazard classes as specified in Annex VI of the CLP Regulation[5], and substances that hamper the recycling and reuse of materials in accordance with the ESPR[6]. In line with the REACH and CLP Regulation requirements, Evonik communicates the presence of SoCs and SVHCs in its products in the supply chain by means of safety data sheets. As a supplier of specialty chemical solutions, we sell our products to other industrial companies. Neither SoCs nor SVHCs are subject to authorization. For the first time, the ESRS require a more extensive review of and more detailed information on SoCs and SVHCs.

Evonik evaluates all substances placed on the market (> 1 metric ton p.a.). To ensure a sound basis for risk assessment, we also take into account small quantities of SoCs. Where necessary, restrictions are placed on certain usage patterns or, in extreme

[1] REACH = Registration, Evaluation, Authorisation and Restriction of Chemicals.
[2] **https://www.evonik.com/en/sustainability/policies.html**
[3] **https://echa.europa.eu/hot-topics/chemicals-strategy-for-sustainability**
[4] **https://echa.europa.eu/en/candidate-list-table**
[5] CLP = Classification, Labelling and Packaging of Substances and Mixtures (Regulation (EC) No. 1272/2008).
[6] ESPR = Ecodesign for Sustainable Products Regulation.

cases, a complete ban is issued on use in certain products. Evonik evaluates its substances using its own chemicals management system (CMS). This system lets us evaluate our substances at global level. The content of the CMS has been harmonized with the requirements of ICCA and those of REACH. Evonik strives to continuously reduce or replace SVHCs wherever possible. We actively mitigate the associated risks for employees, customers, and the environment through advanced technologies and various risk management actions, ensuring safe production and use. As an extension of the CMS, our Chemicals Management System^{PLUS} is used for products containing more than 0.1 percent of SVHCs. Our aim is to reduce or replace these wherever possible. ESRS E2-3

Target

ESRS E2-3

- Include and evaluate substances/products from acquisitions[1] in CMS/CMSPLUS by the end of 2026

We have set ourselves the voluntary target of including and evaluating by the end of 2026 substances added to our portfolio through acquisitions between 2021 and 2023. Similarly, we aim to include and evaluate by the end of 2026 products added to our portfolio through acquisitions between 2021 and 2023 within CMS^{PLUS}.

Actions

CMS/CMS^{PLUS}

During the reporting period, we continued our efforts to include and evaluate our substances and products in CMS/CMS^{PLUS}. To this end, we assessed our products with the highest content of SVHCs (and SoCs where possible), creating the basis for further activities in respect of CMS^{PLUS}. These include improving manufacturing processes or replacing SVHCs by developing and using alternative substances.

Implementation of the REACH Regulation and quality of dossiers

Under REACH—apart from a few exceptions—all substances produced, imported, or placed on the market in the EU in quantities of more than 1 metric ton p.a. have to be registered. Evonik supports the goals in respect of protecting health and the environment in the handling of chemicals. To implement the complex REACH requirements, we maintain close dialogue with our suppliers and customers as well as with industry associations and authorities.

European chemicals regulation REACH C55

Alongside the continued need to register substances, the main priorities include evaluating dossiers and substances as well as restriction and authorization. Evonik itself is not presently affected by authorizations. We compare the substance lists published by the authorities with our own portfolio to identify as early as possible whether any of our substances come within this focus so that we can take appropriate action. We maintain close contact with our customers on this. Our reviews also cover the raw materials we purchase. Where substances are categorized as being of very high concern—for example, those on the REACH Candidate List—we discuss the steps to be taken with our suppliers or look for alternatives. We have set up an email mailbox for all REACH-related inquiries from customers and suppliers to ensure they receive comprehensive and timely answers. Another focus of our REACH activities is updating the dossiers for substances that have already been registered. This is based closely on the Cefic action plan, which Evonik has signed as part of a voluntary commitment. The inspection of all of Evonik's dossiers with a view to further enhancing quality will take place incrementally up to year-end 2026. Progress is outlined annually in our sustainability report and in reporting to Cefic. We have reviewed more than 500 dossiers since the action plan started in mid-2019. Evonik is critical of the currently projected tightening of the REACH Regulation. This includes, for example, the generic risk approach (GRA), registration of polymers, the extensive data requirements to identify substances with endocrine disruptors, requirements on the identification of the persistence and mobility of substances, and the mixture allocation factor (MAF).

The Globally Harmonized System (GHS)

Established by the United Nations, the GHS is a worldwide system for the classification of chemicals as well as for their consistent labeling on packaging and in safety data sheets. The GHS is still not applied uniformly around the world. This is why we have an in-house database to gather information on progress, changes, and national requirements for internal communication. Evonik applies the GHS/CLP[2] requirements worldwide.

[1] Since 2021.
[2] CLP = Classification, Labelling and Packaging of Substances and Mixtures (Regulation (EC) No. 1272/2008).

REACH-type regulations in other regions

Various countries and regions have either already introduced or are currently introducing chemicals regulations with requirements broadly similar to those of EU REACH. Examples include South Korea, Turkey, Taiwan, and the Eurasian Economic Union. Other countries, such as the USA, have likewise raised their standards significantly. Evonik is actively monitoring the development of regulations worldwide in order to be able to implement them in the relevant regions. In South Korea, consultations on the next volume band are taking place within the Chemical Substance Information Communicative Organization (CICO) and consortia. Turkey switched to tonnage-based transition periods at the end of 2023. Additionally, Evonik is monitoring the development of other upcoming regulations in order to prepare accordingly. These include, for instance, the entry into force of the new chemicals regulation in the Eurasian Economic Union. This will probably take place in two phases: As things stand, the regulation is expected to come into effect in Russia on March 1, 2026 and in the other members of the Eurasian Economic Union at a later date. In India, drafts of a REACH-type chemicals regulation have been prepared.

Other product stewardship actions

In light of global trade in chemicals and chemical products, it is important to encourage broad communication on their safe handling and use. We acknowledge this responsibility by providing an extensive worldwide information system. This includes information portals, safety data sheets—also for products containing no hazardous substances—in more than 35 languages, technical data sheets, and extensive information on our website. At the same time, we have set up 24/7 emergency hotlines, including an interpreting service, and email mailboxes. Our specialist departments provide advice for our customers at all stages of the product life cycle, from the selection of raw materials through dealing with possible toxicological, ecotoxicological, and physical chemistry risks to the resulting exposure-based risks. We also provide advice on regulatory requirements relating to the planned applications, right up to transportation and disposal. Wherever necessary, we give customers training on how to handle our products. We registered no breaches of product labeling regulations in 2024.

We need toxicological and ecotoxicological data to assess the safety of our products. In keeping with our responsibility to protect animals, we check thoroughly in advance if there are possible alternatives to animal testing. As an active member of the European Partnership for Alternative Approaches to Animal Testing (EPAA), we engage in driving forward alternative methods—known as new approach methodologies (NAMs)—on a cross-sector basis. Moreover, we participate in discussions concerning data sharing at an international level. Evonik is engaged in various national and international associations and initiatives involved on a scientific basis in the ongoing development of risk evaluation criteria such as EPAA, ECETOC[1], and Cefic-LRI[2]. If animal testing is unavoidable, Evonik ensures that the tests are performed solely by test institutes validated in accordance with the applicable national and international legal provisions and that these tests meet animal protection standards. As a responsible company, we also have our own guidelines on animal protection, which were revised in 2024.

Progress in 2024

Our product stewardship covers a broad spectrum of topics which we are continuously addressing. The most pressing issues from our stakeholders' perspective and in our own assessment are outlined below.

Proposed restriction of PFAS in the EU

The proposed restriction of PFAS affects an estimated 10,000 substances in almost all usage forms. Evonik is concerned that implementing this proposal could have a massive impact—for example, by disrupting value chains—and prevent important applications in batteries, semiconductors, and renewable energy generation. In particular, the use of PFAS-coated pipes, valves, and seals in plant engineering could be banned in the medium term. That would affect entire industrial plants. The competent authorities are currently incorporating into the draft the propositions submitted during the consultation process. This has considerably delayed the evaluation to be provided by the scientific committees. It is likely that the consultation on socioeconomic factors will not take place before 2026. The subsequent scientific assessment will then be submitted to the European Commission, which will make a final decision on the possible restriction jointly with the EU member states.

[1] ECETOC = European Centre for Ecotoxicology and Toxicology of Chemicals.
[2] LRI = Long-Range Research Initiative.

Evonik markets small amounts of polymers classified as a subgroup of PFAS for the manufacture of medical products. In addition, Evonik uses a small quantity of PFAS compounds as precursors and intermediates, for instance, in the production of pharmaceutical active ingredients. We also produce small amounts of polyfluoroalkyl substances, which we mainly use in coatings to protect surfaces—for instance, from graffiti. Evonik routinely looks for possible alternatives, though this is rather complex given the special properties of PFAS. In principle, Evonik advocates for prudent regulation of PFAS.

Microplastics

Evonik uses microplastics in some of its production processes. We also generate microplastics. This applies, for example, to the polymers produced by our High Performance Polymers business line, which we then sell on to customers. Evonik became a signatory to Operation Clean Sweep as early as 2015. The aim of this global campaign is to prevent pellet loss in production, processing, and transportation. Evonik also offers alternatives that can replace microplastic particles in both rinse-off and leave-on cosmetic products.

Nanotechnology

Nanotechnology is a generic term covering a wide range of advancements and innovations alongside established technologies. Their common feature is the investigation, production, and use of minute structures measuring around 1 to 100 nanometers. Some of these products have been known for many decades while others represent new developments. Nanomaterials used in products and efficient system solutions for our customers make a substantial contribution to environmental and climate protection. Evonik strives to handle the associated technologies responsibly and conscientiously. We see considerable potential in new materials for high-end batteries and energy-saving technologies as well as in materials to actively reduce greenhouse gases. Our many years of experience help us implement actions to protect employees, customers, and consumers in the handling of nanomaterials. These actions are based on the latest findings from scientific investigations regarding the assessment of risks and dangers as well as epidemiological and toxicological studies. In addition, Evonik supports the establishment of new methods of investigation aligned with the specific effects of nanomaterials, which make it possible to refine the evaluation of risks. We are also continuously exploring the potential hazards and safe handling of such materials. The revised definition of nanomaterials (Commission Recommendation 2011/696/EU) has resulted in some market uncertainty. On the one hand, the EU unexpectedly defined many powder substances as nanomaterials whereas, on the other, this definition has not been accepted or adopted in the rest of the world. The highly specific EU requirements on labeling are notably hampering product exports and causing uncertainty for international customers.

Metrics

ESRS E2-5

Data for SoCs and SVHCs and breakdown by hazard class T48

in thousand metric tons	Total[d]		Class A[e]		Class B[e]	
	Total SoCs	thereof SVHCs	Total SoCs	thereof SVHCs	Total SoCs	thereof SVHCs
In raw materials purchased for production[a]	2,733	110	1,906	65	908	61
ESRS disclosure: In sold products[b]	789	74	414	72	375	2
ESRS disclosure: Total in purchased raw materials and sold products[c]	**3,522**	**184**	**2,320**	**137**	**1,283**	**62**

[a] Conservative figure; our suppliers generally provide this information as a range and we used the upper end of the range here.
[b] Data for SoCs and SVHCs, which leave Evonik as a product or part of a product. Emissions are not material due to the small amounts; services are similarly immaterial.
[c] Data for SoCs and SVHCs, which are produced, used, or procured by Evonik. The difference between the quantities sold and produced was estimated and deemed to be immaterial.
[d] Data do not include double-counting.
[e] Data include double-counting.

To calculate these metrics, we programmed a new analytical tool to systematically analyze our purchase, sales, and product stewardship data and identify SoCs and SVHCs as well as their proportion in our raw materials and products.

We aligned the breakdown of the SoCs and SVHCs by hazard class to our CMS[PLUS] and REACH Article 57. We defined the two main hazard classes that reflect the substances' hazard potential.

- Class A (hazard classes that correspond with SVHC properties): carcinogenicity cat. 1; germ cell mutagenicity cat. 1; reproductive toxicity cat. 1; endocrine disruption (human health); endocrine disruption (environment); persistent, mobile, and toxic (PMT) properties; very persistent and very mobile (vPvM) properties; persistent, bioaccumulative, and toxic (PBT) properties; very persistent and very bioaccumulative (vPvB) properties.
- Class B (other hazard classes): carcinogenicity cat. 2; germ cell mutagenicity cat. 2; reproductive toxicity cat. 2; respiratory sensitization cat. 1; skin sensitization cat. 1; chronically hazardous to the aquatic environment cat. 1 to 4; damaging to the ozone layer; specific target organ toxicity (repeated exposure) cat. 1 and 2 (STOT RE cat. 1 and 2); specific target organ toxicity (single exposure) cat. 1 and 2 (STOT SE cat. 1 and 2).

As there are substances that are included in one (or more) hazard class(es) in both class A and B (double-counting), the sum of classes A and B is higher than the total amount disclosed for the SoCs and SVHCs.

We had to make some estimates in recording the SoCs and SVHCs in raw materials. Whereas almost all the supplier data for raw materials used at the European sites have been provided and made available centrally, this is not always the case outside Europe as, for instance, suppliers there are not bound to comply with REACH requirements. The proportion of SoCs and SVHCs was estimated for the remaining raw materials for which no SoC or SVHC data were available. There are plans to successively record these raw materials and their composition in full.

In the reporting period, we analyzed our microplastics volumes for the first time. We requested the relevant data from our business lines. In 2024, around 285,000 metric tons of microplastics (mainly in the form of granules) left Evonik production sites as products or parts of products. These serve as raw materials for processing by our customers. Microplastics are emitted from Evonik plants only in very small quantities and—in the context of production volumes—are negligible. To determine this, calculations were carried out following the method developed by Operation Clean Sweep (OCS) at Evonik plants that produce microplastics, for example. ESRS E2-4

10.7 Disclosures on the EU taxonomy

EU taxonomy—little focus on specialty chemicals so far

As part of the Green Deal, the EU taxonomy[1] is designed to direct financing toward sustainable investments. The EU taxonomy has six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

Reporting obligations for 2024 for the first time cover both taxonomy eligibility and taxonomy alignment with regard to all six environmental objectives. The main focus of the first two environmental objectives is on economic activities that currently result in high carbon dioxide emissions. Here, a reduction in emissions would make the biggest contribution to achieving the EU's climate targets. Consequently, the chemical products mainly affected by the delegated acts to date for these two environmental objectives are commodity chemicals. Likewise, precursors are at present considered in only a few economic activities. Delegated acts were published in 2023 for the other four environmental objectives[2] Similarly in these, chemicals and precursors are only rarely included in the taxonomy-eligible economic activities.

In consequence, Evonik's portfolio of specialty chemicals is currently only partly affected by the EU taxonomy: Some of our activities are listed in the environmental objectives climate change mitigation and pollution prevention and control; they are thus taxonomy-eligible[3]. In 2024, these taxonomy-eligible activities accounted for just 17 percent of turnover, 21 percent of CapEx[4], and 15 percent of OpEx[5]. Our taxonomy-eligible economic activities are not material for the environmental objectives sustainable use and protection of water and marine resources and transition to a circular economy. None of Evonik's activities are taxonomy-eligible for the environmental objectives climate change adaptation and protection and restoration of biodiversity and ecosystems.

The taxonomy-aligned[6] economic activities account for less than 1 percent of turnover, CapEx, and OpEx. One of the reasons for these low ratios is that—for the climate change mitigation objective—the EU taxonomy mainly addresses the carbon footprint of chemical products and notably that of their raw materials. By contrast, it disregards the positive impacts (handprint[7]) of many products. In view of the growing use of non-fossil raw materials and broader certification, we envision being able to increase this percentage in the coming years.

Unlike the EU taxonomy, our sustainability analysis[8] of Evonik's business activities covers the footprint, handprint as well as further market signals and requirements. Many Evonik products are differentiated from competing products principally through their handprint. This is why our sustainability analysis with its holistic approach remains the key tool when it comes to the strategic management and fine-tuning of our portfolio.

Assessment of the taxonomy eligibility of economic activities

When determining which economic activities are taxonomy-eligible, we screened our portfolio at product level as to whether products can be allocated to the individual economic activities in line with the provisions set forth in the delegated acts. In this analytical process, we were supported by the experts from our operational units with whom we had in-depth discussions. The result is that only a handful of our products are taxonomy-eligible. For the environmental objective climate change mitigation, these are butadiene, which is allocated to the EU taxonomy economic activity "CCM 3.14 Manufacture of organic basic chemicals" and products that fall within the scope of economic activity "CCM 3.17 Manufacture of plastics in primary form".[9] In addition, we identified some precursors within the scope of economic activity "CCM 3.5 Manufacture of energy efficiency equipment for buildings".[10] The sale of electricity and steam from the Technology & Infrastructure division's gas and steam turbine power plants fall within

1 Regulations (EU) 2020/852, 2021/2139, 2021/2178 and 2023/2486 of the European Parliament and of the Council on sustainability-related disclosures.
2 Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023.
3 Taxonomy-eligible economic activities are those activities of a company that fall within the scope of the EU taxonomy and are listed in the delegated acts supplementing Regulation (EU) 2020/852.
4 As defined by the EU taxonomy, see below.
5 As defined by the EU taxonomy, see below.
6 Taxonomy-aligned economic activities are taxonomy-eligible activities that meet the stringent technical screening criteria and minimum social safeguards set out in the delegated acts on the EU taxonomy.
7 Positive impacts of our products along the value chain compared with other established products and their applications on the market, especially in customers' applications.
8 See chapter 9.3 Portfolio transformation **p. 100 ff.**
9 The abbreviation CCM stands for the environmental objective climate change mitigation; PPC stands for pollution prevention and control.
10 In the delegated acts for the environmental objectives climate change mitigation and climate change adaptation, the economic activity "manufacture of energy efficiency equipment for buildings" comprises both products and their key components. Evonik products that are precursors for such equipment for buildings and influence its energy efficiency have hence been included here as taxonomy-eligible key components.

the scope of economic activity "CCM 4.30 High-efficiency co-generation of heat/cool and power from fossil gaseous fuels". Economic activity "PPC 1.1 Manufacture of pharmaceutical active ingredients" is taxonomy-eligible for the environmental objective pollution prevention and control. We view taxonomy-eligible CapEx of category a only in conjunction with products that generate turnover. Further taxonomy-eligible economic activities arise from CapEx that is related to the purchase of output from taxonomy-eligible economic activities (category c). With the aid of additional data sources, the economic activities "CCM 4.9 Transmission and distribution of electricity", "CCM 6.5 Transport by motorbikes, passenger cars and light commercial vehicles", and "CCM 6.8 Inland freight water transport" were identified as material for the first time in the reporting period. The prior-year figures were restated accordingly. All products and activities for which disclosures are required under the EU taxonomy are at levels well below our reporting segments, which are our divisions.

To determine taxonomy-eligible economic activities, we apply the concept of materiality established for financial reporting.

Screening of taxonomy-eligible economic activities for taxonomy alignment

The first step was to determine whether the taxonomy-eligible economic activities meet the stringent criteria with regard to making a substantial contribution to the respective environmental objective. If this was found to be the case, they were further screened to determine whether the products or production plants harm any of the other five environmental objectives (do-no-significant-harm criteria). For this purpose, the products in question and the sites where they are produced were screened centrally in accordance with the provisions specified in Appendices A through D of the delegated act. We have valid operating permits for all our production plants and sites worldwide. Consequently, they have undergone extensive inspection and evaluation by the competent authorities from an environmental due diligence perspective. Our production plants and sites within the EU comply with the EU directives set out in the appendices. We monitor compliance with any official requirements by performing systematic internal and external controls as an integral part of our management systems. The EU directives do not apply to sites outside the EU. Instead, these sites and production plants are evaluated on the basis of the environmental regulations applicable to the specific location, which include environmental due diligence aspects. We comply with the applicable environmental regulations in all cases, implement all requirements imposed by the authorities, and monitor their observance through systematic internal and external controls.[1,2,3] There is not yet a process to reliably verify the purchase of taxonomy-aligned output in category c.

A further requirement is observance of the minimum safeguards. We based our examination on the Report on Minimum Safeguards of the Platform on Sustainable Finance and evaluated five focus areas: human rights, corruption, taxes, fair competition, and science, technology and innovation. In keeping with their major significance for good corporate governance, the first four of these focus areas are part of our House of Compliance[4]. Evonik is committed to observing internationally recognized standards as well as its own more far-reaching guidelines and principles of conduct. The policy statement on human rights was revised in 2023 based on the annual human rights risk analysis and adopted by the executive board. All standards and guidelines apply group-wide, i.e., they also apply to sites outside the EU.

1 For Appendix B, the basis for technical screening of activities in the EU is Directive 2000/60/EC (Water Framework Directive), which applies directly to our plants and sites within the EU. Possible requirements resulting from inspection by the competent authorities could be the measurement and analysis of water emissions and, where applicable, the implementation of any necessary actions.
2 Compliance with the pollution prevention and control criteria pursuant to Appendix C is assessed using our EHS data system.
3 The basis for Appendix D is compliance with the EU's Environmental Impact Assessment (EIA) Directive (2011/92/EU) or other impact assessments for sites/operations located in or near biodiversity-sensitive areas. Potential requirements under environmental impact assessments are, for instance, the measurement of emissions into the air or water or noise emissions, including their analysis and, where applicable, the implementation of any necessary actions. An overview of our ten largest sites located near biodiversity-sensitive areas (e.g., based on the IUCN criteria) can be found in chapter 10.4 Biodiversity **p.147 ff.**
4 See also chapter 7. Declaration on corporate governance **p.75 ff.**

Determination of KPIs

For the climate-related objectives, the EU taxonomy requires disclosure of the share of turnover, CapEx, and OpEx attributable to both taxonomy-eligible and taxonomy-aligned economic activities.

Turnover, as defined in the EU taxonomy, corresponds to IFRS sales.[1] **CapEx** and **OpEx** are defined in a delegated act and do not correspond to any of the IFRS parameters. The CapEx KPI for the EU taxonomy differs from the key performance indicators we apply at Evonik (capital expenditures and cash outflows for investments in intangible assets, property, plant and equipment). The calculations are presented in the following tables. Most of the components used in these indicators at Evonik Group level can be found in the notes to our consolidated financial statements in accordance with IFRS.

Turnover is recorded and consolidated in our system at product level. The CapEx and OpEx metrics are allocated by cause at the level of the business lines and, frequently, at profit center level. However, where multiple products are manufactured in the same production plant, it is not always possible to assign these to taxonomy-eligible economic activities. In these cases, we make the calculation based on the corresponding turnover figures from the next highest level where a KPI is available. The next highest level is either a product line or a business line. Our CapEx and OpEx KPIs are similarly recorded and consolidated in our system up to at least business line level. If CapEx of both category a and c is identified for individual product or business lines, the overlap of both categories is allocated only to category a. This method prevents double-counting of turnover, CapEx, and OpEx.

Calculation of CapEx for the EU taxonomy T49

in € million	2023	2024
Capital expenditures for property, plant and equipment[a]	856	812
Capital expenditures for intangible assets[b]	4	4
Capital expenditures	**860**	**816**
Additions to property, plant and equipment from business combinations[a]	13	28
Additions to intangible assets from business combinations[b]	–	1
Additions from business combinations	**13**	**29**
Additions from leasing transactions[c]	187	166
Additions from leasing transactions due to business combinations[c]	–	3
Additions from leasing	**187**	**169**
Total CapEx for the EU taxonomy	**1,060**	**1,014**

[a] See note 6.2 **p. 248 f.**
[b] See note 6.1 **p. 246 f.** Goodwill is not included because it does not meet the definition of an intangible asset in IAS 38.
[c] See note 6.3 **p. 250 f.**

Calculation of OpEx for the EU taxonomy T50

in € million	2023	2024
Research and development expenses[a]	443	459
Maintenance and repair expenses[b]	343	377
Expenses for short-term leases[c]	13	11
Total OpEx for the EU taxonomy	**799**	**847**

[a] See income statement **p. 225.**
[b] The maintenance and repair expenses are derived from the cost element accounting and contain services and materials incurred principally for production facilities, buildings, and operating infrastructure. Other cost items are not included.
[c] See note 9.2 **p. 277 f.** On materiality grounds, we have undertaken no further analysis as to whether this item contains taxonomy-eligible economic activities.

Evonik does not currently have any major investment plans (CapEx plans) for taxonomy-eligible economic activities that would transform a taxonomy-non-aligned economic activity into a taxonomy-aligned economic activity within the next five years and for which CapEx or OpEx as defined in the EU taxonomy was incurred in 2024 or 2023.

Based on the definitions in the EU taxonomy[2], we have derived KPIs for our taxonomy-eligible and taxonomy-aligned economic activities (see **T51** and **T52**, **p. 167**).

[1] See note 5.1 **p. 237 ff.**
[2] The full tables can be found in the annex to the combined management report **p. 215 ff.**

EU taxonomy: overview of KPIs for 2024

T51

	Turnover		CapEx		OpEx	
	€ million	Share in %	€ million	Share in %	€ million	Share in %
Taxonomy-eligible and taxonomy-aligned activities	68	0.4	2	0.2	1	0.1
Taxonomy-eligible and taxonomy-non-aligned activities	2,556	16.9	215	21.2	126	14.9
Total taxonomy-eligible activities	**2,624**	**17.3**	**217**	**21.4**	**127**	**15.0**
Taxonomy-non-eligible activities	12,533	82.7	797	78.6	720	85.0
Evonik Group	**15,157**	**100.0**	**1,014**	**100.0**	**847**	**100.0**

Differences due to rounding.

EU taxonomy: overview of KPIs for 2023

T52

	Turnover		CapEx		OpEx	
	€ million	Share in %	€ million	Share in %	€ million	Share in %
Taxonomy-eligible and taxonomy-aligned activities	79	0.5	2	0.2	2	0.3
Taxonomy-eligible and taxonomy-non-aligned activities	2,505	16.4	171	16.2	110	13.8
Taxonomy-eligible activities that do not yet have to be screened for taxonomy alignment	95	0.6	11	1.0	6	0.8
Total taxonomy-eligible activities	**2,679**	**17.5**	**184**	**17.5**	**118**	**14.8**
Taxonomy-non-eligible activities	12,588	82.5	876	82.5	681	85.2
Evonik Group	**15,267**	**100.0**	**1,060**	**100.0**	**799**	**100.0**

Prior-year figures restated.

In 2024, the turnover of taxonomy-eligible economic activities was roughly the same as in the previous year, at €2,624 million. At 17.3 percent, their proportion of group turnover was roughly level with the prior year (17.5 percent). The CapEx of taxonomy-eligible economic activities increased to €217 million, due mainly to investment projects—especially in respect of "CCM 4.30 High-efficiency co-generation of heat/cool and power from fossil gaseous fuels" and "CCM 4.9 Transmission and distribution of electricity". Their proportion of CapEx rose from 17.5 percent in the previous year to 21.4 percent. The OpEx of taxonomy-eligible economic activities increased slightly to €127 million. Their proportion of group OpEx was 15.0 percent, which was about the same as in the prior year.

The turnover of taxonomy-aligned economic activities declined slightly to €68 million. As a proportion of the group's turnover, taxonomy-aligned economic activities decreased from 0.5 percent to 0.4 percent. As in the previous year, the CapEx of taxonomy-aligned economic activities amounted to €2 million and related almost entirely to capital expenditures. It represented a proportion of 0.2 percent of the group figure, unchanged from the previous year. OpEx declined compared with 2023 to €1 million and mainly related to research and development costs. The proportion of the higher group figure decreased from 0.3 percent to 0.2 percent.


EVONIK
Leading Beyond Chemistry

11 SOCIAL INFORMATION

Leading Beyond Chemistry is a far-reaching promise that more than 30,000 employees at Evonik work to fulfill. Their talent, professional qualifications, and passion are the cornerstones of our success, along with the principle that safety has priority over sales and profits.

MATERIAL TOPICS

- Portfolio transformation

- Mitigating climate change
- Green energy
- Water management
- Biodiversity
- Circular economy
- Product stewardship

- **Attractiveness as an employer/ employee satisfaction**
- **Diversity and equal opportunity**
- **Occupational health and safety**

- Responsible management/human rights
- Responsibility within the supply chain
- Cybersecurity

€75.3 million
Spending on vocational training and CPD

5.5
Occupational health performance index

1.7%
Early employee turnover

0.14
LTI-R
(no. of accidents per 200,000 working hours)

11. Social information

- **Socially responsible tools for reorganization and restructuring agreed with employee representatives**
- **Continuous feedback: introduction of an advanced employee satisfaction survey tool**
- **Implementation of mandatory diversity training**
- **Opening of the "Safety Street" center of excellence for occupational safety at the Marl site**

11.1 Attractiveness as an employer/ employee satisfaction

Strategy and management

Qualified and motivated employees are vital to Evonik's long-term success. To fully leverage this potential, Evonik actively promotes its employees' career development. Our HR strategy takes a practice-oriented approach and is aligned with the company's strategic targets. It focuses on employee recruitment, development, and retention. This is underpinned by a selective human resources planning and recruitment policy, particularly for key positions. Evonik offers a supportive working environment with fair pay, flexible working models, and transparent development opportunities. In addition, we prepare executives to lead the company's transformation. Our attractiveness as an employer and employee engagement are factors central to our success.

Evonik's global HR organization comprises HR Talent Management and HR Business Management. These two functions work closely together to perform global management tasks. HR Talent Management focuses on attracting, developing, retaining, and leading employees. HR Business Management coordinates the regional employer function, remuneration, digital HR applications, interaction with representatives of the workforce, and aspects of employment law. Our HR processes are flanked by digital services, learning offerings, and a global knowledge database.

The heads of both HR functions report directly to the chief human resources officer (CHRO) and make key decisions on the basis of Group Organizational Policy HR. They are responsible for defining global strategic topics and implementing the HR strategy. The HR alignment meeting, which is chaired by both functions, is charged with managing implementation of all topics and projects. Its other permanent members are the heads of HR Solutions & Systems, Workforce Analytics & Business Services, and Labor Law & Relations.

Attracting and retaining skilled personnel is essential if we are to achieve Evonik's growth ambitions. The **increasing shortage of skilled workers can lead to positions remaining vacant.** To fill vacancies and improve employee retention, Evonik is stepping up its efforts in the areas of employer branding, onboarding, and talent acquisition. Our employer identity, "Be Part of Something Special," puts sustainable products, personal development, and strong team spirit front and center. We aim to avoid a **high turnover rate among new recruits** as this can result in higher costs and mar our attractiveness as an employer. This means employee satisfaction is vital to our success and is continuously measured. **Poor employee satisfaction levels could reduce productivity.** To counter this, we offer our employees competitive remuneration and attractive development opportunities. In addition, they benefit from a wide range of offerings to ensure a good work-life balance as well as preventive health care. Contented, motivated employees contribute to a positive working atmosphere and are less likely to change employer, which in turn makes them valuable ambassadors for the company vis-à-vis applicants, customers, and colleagues. Our attractiveness as an employer is measured by external rankings and internal surveys. ESRS 2 SBM-3, ESRS S1-4

Evonik uses various resources to implement the HR strategy as well as successfully attract and retain skilled, motivated workers. Examples of these include HR Business Management and HR Talent Management teams, the use of a survey tool on career milestones, and regular pulse checks. ESRS S1-4

Lifelong learning is a core component of employee satisfaction and personal development. We make this possible for our employees with offerings such as our online platform LILY (Learning and Individualized Library).

Target

ESRS S1-5

- Average self-directed, digital learning using the LILY and LinkedIn Learning platforms should be more than three hours per employee per year by 2026

In connection with its long-term incentive (LTI) remuneration plan, Evonik introduced a new key performance indicator (KPI) to measure and extend self-directed, digital learning in 2023. The aim is to establish a contemporary, sustainable learning culture at Evonik based on individual responsibility. This KPI is calculated by dividing the total learning time in the LILY and LinkedIn Learning systems by the total number of permanent employees[1]. The baseline for this KPI is the average of 2.05 hours per employee in 2022. Our aim is to increase the average to 3.00 hours per employee by 2026. The KPI does not include mandatory training, face-to-face training, or courses outside these two systems. Evonik has developed standardized definitions, processes, and a dashboard to measure progress.

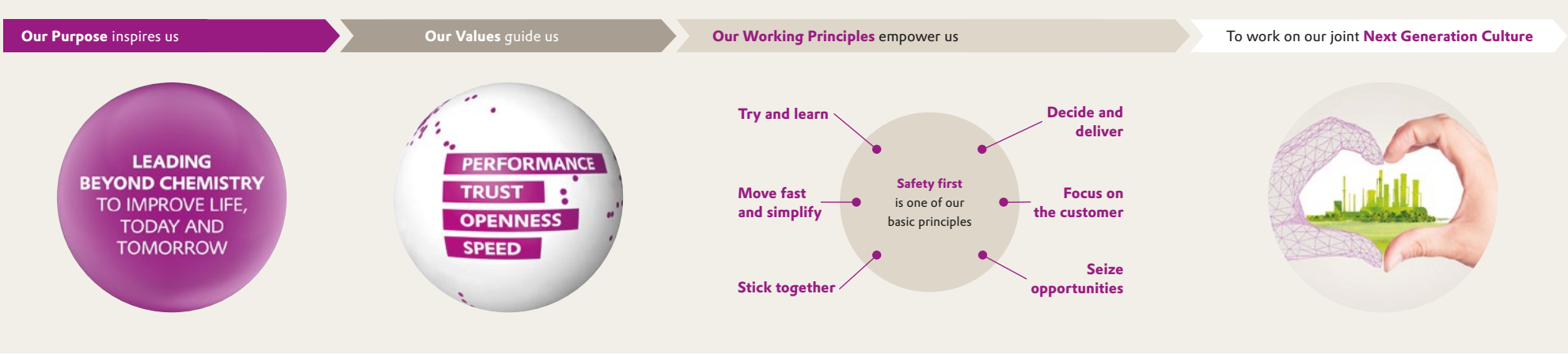
Actions

ESRS S1-4

Talent management and integration of new employees into the corporate culture

Our goal is to build a strong pipeline for key functions and top executive positions. With this in mind, we offer the Evonik Explorer Program, where employees can proactively apply to take part in a group-wide talent program. We regularly evaluate succession scenarios and development requirements at HR meetings attended by the executive board. Special emphasis is placed on career paths, job rotation, and development programs that take into account topics such as sustainability and geopolitical trends. Our effective onboarding process ensures the successful integration of new employees, introducing them to our corporate culture and procedures. This ensures that they are well prepared and informed when they start work. Our corporate values of performance, openness, trust, and speed guide the way during times of change. Through the ONE Culture initiative, we aim to make Evonik's corporate culture more dynamic and performance-driven. We encourage all employees to actively contribute to developing this culture. To complement Next Generation Technologies and Next Generation Solutions, Evonik has adopted Next Generation Culture with the aim of integrating sustainability requirements at all stages of the HR process. This encompasses HR planning, qualification analysis, training opportunities, and the integration of sustainability metrics into remuneration systems.

ONE Culture C56

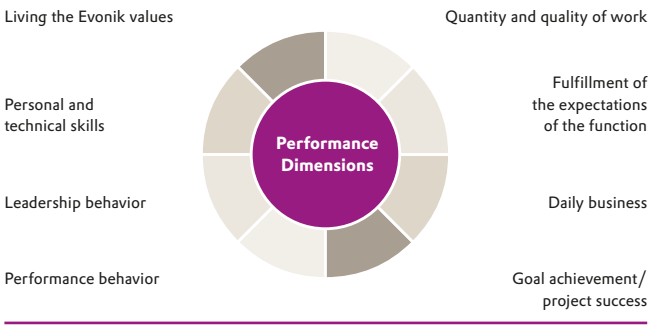


[1] Permanent employees include all employees with permanent/temporary contracts, excluding apprentices and trainees.

Performance management system

Our performance management system is based on eight performance dimensions. These include performance and leadership behavior as well as notably goal achievement and quantity and quality of work. Criteria taken into account include questions as to how goals are achieved and with what kind of behavior. Aspects such as diversity, sustainability, and leadership behavior are included in the Evonik competency model. This describes the professional and personal capabilities that we as a company expect from our employees and executives. We are firmly convinced that sustainable business activities and diversity pave the way for performance excellence.

Performance management C57



Our permanent workforce is made up of 28 percent women and 72 percent men. Of these employees, around 88 percent worldwide receive a regular performance appraisal. Seventy percent of the employees appraised are men and 30 percent are women. Seventy percent are non-exempt employees and 30 percent are exempt employees. ESRS S1-13

Employee surveys and feedback culture

We are tackling the skills shortage through actions to bolster employee retention, including a supportive working environment and regular pulse checks. Our career development portal highlights opportunities for development within the company. We reach out to school students and their parents with vocational training campaigns. For our employer branding, we harness job fairs, social media, and information on our careers pages to position Evonik as an employer with the relevant target groups. A global career ambassador program provides a realistic insight into potential career paths. We benefit from long-standing partnerships with universities and student networks. In addition, we cement our contact with college students through our "Evonik Perspectives" retention program. Dual study and training programs together with active talent acquisition further help us to attract skilled workers.

External rankings, in-house surveys, and early employee turnover are all pointers to our attractiveness as an employer. Employees can provide feedback through communities such as "NEXTGEN—Green Transformation Hub at Evonik." In order to grasp different perspectives and examine our own approaches, maintaining dialogue with stakeholders—especially employees—is vital. Evonik introduced a cutting-edge survey tool, which is integrated into the group's HR management system, to further enhance the feedback culture. Employees are systematically surveyed when they reach career milestones, such as joining or leaving the company as well as job anniversaries. This is supplemented by regular pulse checks. The job anniversary surveys are closely linked to our "Be Part of Something Special" employer identity. HR experts and executives use the findings to derive actions and targeted improvements geared to continuously advancing our organizational and cultural development. ESRS S1-5

In 2024, Evonik stepped up its employee satisfaction and change management initiatives. We gained a detailed picture of employee sentiment through 23 pulse checks (13,572 participants). This year, there was a special focus on regularly gauging sentiment in Evonik's business lines and functions. Conducted on a regular basis, the "Silica Team Barometer" is a survey for measuring satisfaction in the Silica business line. Its findings are analyzed by the management team in order to identify critical topics early on and initiate actions for improvement. Since 2023, targeted questions relating to the transformation process of the Silica business line have been added to the survey and its frequency increased to four times a year. The team barometer serves both as a source of ideas for change management activities and as a feedback tool for reflecting on and checking the effectiveness of the actions taken. "Viva Engage Community" is a key communications platform covering the global Silica business activities. This efficient tool ensures continuous communications while also fostering dialogue and exchange between management and the workforce.

Attractive remuneration

Our HR tools worldwide ensure our employees receive market- and performance-based remuneration aligned with their responsibilities, capabilities, and track records—irrespective of gender, age, or other personal characteristics. Both our code of conduct and policy statement on human rights forbid discrimination. Preventive measures include training on the code of conduct (see chapter 12.1 Responsible corporate governance/human rights (table T66 "Compliance training and training rate in 2024" p. 196)). We pay our employees—including trainees and student interns—the statutory minimum wage[1] in the respective country. In countries outside of Europe that do not have a minimum wage, the living wage is used as the benchmark. This is the minimum income required for a worker to cover their basic needs. We refer to the Fair Wage Network's database to determine the relevant amount[2]. Just 0.7 percent of employees are currently paid less than the adequate wage—all of those concerned are in Singapore. S1-4, S1-10

[1] In European countries without a statutory minimum wage, the Eurostat's average annual earnings 2022 were used https://ec.europa.eu/eurostat/databrowser/view/earn_ses_annual/default/table?lang=en&category=labour.earn.earn_ses_main
[2] This is determined according to a household size based on the local birth rate and the average number of income earners per household in the respective country.

Gender pay gap and ratio

ESRS S1-16

In 2024, the global unadjusted gender pay gap—the difference between the average gross hourly earnings of women and men—was just under 9 percent. In Germany, where around 60 percent of all Evonik employees work, the gender pay gap was 3.7 percent. This means that, measured worldwide, women earn just under 9 percent less than men whereas women in Germany earn 3.7 percent less than men. This metric is influenced by factors such as the allocation of men and women to different job levels and job families. Comparison with the prior year is not possible because the basis for calculation has changed. In 2024, the calculation included all remuneration components; the previous year, only the basic remuneration was considered.

The ratio of the total remuneration of the highest paid person in the company to the median total remuneration of the entire workforce was around 57:1 in 2024. For the German workforce, the ratio was 55:1[1]. The basis for calculating the gender pay gap was also used to determine the median remuneration of all employees, thus ensuring that only the pro rata remuneration of part-time employees, employees who join the company during the year, employees on long-term sick leave, and other employees is considered.

The calculation of both the gender pay gap and the ratio[2] took into account base salary as well as all other pay received by the employee in the context of their employment relationship (for example, variable remuneration, bonuses, one-off payments, etc.). We decided against including pension commitments, as these are in principle unrelated to gender and are moreover not meaningful in this respect due to variations in the arrangements. On joining the company, each new employee can decide whether to join a pension plan and how much they wish to contribute.

Collaboration with employee representatives in a spirit of trust

ESRS S1-2, ESRS S1-5, ESRS S1-8

Collaboration between employer and employee representatives based on trust is a key success factor for Evonik. It takes account of operating conditions and the laws applicable in each respective country. In Germany, the fundamental rights of employees and their representatives are enshrined in statutory regulations such as the Works Constitution Act and the Executives' Committee Act. There are elected bodies representing our employees at all Evonik sites in Germany. Works councils represent exempt and non-exempt employees while executive staff councils represent our executives. They are consulted in good time on all major changes within the company. Over and above the co-determination prescribed by German law, it is common practice at Evonik to involve the employee representatives in all matters with regard to the future development of the group. In the event of reorganization or restructuring, the works councils and executive staff councils seek socially responsible solutions such as job transfers or early retirement arrangements. In the case of divestments, the parties agree on criteria to ensure employee rights remain protected under the new ownership. The preparatory steps prior to implementation cover a period of several weeks or months, depending on the scope of the upcoming changes. During this period, agreements may, where necessary, be negotiated and concluded in writing with regard to the pending actions and their impact on our workforce.

At company level in Germany, employees' interests are protected by employee representatives on supervisory boards with co-determination. There are comparable legal or collectively agreed rules on the type and scope of consultation and negotiation in many other regions where Evonik has employees. The information and consultation rights of employees on European cross-border issues are represented by the Evonik Europa Forum, which is composed of employer and employee representatives.

Evonik does not restrict employees' rights to freedom of association or the right to collective bargaining. These rights are similarly ensured in countries where freedom of association is not protected by the state. Based on our sites worldwide, there are employee representatives for roughly 96 percent of our employees.

Collective agreements on remuneration cover 100 percent of our employees in Germany and around 67 percent of our employees worldwide. There are performance- or profit-oriented incentive systems at around 95 percent of our sites and companies. These systems cover some 99 percent of our permanent employees.

ESRS S1-8

[1] www.evonik.finance/remuneration-report
[2] Countries >20 employees were included.

ESRS S1-8

Collective bargaining coverage and social dialogue in 2024 T53

	Collective bargaining coverage	Social dialogue	
Coverage rate	Employees in the European Economic Area (EEA)	Employees outside the European Economic Area (non-EEA)	Workers' representation (applicable only in the EEA)
0–19%			
20–39%		Asia-Pacific	
40–59%			
60–79%		Europe, Middle East & Africa (non-EEA)	
80–100%	Austria Belgium Finland France Slovakia Spain Germany	Central & South America North America	Austria Belgium Finland France Slovakia Spain Germany

Working time models and work-life balance

Evonik is committed to a family-friendly human resources policy that aligns with different phases in employees' lives and offers this to 97 percent of employees worldwide. Cornerstones of this approach include flexible work hours, assistance with childcare and other caring responsibilities, and the hybrid #SmartWork model. Of our 31,930 employees, 92 percent are in full-time and 8 percent in part-time employment. Around 80 percent of our 8,795 female employees work full-time, compared with 97 percent of full-time male employees.

Enhancing the compatibility of private and professional phases in their lives may be one of the reasons why employees consider taking paid or unpaid leave for a prolonged period of more than three months. The information provided in table **T54** shows the percentage of employees in the respective region who are eligible for this option. Interest is steadily growing and—as a percentage of the total number of employees—this option is now taken up by almost a quarter of employees.

ESRS S1-15

Options for extended periods of leave T54

Employees in %	2024
Europe, Middle East & Africa	93.9
Asia-Pacific	87.1
Central & South America	100
North America	97.5

The regular, contractually defined working hours for more than 74 percent of our employees are based on collective agreements. Working hours are limited to a maximum of 48 hours a week, though shorter working hours usually apply. Around 80 percent of our employees benefit from annual vacation arrangements that exceed the statutory provisions in their respective country. Since there is no statutory ruling in the USA in this respect, arrangements there are based on regional custom.

In Germany, all 18,305 employees, including our 13,285 male employees, have a statutory right to parental leave. In 2024, 738 employees made use of this right. Male employees accounted for around 48 percent. In 2024, they took an average of 1.7 months' parental leave, while female employees took an average of 6.5 months. That same year, 552 employees returned to work following parental leave. Here, men accounted for just under 62 percent.

Social protection

ESRS S1-11

Our employees have social security cover protecting them against loss of income due to major events such as sickness, unemployment, workplace accidents, disability, motherhood, and retirement. Virtually 100 percent of our workforce are covered by statutory or company pension insurance and health insurance. There is no statutory pension insurance in the United Arab Emirates. In all regions, we offer voluntary social benefits, which are available to 99 percent of employees, including part-time workers, provided that they meet the minimum working hours prescribed in some regions. In 2024, we once again offered employees in Germany, the USA, Belgium, and Singapore the opportunity to take part in our employee share program, with uptake of 35 percent. In many countries, Evonik provides contribution-based pension schemes that allow for employee contributions. These vary in line with the customary market practice in each respective country. In Germany, employees have been able to choose to make personal contributions of 0, 3, or 4 percent since 2023. Employer contributions rise in line with the personal contribution. In the USA, the standard contribution is 6 percent. This can be individually adjusted and topped up with graduated employer contributions.

Vocational training and continuing professional development

ESRS S1-13

Our activities in this area cover both the vocational training of young people at the start of their working lives and continuing professional development of our employees. In 2024, Evonik trained 1,718 young people in Germany (1,229 at Evonik, 489 at external companies). Our offering covered 38 recognized vocational

training courses as well as combined vocational training and study programs. Vocational training expenses amounted to €64.7 million while spending on continuing professional development was €10.59 million. This corresponds to a continuing professional development expense of €332 per employee.

Evonik has a global learning strategy. The central elements of this strategy are:

- Uniform global solutions for training and personnel development, with self-directed digital learning content
- Streamlining the range of digital learning platforms
- Increasing the acceptance of digital self-directed learning and lifelong learning

We offer our employees access to a wide range of learning journeys and digital content for self-directed learning. At the start of 2023, Evonik introduced the LinkedIn Learning digital library containing over 20,000 courses in various languages for all employees. These courses range from business-specific software through project management to career advice and tips on leadership. A global development portal helps users navigate the vast selection of training options. Our FutureZone learning platform manages employee participation in mandatory training and e-learning sessions and allocates employees accordingly. We measure success in implementing our learning strategy by the number of participants, their average learning time, and the total number of people registered to use LILY. Average self-directed, digital learning using the LILY and LinkedIn Learning platforms amounted to 1.7 hours per employee. Men learned for an average of 1.4 hours and women for 2.4 hours. Both platforms are available to all employees worldwide who have access to the intranet. A learning and skills network created by employees for employees—the Evonik learning sessions—numbers some 19,700 members across the globe. In 2024, a total of 16,381 employees participated in 141 learning sessions.

Progress in 2024

ESRS S1-4, ESRS S1-5

Our efforts in 2024 centered on developing our Next Generation Culture initiative, with the aim of encouraging employees to take an active role in shaping our corporate culture. The Evonik Social Network Community provides its 1,300 members with regular updates on developments and actions. This platform promotes networking as well as enhancing the visibility of new actions and special events. A series of videos served to highlight the importance of the human factor as a critical element in our sustainability transformation. In the future, we will continue to focus on established topics that enable us to address and further strengthen the community on an ongoing basis.

Around 200 employees participated in the Evonik Explorers talent development program in the reporting period.

Developed in 2023, the "Be Part of Something Special" employer identity was rolled out across our business lines, functions, and regions in 2024. Employee workshops gave rise to new themes for business-relevant target groups. Our employer branding was bolstered by more than 400 new career ambassadors through people stories, Instagram takeovers, and events. The employer branding team launched several digital campaigns communicating topics in an authentic way. A new internal job change tool facilitates onboarding through the use of SharePoint pages; it is available in the USA and Germany, among other countries. Most employees who move to a new role are faced with significant changes due to relocating within the same country or abroad, transferring to a different business unit, or because they are taking on a management position at Evonik for the first time. Human Resources helps these employees settle into their new jobs with the Power Up@Evonik platform. "Refill with Skill" provides the opportunity for informal discussion with management as a means of promoting career changes. The Talent Acquisition Dashboard was improved to allow metrics such as processing times and satisfaction levels to be analyzed. This enables us to make strategic, data-based decisions that underpin a targeted and sustainable HR policy throughout the group.

Metrics

In 2024, we paid out €3,170 million in wages and salaries.

Personnel expense T55

in € million	2023	2024
Wages and salaries	2,605	3,170
Social security contributions	465	488
Pension expenses	125	141
Other personnel expense	59	57
Total	**3,254**	**3,856**

The following employee information is headcount data taken from the global SAP HR information system as of the December 31, 2024 reporting date. ESRS S1-6

Employees by contractual status

Around 96 percent of our permanent employees worldwide have permanent contracts.

In the EMEA region, 1,545 employment contracts were temporary—of which 80 percent were apprentice/employee contracts in Germany.

ESRS S1-6

Employees by region, contractual status, and full-time/part-time working in 2024 T56

	EMEA[a]	North America	Central & South America	Asia-Pacific	**Group total**	thereof men	thereof woman
Contractual status							
Employees with permanent contracts	19,814	4,734	737	4,237	**29,522**	21,455	8,067
Employees with temporary contracts	296	9	7	835	**1,147**	722	425
Full-time apprentices/trainees	1,254	3	4	–	**1,261**	958	303
Total[b]	**21,364**	**4,746**	**748**	**5,072**	**31,930**	**23,135**	**8,795**
Full-time/part-time							
Full-time employees	17,653	4,724	742	5,065	**28,184**	21,446	6,738
Part-time employees	2,457	19	2	7	**2,485**	731	1,754
Apprentices/trainees	1,254	3	4	–	**1,261**	958	303
Total[b]	**21,364**	**4,746**	**748**	**5,072**	**31,930**	**23,135**	**8,795**

[a] Europe, Middle East & Africa.
[b] See also consolidated financial statements, table **T87** „Segment report by regions" **p. 230.**

ESRS S1-6

Employee turnover and length of service T57

	2023	**2024**
Early turnover[a] in %	2.2	1.7
Total turnover in %	6.6	6.2
Average length of service in years	13.9	14.1

[a] Termination by employee in the first year.

We aim to further reduce the early turnover rate. Early turnover decreased slightly to 1.7 percent (down from 2.2 percent in 2023) and total turnover likewise dropped marginally from 6.6 percent to 6.2 percent.

ESRS S1-6

Employees by country[a] T58

	2023	**2024**
Germany	19,320	18,305
USA	4,683	4,393
Other	9,406	9,232
Employees	**33,409**	**31,930**

[a] Countries with more than 10 percent of all permanent employees.

ESRS S1-6

Employee turnover by region, gender, and age in 2024 T59

	Turnover in %	No. of employees who left the company[a]
By region		
Europe, Middle East & Africa	5.3	1,183
Asia-Pacific	6.9	353
Central & South America	8.3	64
North America	9.1	459
By gender		
Female	5.5	497
Male	6.4	1,562
By age		
Under 30 years	6.8	427
30 to 50 years	4.7	782
Over 50 years	8.2	850
Evonik	6.2	2,059
thereof termination by employee	3.5	1,161

[a] Employees who left the company.

11.2 Diversity and equal opportunity

Strategy and management

As an international company with a presence in multiple markets, we regard diversity as an opportunity. Diversity is not simply a social or political obligation. We see it as a key to business success. Employees with different backgrounds and personalities enrich our teams and our company. **Increased cases of discrimination** may have a negative impact on the corporate culture. Our position is clear: We do not tolerate discrimination. Diversity enhances Evonik's creativity, innovative strength, and close contact with customers. **Diversity and equal opportunity have a positive influence also on the recruitment of new employees as well as on staff retention.** The employment and inclusion of people with disabilities is another way in which we embrace diversity. Evonik was the first company in the chemical industry to sign an occupational inclusion policy. ESRS 2 SBM-3

Our diversity strategy is a firm fixture in our corporate strategy, corporate values, and competency model (see chapter 11.1 Attractiveness as an employer/employee satisfaction (chart **C56** "ONE Culture" **p. 171**)). Evonik's executives are required to actively manage diversity with the aid of specific metrics relating to experience, age, training, nationality, and gender. We also take into account different mindsets and perspectives, including religious conviction and sexual orientation. Since 2021, diversity criteria have been incorporated into our employee appraisals. Executives use the HR Dashboard to access the relevant diversity metrics. We inform all employees about the present situation in an annual diversity report. The role of the diversity council is to embed diversity in our organization, developing it on the basis of cross-business criteria. To this end, it defines the diversity strategy, targets, and focus topics, which are aligned with the company's strategic challenges. The diversity council is also responsible for allocating resources as effective support for target achievement. It comprises members of the executive board, the heads of the divisions as well as representatives of the regions and corporate functions. Global rollout of the actions adopted by the diversity council is expedited by three diversity panels—for processes, regions, and communication. Our global diversity & inclusion team is charged with implementation at regional level.

Targets

ESRS S1-5

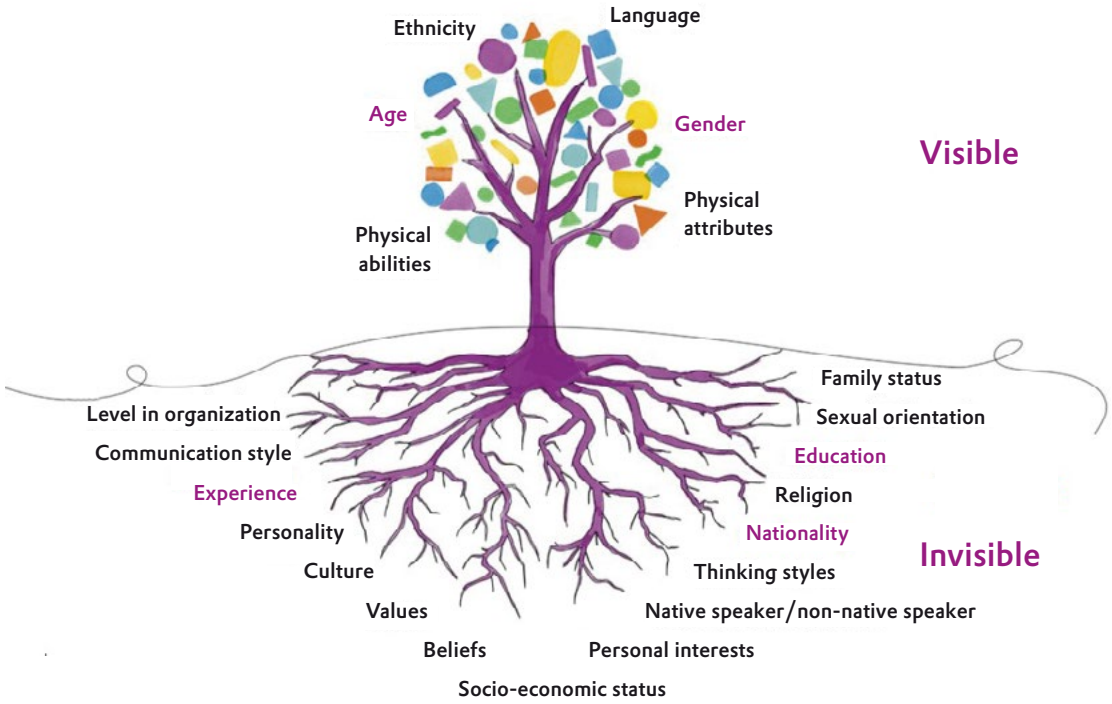
- Proportion of women at executive, senior management, and other management levels is to be 30, 25, and 33 percent, respectively, by 2026
- Intercultural mix at executive and senior management levels is to be 25 and 35 percent, respectively, by 2026

We have set targets that frequently exceed statutory requirements, especially for the dimensions in which we aim to improve: gender diversity (see table **T61** "Diversity targets: Percentage of women in management" **p. 179**) and intercultural mix (table **T62** "Diversity targets: Intercultural mix" **p. 179**).

Actions

We integrate diversity into our HR processes—especially through gender-balanced recruiting—and measure the progress we make with regard to implementing diversity in the workplace using, for example, target KPIs for the proportion of women and the intercultural mix. Fostering diversity is a central management task and we provide our executives with the means and knowledge they need for this. At the same time, we work to overcome unconscious bias by raising awareness through our corporate media or mandatory training on diversity and equal opportunity. This enables us to create a supportive environment that includes childcare, SmartWork mobile working, job sharing, and the groW network. We benefit from our long-standing partnerships with student networks such as UNITECH, a network that brings together international universities, global corporations, and engineering students, and FEMTEC, which focuses on fostering young female employees and talents in STEM professions (science, technology, engineering, mathematics, and IT). To attract candidates with professional experience, we collaborate with alumni organizations. These partnerships add currency to our diversity strategy by specifically addressing the recruitment of women and international staff.

Diversity tree C58



We actively raise awareness of diversity and equal opportunity through our corporate media and regular dialogue formats. As soon as employees join Evonik, such as during their onboarding training, they are made aware of how the company practices diversity and that we view this topic as a key success factor.

The employee resource groups (ERGs) are expanding with the establishment of local branches and international networks. New ERGs are being created alongside the established ones—groW for women, BUILD for Afro-American employees, ASPIRE for Asian employees, E-Vet for military veterans, the FoNeMa forum for new employees, Early Career Professionals, and EQuALS (Evonik Queer Alliance for Learning and Support). These offer activities such as BarCamps, mentoring, talks by experts, and speed networking.

Diversity enhances teamwork in all areas, including administration and production. Since 2024, a new face-to-face training event on diversity and inclusion for production shift managers and foremen has sensitized them to the advantages of diversity, the detection of unconscious bias, and the creation of a non-discriminatory environment.

Progress in 2024

In 2024, mandatory training on diversity was implemented for all employees with the goal of conveying a fundamental understanding of diversity and inclusive conduct. The online training course demonstrates how Evonik's business success is influenced by an inclusive working environment that values differences and is characterized by respect and mutual understanding.

Metrics

We foster cross-generational collaboration in our teams. In 2024, the average age of Evonik employees was 43 years. Eighteen percent of our workforce (5,755 employees) was under 31; 51 percent was in the 31- to 50-year age group (16,351 employees); and 31 percent (9,824 employees) was over 50. Our youngest employees in the reporting period were apprentices aged 16. ESRS S1-9

ESRS S1-9

Age structure in the Evonik Group T60

			Share in %	
	2023	**2024**	2023	**2024**
Up to 30 years	6,302	5,755	18.9	18.0
31 to 50 years	16,776	16,351	50.2	51.2
Over 50 years	10,331	9,824	30.9	30.8
Employees	**33,409**	**31,930**	**100**	**100**

ESRS S1-9

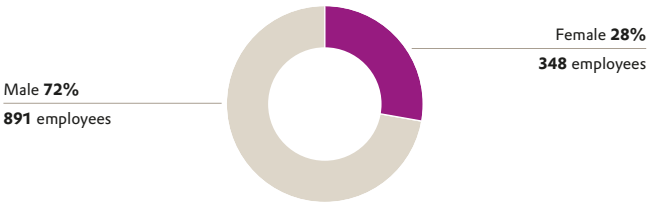
Diversity targets: percentage of women in management T61

	Base year 2011	2023	2024	Targets for 2026
Executives[a]	14	35	32	
Executives in %	8.2	22.2	21.8	30.0
Senior management[b]	37	92	92	
Senior management in %	8.1	18.5	19.1	25.0
Other management levels[c]	842	2,696	2,709	
Other management levels in %	17.8	30.3	31.4	33.0
All management levels	**893**	**2,823**	**2,833**	
All management levels in %	**16.6**	**29.6**	**30.7**	

[a] Executives = i.e., top management functions in the Evonik Group. Corresponds to job functions in Management Circle 1.
[b] Senior management = i.e., key functions in the segments, regions, service units, and corporate divisions. Corresponds to job functions in Management Circle 2.
[c] Other management levels = further management functions, including various expert functions with or without employee leadership. Corresponds to job functions in Management Circle 3, covering remuneration levels 1 to 5.

We aim to increase the proportion of women at all company levels worldwide. Of 147 executives, 32 (22 percent) are women and 115 (78 percent) men. In the reporting period, 28 percent of new hires were female and 72 percent male.

External hires by gender 2024 C59



We aim to improve in the dimension of intercultural mix and have set specific targets.

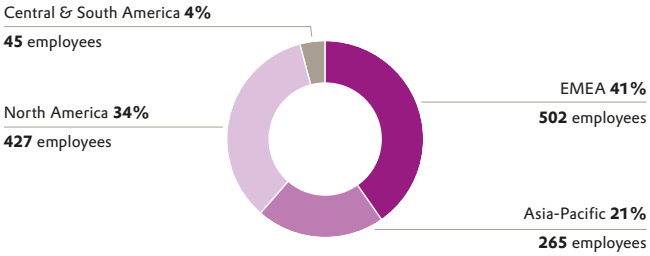
Diversity targets: intercultural mix[a] T62

in %	2023	2024	Targets for 2026
Executives	18.4	18.4	25.0
Senior management	25.7	26.2	35.0
Other management levels	–	47.9	–
All management levels	**46.1**	**46.3**	**–**

[a] Employees whose nationality is not German.

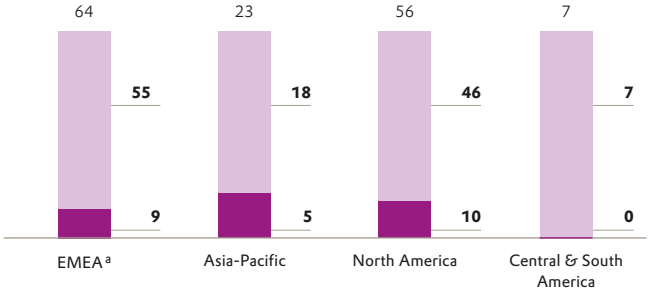
Evonik currently employs people of 110 nationalities at 198 sites in 53 countries. The proportion of managerial employees who do not hold German citizenship is around 46 percent. Group-wide, the proportion in senior management positions is around 26 percent.

External hires by region 2024 C60



In the regions in which Evonik operates, local and global executives have been hired as follows:

External management hires by region 2024 C61



Local: Manager's nationality corresponds to the location of the operation.
Global: Manager's nationality differs from the location of the operation.

[a] EMEA = Europe, Middle East & Africa

11.3 Occupational health and safety (occupational and plant safety/ health protection and promotion)

Strategy and management

Protecting the health, safety, and employability of our employees as well as preventing accidents and incidents at work and in the operation of our production facilities are of central importance to Evonik. Our high safety standards are geared to preventing accidents, **fatalities as well as damage to health and the environment.** That applies not only to our own employees but also to contractors' employees during their working hours, when commuting, and when transporting goods. Our ESHQE management handbook sets out our mandatory global rules on the environment, safety, health, quality, and energy. The aim is to continuously optimize our processes, plants, products, and services. This includes minimizing the undesirable influences of our activities on people and nature. Another goal at Evonik is to prevent **the release of hazardous substances into the environment** and to preclude **damage to our production facilities resulting from inadequate safety precautions.** We take both internal and external factors into consideration, such as **extreme weather, manipulation, and terrorist attacks.** We are conscious of the fact that our production operations result in environmental emissions. This is why it is imperative to avoid any potential **environmental damage such as water pollution at Evonik's sites.** We aim to further reduce the emissions from our business activities and already take this into account when planning new facilities. ESRS 2 SBM-3, ESRS S1.SBM-3, ESRS E2-1, ESRS E3-1

The group-wide management of occupational and plant safety at Evonik is based on global policies, processes, and systems. These are a core element of our integrated management systems. We have fine-tuned our Safety at Evonik cultural initiative to serve as a group-wide management approach covering all aspects of occupational safety. This defines binding principles of action that give our managers and employees, including personnel covered by the German Act on Temporary Agency Work and personnel from staffing agencies at our international sites, reliable guidance on safety-compliant conduct in their daily work. We draw on centrally planned internal audits to evaluate implementation of the applicable rules and regulations as well as to identify any scope for optimization. Our internal procedures are supplemented by external audits conducted by independent certification bodies. The ESHQ function is charged with standardizing mission-critical processes for all divisions (see chapter 10. Environmental information p. 127 ff.). Requirements and the need for action are defined in binding metrics-based targets for occupational and plant safety. Accident frequency is also factored into the variable remuneration of executive board members. ESRS S1-1, ESRS S1-14, ESRS S1.SBM-3

The targets set by the executive board for occupational and plant safety have long been a top priority. The primary metric for occupational safety at Evonik is the lost time injury rate (LTI-R). Our group-wide Safety at Evonik management approach has been supplemented by Safety at Evonik 2025, a roadmap setting out further safety elements for every year up to 2025. We are planning additional safety initiatives at Evonik through 2030, including a program to assimilate new employees into the company's safety culture: New Employee Onboarding to Safety at Evonik.

Safety is the basic precondition for the operation of our facilities and their performance, paving the way for reliable, effective, and future-proof production. Plant safety not only helps prevent incidents, it also ensures proper operation and minimizes environmental impacts. We set rigorous safety standards for the entire life cycle of our plants worldwide. We regard safety as an all-round task which is embedded in our safety management systems worldwide and reviewed regularly. This review may be performed at any time on an ad-hoc basis or at regular intervals, for example, as part of the ISO audits that take place every three years. The primary metric for plant safety at Evonik is the process safety incident rate (PSI-R). It is used to monitor the number of incidents in production plants involving the release of substances, fire, or explosion (process safety incidents), as defined by Cefic[1].

In line with statutory requirements, we have set up occupational safety committees comprising employer and employee representatives, safety specialists, safety officers, and occupational medicine specialists at our German sites. These meet at least four times a year to discuss issues relating to occupational safety and health protection. In accordance with Germany's Occupational Safety Act, employees are represented in both occupational safety committees and in the group occupational safety and environment committee, where information is shared. The committees cover more than 99 percent of our employees in Germany. Employees outside Germany are provided information via local management structures. Together, they comprise a focal area for target achievement. ESRS S1-5, ESRS S1-14

Global management of health protection and promotion at Evonik takes a long-term, 360-degree approach covering employees, the working situation, and the general working environment. Our approach to health protection and promotion encompasses high-grade medical care as required, ergonomic, health-efficient workplace design as well as an emergency management system at plant level. We aim to meet all statutory requirements regarding occupational health and safety, maintain

[1] CEFIC GUIDANCE FOR REPORTING ON THE ICCA GLOBALLY HARMONISED PROCESS SAFETY METRIC Responsible Care Leadership Group June 2016.

and enhance workforce employability and wellbeing, and thus avoid **high rates of sickness-related absence.** Evonik offers employees a range of voluntary measures to foster their health. These are pooled under the group-wide Well@Work initiative. This is how we help promote a healthy lifestyle. Of equal importance to Evonik is a family-friendly human resources policy that takes account of different phases in employees' lives and supports a good work-life balance. Appropriate offerings are designed to counter any **inadequate work-life balance** as well as stem the **rise in mental health problems and stress-related illnesses.** Our health protection and promotion actions are available to all employees, including personnel covered by the German Act on Temporary Agency Work and personnel from staffing agencies at our international sites. ESRS 2 SBM-3

Targets

- Lost time injury rate (LTI-R) ≤ 0.26
- Process safety incident rate (PSI-R) ≤ 0.40
- Occupational health performance index ≥ 5.0

Our target is to remain below the upper limit for the LTI-R of 0.26 accidents involving Evonik employees resulting in absences of at least one full shift per 200,000 working hours. The lost time injury rate covers all work-related accidents (excluding traffic accidents) resulting in absences of at least one full shift per 200,000 working hours.

The process safety incident rate is determined from the number of incidents in production plants involving the release of substances, fire, or explosion (process safety incidents), as defined by Cefic. Our target is to remain below the upper limit of 0.40.

The occupational health performance index is calculated from six key parameters that are of particular significance in effective emergency medical management, occupational medicine, and occupational health promotion. All three areas are represented equally in the index, each with one qualitative and one quantitative parameter. A score of between 0 and 1 point is possible for each parameter. The scores are added together and the maximum total score is 6 points. The index shows the extent to which internal requirements have been implemented and goals achieved. Both the quality and the scope of the actions are taken into account. We have defined a target of ≥ 5.0 for the occupational health performance index.

These three targets relate to Evonik's own workforce.

Actions

Occupational and plant safety

Our crisis and incident management is designed to prevent or limit the damage if accidents nevertheless happen[1]. We systematically analyze and also simulate incidents with external support, for example, from the local fire department. In this way, we aim to further enhance our safety performance. We share the findings within the company via our ESHQ Global SharePoint. One successful format for this is our safety flyer. At the same time, we participate in various national and international networks aimed at building and sharing experience.

The aim is to prevent damage to health and the environment. Evonik applies stringent safety standards in order to minimize the impact of its production operations and/or any stoppages. Additionally, we regularly monitor and analyze our emissions into the air, water, and soil. No expenses were incurred in the reporting period in conjunction with major incidents and deposits.

At our sites, we ensure that no relevant contamination can be caused in the course of proper operation. We achieve this, for instance, by complying with the extensive existing legal requirements, especially those in respect of protecting water resources and the soil as well as preventing emissions—including by way of clean air measures at our sites. These include returning exhaust gases to the production process, thermal processing of residual gases with a high calorific value (as substitutes for natural gas), electric filters to remove particulates, catalysts to reduce nitrogen oxide, and desulfurization by washing with subsequent precipitation. We use other methods to reduce emissions from production facilities, including wet and dry scrubbing, condensation, adsorption as well as thermal and catalytic incineration. Some of these emissions treatment facilities are used simultaneously by multiple units. When planning new production facilities, we consider the use of processes that generate little or no wastewater in order to conserve natural water resources. Where water contamination from production processes (production effluent) is unavoidable, partial streams are tested—for example, for biodegradability. We maintain high technology standards and infrastructure for the disposal of wastewater at our sites. In certain cases, production effluent is pretreated while still in the production plants. This means that the effluent load of wastewater discharged into our own or third-party treatment facilities is only moderate. At Marl Chemical Park in Germany, sewage sludge is dewatered in our own treatment plant and subsequently incinerated in our own facilities with integrated flue gas treatment. We use some of the exhaust gases from the production plants as substitute fuels (heating/fuel gas). Heat from the incineration gases is then used to generate 20 bar steam. Wastewater discharged from our sites is carefully monitored, including by regular sampling and continuous measurement. These analyses support the management of

[1] Based on the definition in the German guideline SFK-GS-26.

our wastewater treatment facilities. Moreover, numerous analyses are legally required within the scope of self-monitoring. In addition, the authorities frequently make unannounced visits to check discharge levels. Where necessary, we have implemented actions at our sites to prevent emissions into the soil. Our facilities are equipped with specially designed collecting basins to contain or store substances hazardous to water. Additionally, the pipelines are checked regularly. ESRS E2-1, ESRS E2-6

Emergency medical management

Evonik's Medical Incident and Emergency Management standard defines binding basic requirements for emergency medical management at all sites worldwide. The exact equipment and human resources required depend on production-related risks as well as the availability and quality of local medical infrastructure. Specific procedures have been defined for accidents where employees come into contact with chemicals and special medical treatment is immediately required. Emergency medical management likewise includes pandemic plans and regular training exercises. An extensive preventive health and risk management program is in place for employees on business trips and foreign assignments.

Workplace-related preventive healthcare

The results of our hazard assessment help us take appropriate preventive actions to avoid work-related illnesses and health issues. Where we identify a risk for specific activities, technical and organizational actions to counter the risk have priority over the use of personal protective equipment. Information and training of employees also play an important part in avoiding health impairments. Such training is mandatory for all employees worldwide. Preventive healthcare includes advice for employees on their individual health risks as well as preventive check-ups where necessary. The medical data generated in this process are subject to medical confidentiality. They are protected and archived in accordance with national data protection regulations.

Corporate health promotion

Our Well@Work program centers on four areas: exercise, a healthy diet, mental health, and work-life balance. A wide range of offerings at our sites, supplemented by group-wide digital programs, foster our employees' physical and mental health. Our corporate health promotion activities center on basic programs with a long-term focus. The aim is to encourage employees to adopt a healthy lifestyle, flanked by health campaigns that are changed each year. At all of our German sites, there are interdisciplinary health task forces to implement Well@Work. The Care & Support program in Germany enables employees to also contact the company medical service with private medical questions. They are given advice and support or—in the event of illnesses requiring treatment—referred to their general practitioner or a specialist physician.

Worldwide, around 96 percent of our workforce have the opportunity to seek advice on workplace-related, personal, or family problems from social and employee counseling centers.

Transportation safety

We aim to ensure the safe transportation of raw materials and products, working continuously to minimize risk at all stages of the shipping process—from loading through transportation to unloading. To this end, we employ a uniform process in selecting the logistics service providers for transportation and regularly review their reliability. Our understanding is that this includes evaluating the Responsible Care® performance of all transportation providers. We work non-stop to optimize safety in transporting our products. For example, in the case of dangerous goods shown to have a high risk potential according to Evonik's criteria, hazards are assessed systematically by way of a transport risk analysis and corresponding preventive action is taken to mitigate the risks. If any transportation incidents occur, the causes are analyzed and sustainable corrective action taken to prevent their recurrence. We evaluate accidents in the shipment of goods using the criteria set out in section 1.8.5 ADR[1].

Progress in 2024

We rolled out the Safety Street concept at Marl Chemical Park in Germany. This has the aim of familiarizing our own employees and those of other companies located on site with the potential hazards of the working environment under realistic conditions and teaching them the necessary protective actions. In addition to theoretical training, the concept is also based on practical experience gained in a specially designed 420-square meter center of excellence, where a range of occupational safety aspects can be experienced at different stations.

[1] ADR = Accord européen relatif au transport international des marchandises dangereuses par route, English: European Agreement concerning the International Carriage of Dangerous Goods by Road.

We steadily endeavor to optimize our safety management system. Our expert circle on plant safety worked on various projects in the reporting period. The focus here is on refining our existing plant safety regulations. Based on the experience gained with ESTER, we further optimized the management-of-change process.

We continued our online corporate health promotion offerings. In this way, we also take into account the fact that many employees now use our #SmartWork mobile working program. Employees in Germany had access to a wide choice of offerings through our #Gesunddurchsjahr program, including online talks on various topics, advice on ergonomics and healthy eating, online exercise sessions to encourage activity during lunch breaks as well as online get-togethers for personal interaction—for instance, for parents and employees caring for relatives. There were also in-person corporate health promotion offerings at our sites. In the fall, we offered our routine influenza vaccine program and coronavirus booster vaccinations where required. Our global health campaign focused on helping employees to strengthen their resilience in difficult situations. During "CPR week" in September, many sites again offered employees the opportunity to learn simple resuscitation techniques or refresh their knowledge. In Germany, Evonik once again took part in a mental health week to raise employees' awareness of mental health issues, overcome prejudice, and provide information on where to get help.

Metrics

ESRS S1-14

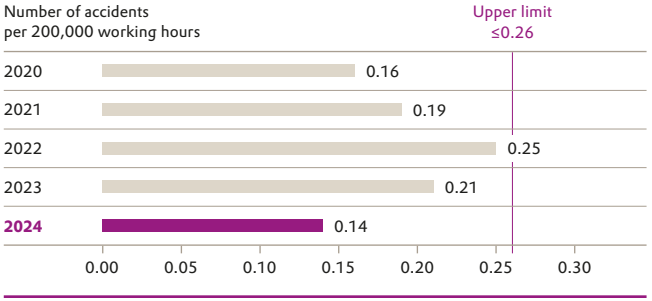
Occupational health and safety metrics T63

	Employees		Non-employees	
	2023	**2024**	2023	**2024**
Percentage of individuals covered by a health and safety management system	–	100	–	–
Number of fatalities as a result of work-related injuries	0	0	0	0
Work-related accidents resulting in absences of at least one full shift	–	45	–	58
Rate of work-related accidents resulting in absences of at least one full shift	0.21	0.14	0.79	0.80

In 2024, we once again achieved our target of remaining below the upper LTI-R limit of 0.26 accidents involving Evonik employees resulting in absences of at least one full shift per 200,000 working hours. The total number of hours worked by Evonik's employees—including personnel from staffing agencies—in the reporting period was around 65 million hours. The LTI-R was 0.14, well below the defined upper limit. The LTI-R for Evonik employees resulting in absences of at least one full shift per 1,000,000 working hours was 0.7. For the past fiscal year, we are reporting the total number of recordable work-related accidents (TRI)[1] for the first time. In addition to work-related accidents resulting in absences of at least one full shift, this metric includes accidents requiring medical treatment but no absence. In 2024, we recorded a TRI of 213 with a rate of 3.28 per 1,000,000 working hours.

In the reporting period, there were no fatal accidents involving our employees or contractors' employees, either at our sites or when commuting. There were no accidents resulting in more than six months' absence from work. In the reporting year, there were no reported deaths of members of our active workforce as a result of work-related illness.

Lost time injury rate C62

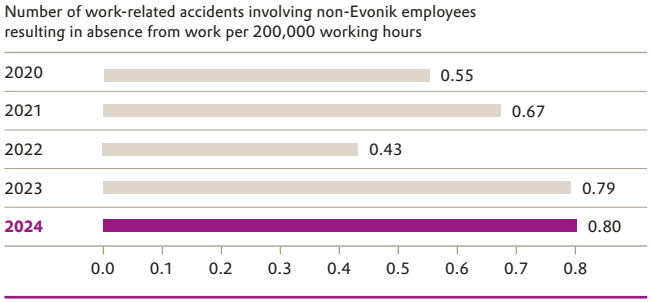


Our ESHQ software, ESTER, provides us with various ways to evaluate incidents. As in the previous year, most injuries in 2024 related to hands and fingers.

The LTI-R for contractors' employees was 0.80 accidents per 200,000 working hours, which was lower than in the previous year (0.79). The number of accidents amounted to 58 in 2024. The increase in the LTI-R is attributable to the fact that fewer contractors were used. Most of the accidents were caused by workers tripping, slipping, falling, or coming into contact with machinery.

[1] "Total recordable injuries" encompasses: all fatalities, lost time injuries, cases restricted for work, cases of substitute work due to injury, as well as medical treatment cases that go beyond first aid, or the loss of consciousness" or "a significant injury or illness diagnosed by a physician or other accredited healthcare professional.

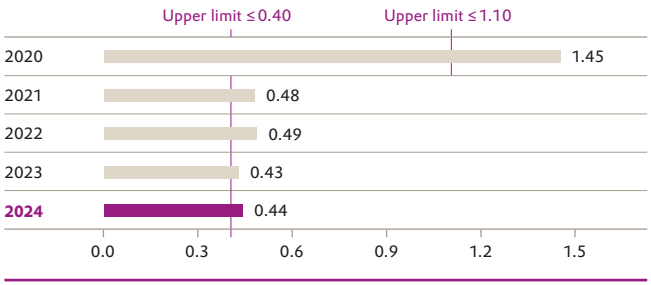
Lost time injury rate, contractors' employees[a] C63



[a] Calculation based on assumptions and estimates.

Our PSI-R in the reporting period was 0.44. This means that we did not meet our target of remaining below the upper limit of 0.40. As in previous years, most incidents related to the release of substances.

Process safety incident rate[a] C64



[a] 2017 – 2020 in accordance with Cefic 2011, from 2021 in accordance with Cefic 2016.

ESRS E2-4

The table "Emissions into the air and water" shows the annual emissions of pollutants into the air that exceed the thresholds specified in Annex II of the E-PRTR[1] Regulation, which lists a total of 91 pollutants or pollutant groups. In addition, the table shows the annual emissions of pollutants into the water that exceed the thresholds specified in Annex II of the E-PRTR Regulation (direct discharge). The figures also cover the wastewater transferred to facilities outside the operating infrastructure (indirect discharge) if the annual emissions of pollutants in the wastewater exceed the specified thresholds.

In 2023 and 2024, emissions into the air (excluding CO_2) were primarily made up of nitrogen oxide and sulfur oxide emissions. These emissions declined sharply during the reporting period—by 27 percent (nitrogen oxides) and 42 percent (sulfur oxides)—following decommissioning of the coal-fired block of power plant 1 in Marl at the end of March 2024. Reported emissions into the water also included some third-party polluting loads. Toluene loads resulted from indirect discharges only. Most of the chromium, mercury, and lead loads entered our wastewater via the accompanying substances of raw materials. Evonik's soil emissions are negligible. All emissions were below the thresholds defined by the E-PRTR Regulation.

ESRS E2-4

Emissions into the air and water[a] T64

in metric tons	2023	2024
Emissions into the air[b]		
Nitrogen oxides (NO_x/NO_2)	1,955	1,424
Sulfur oxides (SO_x/SO_2)	1,374	800
Non-methane volatile organic compounds (NMVOCs)	237	220
Ammonia (NH_3)	116	126
Particulate matter (PM_{10})	124	124
Chlorine and inorganic compounds (as HCl)	13.6	12.9
Hydrogen cyanide (HCN)	0.94	1.01
Nickel and compounds (as Ni)	0.08	0.17
Emissions into the water		
Chlorides (as total Cl)	18,497	16,682
Total organic carbon (TOC as total C or COD/3)	2,225	2,178
Total nitrogen	231	226
Total phosphorus	49.1	46.6
Fluorides (as total F)	9.96	13.6
Cyanides (as total CN)	3.01	3.27
Zinc and compounds (as Zn)	1.26	0.86
Toluene	0.69	0.32
Nickel and compounds (as Ni)	0.60	0.58
Copper and compounds (as Cu)	0.21	0.21
Lead and compounds (as Pb)	0.22	0.15
Chromium and compounds (as Cr)	0.06	0.09
Arsenic and compounds (as As)	0.03	0.01
Mercury and compounds (as Hg)	0.004	0.007

[a] Only part of the data for 2024 calculated because official reports were not yet available on the editorial deadline of this sustainability report.
[b] Excluding greenhouse gases.

[1] E-PRTR = European Pollutant Release and Transfer Register.

Emissions into the air and water are subject to a certain degree of measurement uncertainty. As a rule, measurement methods are coordinated with the local authorities and vary depending on the emission type and location. Methods include continuous measuring which is likewise prone to some degree of uncertainty. In addition, calculations are sometimes made by sampling or by applying emission factors which in turn may be inaccurate. These factors or measurements may also date back to previous years if there have been no material changes lately. This is why we always mark these figures as estimated data. Locations under no obligation to measure emissions are considered to be immaterial. The data are recorded annually in our ESG environmental tool, enabling us to systematically collect and manage the data required. The data sources range from continuous measurements to periodical reports and calculations based on emission factors.

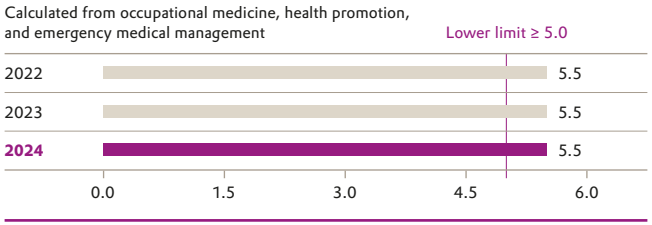
Health protection and promotion

The occupational health performance index shows the extent to which internal requirements have been implemented and targets achieved. It lets us measure progress in the area of occupational health and initiate selective improvements. The index is calculated annually. In the reporting period, it covered 118 sites with 95 percent of Evonik employees.

We have defined a target of ≥ 5.0 for the occupational health performance index. In 2024, the index was 5.5 (maximum: 6.0).

For Germany, we also calculate a health ratio, which was 94.3 percent in 2024 (2023: 94.5 percent). This is the ratio of target working hours less sickness-related hours lost to total target working hours.

Occupational health performance index C65



Occupational illness

The main causes of occupational illness at Evonik that are unrelated to the pandemic remain exposure to asbestos and noise. Exposure to asbestos relates to the period prior to 1993, the year Germany banned the production and use of asbestos. Our occupational safety actions endeavor to minimize the risks of contracting an occupational illness. In light of this, the risk for our employees as well as contractors' employees working under Evonik's direct supervision is very low.

Evonik regularly reports on occupational illnesses. The metric used for this is the occupational disease rate (ODR), which is defined as the number of newly recognized cases of occupational illnesses per 1 million working hours. The calculation includes all cases recognized in the reporting period, including latent illnesses—namely, illnesses where the causes lie well in the past. This calculation does not include contractors' employees, as we do not have access to such data for reasons of data protection regulations.

In 2023[1], there were 39 cases of newly recognized work-related illnesses, giving a total ODR of 0.59 for the Evonik Group (2023: 1.11).

[1] The figure for newly recognized cases of occupational illnesses was provided by the employers' liability insurance association and is not published until the spring of the following year, which is after the editorial deadline. The ODR for 2024 is expected to be available on our website in spring 2025.


EVONIK
Leading Beyond Chemistry

GOVERNANCE INFORMATION

We are convinced that reliable and ethical management of the company is the basis for long-term business success, fair competition, and acceptance by society.

MATERIAL TOPICS

- Portfolio transformation

- Mitigating climate change
- Green energy
- Water management
- Biodiversity
- Circular economy
- Product stewardship

- Attractiveness as an employer/employee satisfaction
- Diversity and equal opportunity
- Occupational health and safety

- **Responsible management/human rights**
- **Responsibility within the supply chain**
- **Cybersecurity**

87.0%
Raw materials suppliers covered by TfS assessments[1]

96.0%
Training rate code of conduct

11
Phishing tests

[1] Annual procurement volume >€100 thousand.

12. Governance information

- **Inclusion of cybersecurity in the House of Compliance approved**
- **Group-wide activities consolidated in Internal Investigations**
- **Continuation of face-to-face human rights training**
- **Deeper analysis of value chains associated with potential risk**

12.1 Responsible corporate governance/human rights

Strategy and management

ESRS S1-1

Besides complying with the law and respecting human rights, the principles of business ethics involve respecting internal regulations and binding voluntary commitments. We strive to prevent **compliance violations and breaches of human rights at Evonik as well as breaches of human rights in our supply chain,** putting an end to any that do occur. At the same time, we aim to ensure that human rights standards comparable with our own are observed within our supply chain. Where this is not the case, we work with our suppliers to establish such standards and remedy violations. This is why we regard fulfilling statutory regulations—for instance, on fair competition, fighting corruption and money laundering, and respecting protected human rights—as a minimum requirement. Moreover, we are committed to observing internationally recognized standards as well as our own more far-reaching guidelines and principles of conduct. The cornerstone of responsible corporate governance at Evonik is our code of conduct[1], together with our policy statement on human rights, our ESHQE policy[2] (see chapter 10. Environmental information p. 127 ff.), and our code of conduct for suppliers. ESRS 2 SBM-3, ESRS S1-2

In its policy statement on human rights, Evonik undertakes to comply with internationally recognized human rights standards in its business operations and to foster respect for human rights within its supply chains. This policy statement, which applies to all direct and indirect employees of the Evonik Group, is based on the Universal Declaration of Human Rights adopted by the United Nations, the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO), the Ten Principles of the UN Global Compact, and the OECD Guidelines for Multinational Enterprises. The topics covered include the right to fair treatment, protection against discrimination, and the prohibition of forced labor, human trafficking, and child labor. ESRS S1.SBM-3, ESRS S2-1

In implementing its human rights due diligence obligations, Evonik acts on the basis of the United Nations Guiding Principles on Business and Human Rights, focusing specifically on the rights of those who are (potentially) affected. When it comes to its own business operations and supply chains, Evonik gives particular consideration to the rights of groups and sections of the population who may be vulnerable and possibly at greater risk. The policy statement is backed by a comprehensive compliance management system (CMS) for human rights, the rollout and refinement of which are the responsibility of the group human rights officer. Ultimate responsibility for compliance with the policy statement rests with Evonik's executive board. The chief compliance officer

Voluntary commitments and international corporate social and ethical standards C66

Internal	External
Policy Statement on Human Rights	Responsible Care®
Code of Conduct for Evonik employees	ILO—International Labour Standards
Code of Conduct for Suppliers	OECD Guidelines for Multinational Enterprises

[1] The code of conduct and the policy statement on human rights apply to a) all employees of Evonik Industries AG, b) all employees of companies where Evonik Industries AG directly or indirectly holds more than 50 percent of the shares or is able to exert a controlling influence in any other way, and c) the executive board of Evonik Industries AG and all managing bodies of the companies referred to in b). At companies where Evonik holds a stake but does not exert a controlling influence, we work toward establishing comparable standards.

[2] ESHQE = Environment, Safety, Health, Quality, and Energy.

works to ensure that the CMS is appropriate and effective. The executive board obtains regular reports—at least once yearly—on the work of Evonik's human rights officer and the structure of the CMS. Publicly accessible on the Evonik website, the policy statement is communicated to the company's own employees via internal channels and relevant training.

Our code of conduct, available in 28 languages, sets out Evonik's most important principles and standards, with which all employees must be conversant. These include the following requirements in respect of human rights, discrimination, and fighting corruption.

Human rights

Notwithstanding the equivalence of all human rights, the following are of particular significance to Evonik:

- The right to equal opportunity and the right to non-discrimination
- The avoidance of all forms of child and forced labor
- The right to freedom of association and the right to collective bargaining
- Fair payment and benefits in line with local market conditions
- Compliance with applicable working time regulations

Discrimination

No employee, any other person working for Evonik, job applicant, or business partner shall be treated unfairly, privileged, disadvantaged, or excluded on the basis of ethnic origin, skin color, gender, religion or world view, physical constitution, appearance, age, sexual identity, or any other characteristic protected by law.

Fighting corruption

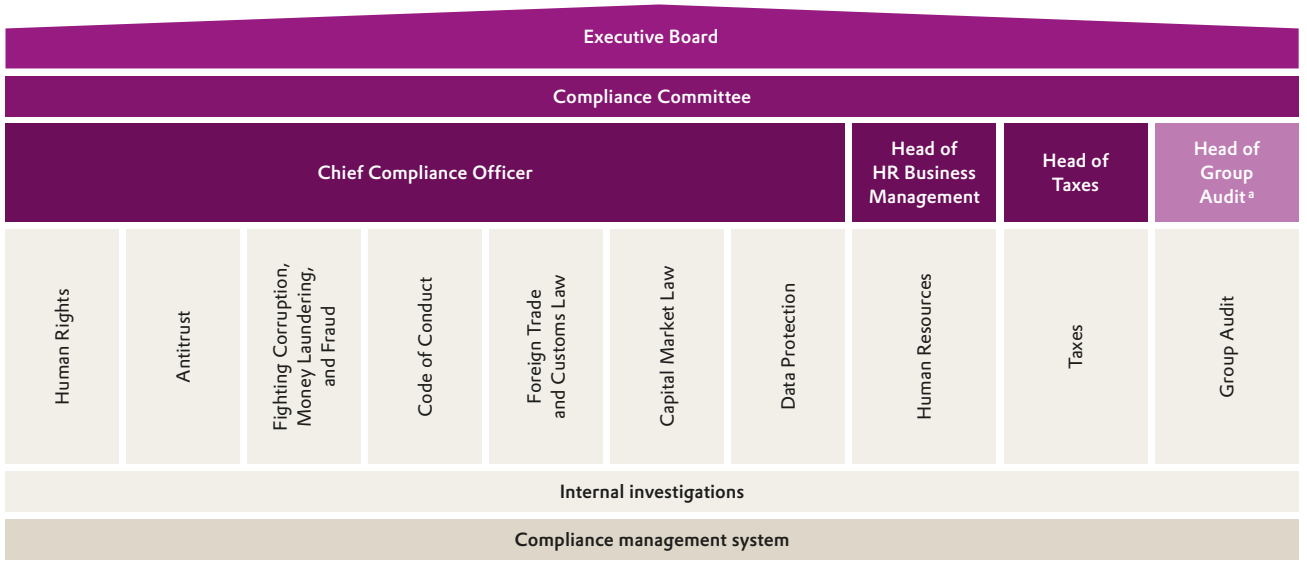
Evonik is committed to fair competition to the benefit of its own customers, shareholders, and other stakeholders. Moreover, Evonik respects the independence of public officials. That is why Evonik prohibits all forms of corruption, including facilitation payments. ESRS G1-3

The code of conduct was adopted by the executive board of Evonik Industries AG. Valid throughout the Evonik Group, it is an integral part of the employment contract between each individual employee and Evonik. Evonik has defined responsibility for the topics included in the code of conduct, along with key contacts. Violation of the code of conduct can damage Evonik's reputation and result in substantial financial loss. In light of this, violations can have far-reaching consequences for the employee involved. We have zero tolerance for violations of our code of conduct.

As the basis for successful collaboration, we expect our suppliers and other business partners to comply with these standards and implement suitable processes to ensure respect for human rights. Evonik has issued a special code of conduct for suppliers, which sets out binding requirements (see chapter 12.2 Responsibility within the supply chain p. 200 ff.). ESRS S2-6

As a signatory to the chemical industry's Responsible Care® Global Charter, we have an obligation to go on improving our performance in health protection, environmental protection, product stewardship, safety, and engagement with our stakeholders.

House of Compliance C67



a Advisory role.

Our compliance management systems

ESRS G1-1

Our internal guidelines are implemented by means of comprehensive management systems. The compliance areas of specific relevance to Evonik are bundled in a House of Compliance. Each unit takes account of the relevant rules for its compliance-related topic as well as the voluntary commitments entered into by Evonik, and issues internal regulations. Minimum group-wide standards have been defined for the compliance management systems (CMS) with regard to the topics covered by the House of Compliance, and each unit ensures that they are implemented. Responsibility for this rests with the executive board, which defines the key elements of the CMS and monitors their implementation. The supervisory board's audit committee oversees the effectiveness of the system. The process of forming a consensus, sharing experience, and coordinating compliance activities takes place in the compliance committee. It comprises the heads of the respective organizational units, who have independent responsibility for their areas, and the head of Group Audit. Group Audit performs independent audits to support the executive board and subordinate management levels in the performance of their supervisory duties and ongoing improvement of business processes. A key focus here is on auditing the internal control system and the risk management system. ESRS G1.GOV-1

Responsibility for the environment, safety, health, and quality is bundled in a corporate function with the same name (see chapter 10. Environmental information p. 127 ff.).

Requirements of the compliance management system

The executive board sets the minimum standards for a CMS. Its main aim is to avoid—or at least minimize—compliance violations and the associated risks. Compliance violations are to be identified, halted and—depending on their severity—corresponding sanctions imposed. The heads of the compliance units work to ensure that the CMS is appropriate and effective for the respective compliance issues. The chart C67 p. 189 visualizes our House of Compliance.

Compliance management system C68

Principle of prevention

ESRS G1-3

Tools used to avoid potential compliance risks relating to the topics bundled in the House of Compliance include risk analysis, training, raising awareness, and providing advice. In this context, we take account of our business activities group-wide in all regions and at all locations.

To identify potential risks as early as possible, each unit is required to perform regular risk analyses. Based on the findings, each unit issues binding standards and processes for the preventive action to be taken with regard to business activities where there are specific compliance risks. The topics forming the focus of the risk analysis and the action taken may vary over a given period of observation. Substantial changes in any given risk situation are examined on a case-by-case basis. As soon as a topic is examined, the material risks are reported to the management and governance bodies at the company concerned, depending on their type and extent. A regular risk analysis is undertaken in the compliance areas of fighting corruption, antitrust law, anti-money laundering, and human rights. The following risk analyses have been performed in recent years:

- Fighting corruption (2015 to 2017)
- Anti-money laundering (2017 to 2019)
- Fighting corruption and anti-money laundering, with a specific focus on procurement (2018 to 2020)
- Human rights (2022, 2023, and 2024)
- Antitrust law (2023 and 2024)

Taking the mitigating actions into account, these risk analyses did not reveal any significant compliance risks[1].

[1] Compliance risks that—following application of suitable mitigating actions—continue to be material with regard to the likelihood of occurrence, severity as well as scope and may have potentially severe consequences for Evonik.

Group-wide training concepts are available for all aspects bundled in the House of Compliance. These are continuously fine-tuned. Alongside the target group, they define the type, frequency, and content of training. Each unit is charged with conducting its own training sessions. We pay special attention to training in the areas of antitrust law, fighting corruption, anti-money laundering, human rights, and the code of conduct (see table T65 "Unified, group-wide training concept" p. 193).

Each unit is responsible for making employees aware of the importance and scope of the rules for each compliance area. That includes advising and assisting them in matters relating to a particular issue. This fosters early identification and evaluation of risks. In the training sessions, we provide information on where to seek advice.

Principle of detection

All employees are required to report possible or actual violations of the code of conduct to the competent department or compliance officer without delay, regardless of whether they relate to them personally or to their colleagues. To detect possible non-compliance, Evonik has established several channels that employees, personnel from staffing agencies working at Evonik, and external stakeholders can use to report suspected compliance violations (see chart C71 "Evonik's whistleblower system" p. 195).

Principle of response

We initiate commensurate actions to end violations and minimize the risk. Depending on the severity of the case, the actions taken with regard to employees range from warnings or reprimands to termination of employment and claims for compensation. Further action is taken where necessary to raise awareness—for example, through training. Sanctions against business partners can include termination of the business relationship and blacklisting.

Our compliance reporting

ESRS G1-1, ESRS G1-3

Our annual compliance report essentially provides information on the compliance organization, issues specific to the CMS as well as the internal investigations conducted during the year. The compliance report is prepared for the executive board, division heads, and the management board of Evonik Operations GmbH. It is also made available to the supervisory board's audit committee. Furthermore, the audit committee and executive board are informed of relevant risks and developments—insofar as is deemed necessary in individual cases—both during the year and on an ad-hoc basis in urgent cases. This applies to all material risks and violations of regulations that are of overriding significance for the Evonik Group.

We have additionally introduced half-yearly reporting on internal investigations, training, key activities, and risks. This is prepared for the division heads, the management board of Evonik Operations GmbH, and the management teams of the regions. Where appropriate, this target group also receives ad-hoc notification of any material risks and breaches of regulations. Furthermore, we communicate relevant risks and issues to other line managers.

Transparent presentation of our activities to protect human rights[1] is of utmost importance to Evonik. We provide information on this in our financial and sustainability report as well as on our website. Our annual statements on the UK Modern Slavery Act[2], the Canada Fighting Against Forced Labour and Child Labour in Supply Chains Act, and the California Transparency in Supply Chains Act are similarly published on our website[1]. They contain details of the action we take to prevent modern slavery.

ESRS S1-4, ESRS S2-4

Continuous improvement

Every organizational unit in the House of Compliance must regularly check the appropriateness and effectiveness of its CMS. In addition, regular reviews in this regard are performed by Group Audit.

Targets

- Regular risk analyses with regard to human rights, antitrust law, fighting corruption, and anti-money laundering by year-end 2025
- Achievement of a group-wide training rate of at least 80 percent for each compliance area: antitrust law, fighting corruption and anti-money laundering, human rights, and code of conduct

We use self-assessments, audits, the monitoring of metrics, feedback from customers and suppliers, risk assessments, training, and document reviews in pursuing our goal of preventing compliance and human rights violations at Evonik as well as breaches of human rights in our supply chain—and putting an end to any that do occur.

To identify potential risks as early as possible, each unit is required to perform regular risk analyses (see the sections "Principle of prevention" p. 190 f. and "Human rights compliance risk analysis" p. 192).

As a preventive measure, mandatory training is a key component of an effective and appropriate CMS. It communicates the rules that are to be observed and points of contact, raising employees'

[1] https://www.evonik.com/en/company/governance-compliance/human-rights.html
[2] Update for 2024 will follow in June 2025.

awareness of specific risks and enabling them to avoid misconduct. As of December 31 of each reporting period, we aim to achieve a training rate of at least 80 percent for each compliance area: antitrust law, fighting corruption and anti-money laundering, human rights, and code of conduct. The training rate is defined as the number of training candidates (Evonik employees) with a valid certificate relative to the total number of training candidates (Evonik employees). Face-to-face training and e-learning are given equal consideration in calculating the training rate.

Actions

Adoption of policies

ESRS G1-3

National and international anti-corruption and anti-money laundering regulations are of primary relevance in respect of the compliance areas of fighting corruption, anti-money laundering, fraud/embezzlement, and code of conduct. The organizational unit responsible has completed or initiated the internal implementation of group-wide standards in respect of the aforementioned compliance areas. These standards are aligned with the requirements of the United Nations Convention against Corruption.

Human rights compliance risk analysis

ESRS S1.SBM-3

An annual group-wide risk analysis examines human rights and environment-related risks in our own business operations as well as in the operations of our direct and indirect suppliers (see chapter 12.2 Responsibility within the supply chain p. 200 ff.). This enables us to identify the focus areas of our human rights due diligence efforts. In the course of our analysis, we examine risks from the perspective of (potentially) affected persons and assess these on the basis of potential breaches of human rights and the likelihood of their occurrence. We give particular consideration to the rights of groups and sections of the population that may be vulnerable and possibly at greater risk—for example, young people, itinerant workers, and individuals who perform low-skilled and/or low-wage activities.

Each year, we pinpoint possible changes to the risk situation caused by external and in-house circumstances such as political trends or structural changes at Evonik. As of the reporting date, we also review the progress of prevention measures that have already been implemented and their impact on the relevant risks as well as the complaints, violations, and associated remedies. In 2024, we additionally analyzed in depth the risks in our own business operations and in the supply chains that were identified and prioritized the previous year. We conducted interviews with the relevant internal stakeholders to discuss the risks identified and to develop appropriate actions for their mitigation. These interviews also serve to sensitize those involved to the topic of human rights. In the case of new and altered risks, we define actions and corresponding effectiveness controls, which we document in an IT tool.

Wherever we identify potential or actual breaches of human rights in our activities or business relationships, we take commensurate actions for their prevention, mitigation, or remediation. In 2024, we identified no significant risks in respect of child or forced labor in our own business operations either within or outside Germany. Likewise, we found no material impacts on our own workforce as a result of implementing our climate targets.

Implementation of a unified, group-wide training concept

ESRS G1-3

Evonik has implemented a group-wide, risk-based training concept for the compliance areas of antitrust law, anti-money laundering, fighting corruption, code of conduct, and human rights. Participation in training is mandatory.

On the basis of an employee's position or function recorded in the HR system, they are assigned one of three risk categories for each compliance area according to defined risk criteria. For example, mandatory participation in anti-corruption training is decided on the basis of whether an employee has contact with external third parties (business partners or authorities) or the organizational level to which an employee is assigned. The risk category determines the frequency and type of training (see table **T65** "Unified, group-wide training concept" p. 193). Training content is decided on the basis of whether training is initial or advanced and which risk category it serves. ESRS G1-1

Training courses are designed to ensure the best possible transfer of knowledge to the target group. For instance, anti-corruption training takes a risk-based approach to teaching the principles of fighting corruption based on case studies. We discuss typical risk situations in day-to-day business, correct conduct, points of contact, and our whistleblower system. E-learning modules additionally incorporate a final test that must be completed successfully to obtain a participation certificate. Line managers are automatically notified if their employees fail to participate in mandatory training (non-participation concept).

The chief compliance officer reports to the executive board every quarter and to the audit committee of the supervisory board once a year on the present status of compliance, including on fighting corruption (see section "Our compliance reporting" p. 191). No additional training is planned for the members of the supervisory board. Executive board training takes place every two years and covers rotating compliance areas (including fighting corruption).

Any employees who hold a mandate at a subsidiary of the Evonik Group are assigned anti-corruption training in line with the training concept. This training is included in table T66 "Compliance training and training rate in 2024" p. 196.

No anti-corruption training is envisioned for third parties who hold mandates at a subsidiary of the Evonik Group.

ESRS G1-3

Unified, group-wide training concept T65

Area	Description
Areas covered	Human rights
	Antitrust law
	Fighting corruption
	Code of conduct
	Anti-money laundering
Selection of target group	Job function and qualifications
	Uniform risk criteria
	Risk level[a]: none—low—high
	Differentiation between compliance areas
Frequency[b] and type	Low risk: approx. every three years → mandatory e-learning modules
	High risk: approx. every two years → mandatory face-to-face training and e-learning modules (alternating)

[a] An additional risk level covering those at risk of being affected has been introduced for human rights compliance. This reflects the fact that any employee's human rights could be affected.
[b] Training can be held more frequently wherever necessary, for example, if there are changes in the legal framework or statutory requirements.

The chart "Risk groups and criteria" describes the criteria used to allocate our employees to the relevant risk groups:

Risk groups and criteria C69

Compliance topic ▶	All active employees …		
Risk level ▶	No risk	Low risk	High risk
HUM (Human Rights)	• The human rights of any employee may be breached, known as impact risks • Provision of voluntary training		• With Evonik email address, company ID, and job title • Employees who themselves can breach human rights or identify or prevent a breach of human rights
CoC (Code of Conduct)	• Without Evonik email address or • Without company ID or • Without job title As a rule, these employees have no external contact The potential risk of a material breach of the code of conduct is very low	• With Evonik email address, company ID, and job title	• With Evonik email address, company ID, and job title • With contact to external third parties (business partners, authorities) or involvement with other topics relevant to corruption or • With a certain qualification level (>7) and • With potential or little involvement with topics relevant to money laundering
FC (Fighting Corruption)		• With potential or little contact to external third parties (business partners, authorities) or involvement with other topics relevant to corruption and • With potential or little involvement with topics relevant to money laundering	
AML (Anti-money Laundering)		• With involvement with topics relevant to money laundering (especially customer service, payment terms, and payment transactions)	• With involvement with topics relevant to money laundering in high-risk countries or businesses
AT (Antitrust)		• With little contact to customers or competitors in connection with customer service activities	• With contact to customers and, actually or potentially, to competitors or • With involvement with other topics vulnerable to antitrust activities

Business partner assessments at Evonik

ESRS G1-2

Evonik's various organizational units perform different aspects of the business partner assessments. The members of the permanent project group are Group Compliance (Antitrust, Compliance, Foreign Trade, Human Rights), Procurement, Marketing & Sales Excellence, and Group Security. Together with an external provider, these functions have established an IT-based process to validate the integrity of business partners. In order to supplement their internal assessments, this enables the relevant organizational units to request integrity checks as well as to initiate and monitor any necessary action. If any of the findings are of potential relevance, the respective organizational units are automatically requested to evaluate them. This IT solution additionally facilitates interdisciplinary communication, collaboration, and documentation.

Compliance rules for business partners

ESRS G1-2

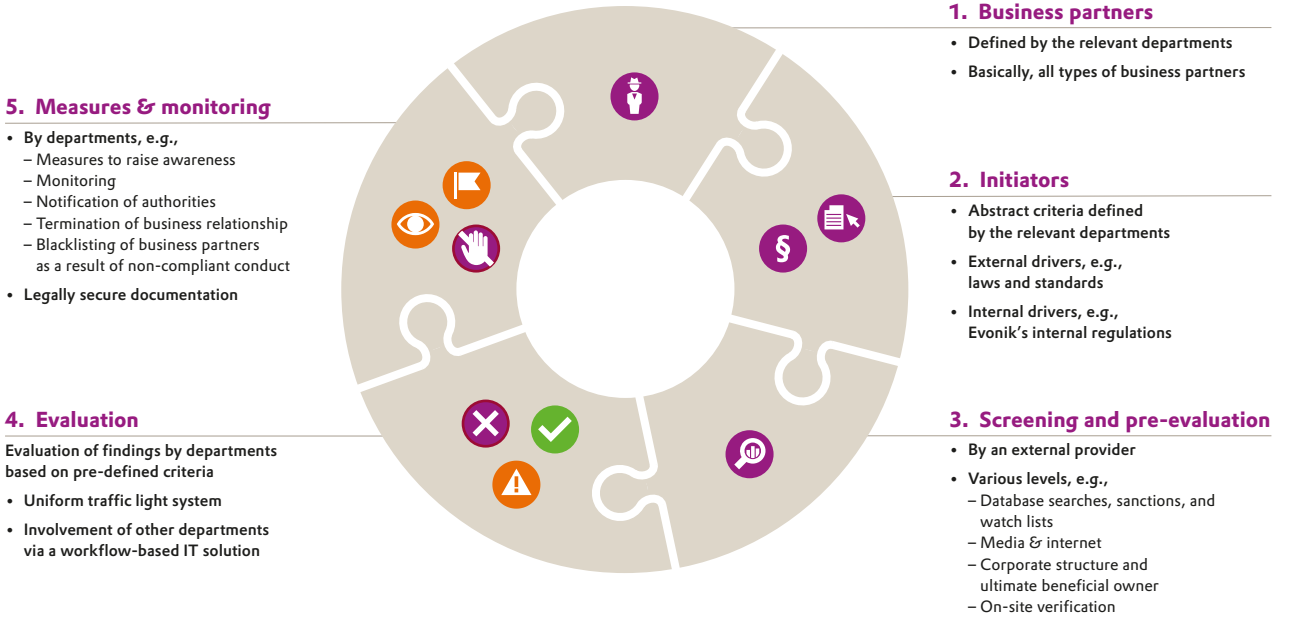
Evonik has issued a special code of conduct for suppliers which sets out binding requirements (see chapter 12.2 Responsibility within the supply chain p. 200 ff.). Intermediaries, above all sales intermediaries, are subject to a compliance check prior to establishing the business relationship and at regular intervals thereafter. They also have to sign a compliance declaration. Risk-based compliance checks (due diligence) and any necessary actions are likewise applied to business partners involved in acquisitions, joint ventures, corporate venture projects, and major investment projects. These are based on uniform rules for the Evonik Group.

Evonik's whistleblower system

ESRS S1-3, ESRS S2-3

Evonik has set up various channels for reporting potential and actual compliance violations.

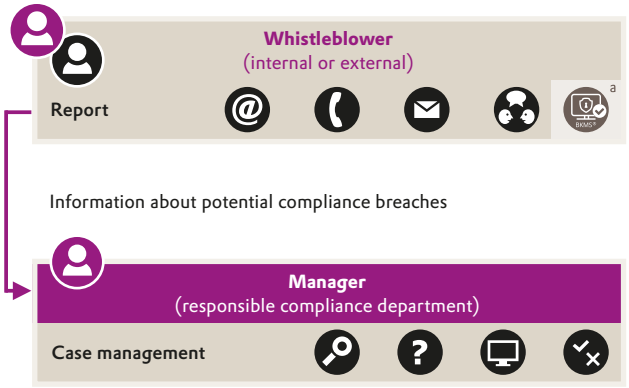
Business partner assessment at Evonik C70



An electronic whistleblower system operated by an independent external provider whose servers are based exclusively in Germany can be accessed with a few clicks 24/7 worldwide via the intranet and Evonik's website. In keeping with Evonik's global presence, this system is available in over 20 languages. It can be used by Evonik employees, agency staff working for Evonik, business partners—for example, suppliers, service providers, customers, and their employees—as well as other external stakeholders such as local residents in the vicinity of our sites and non-governmental organizations to report actual or potential non-compliance to Evonik. The system is certified as conforming with European data protection legislation. Technical security actions mean that neither Evonik nor the provider can draw conclusions about the identity of the whistleblower if that individual prefers to submit their report anonymously. In addition, whistleblowers can set up their own mailbox in the system which they can use to communicate continuously, confidentially and, if desired, anonymously with the Evonik case managers. Additionally, Evonik

employees and agency staff working for Evonik can contact the internal compliance officers personally or by phone. Employees and external stakeholders can submit reports by email to: **compliance-officer@evonik.com.**

Evonik's whistleblower system C71



[a] External whistleblower system. Guarantees anonymity, if desired by whistleblower.

Reports can be filed on all major compliance issues, including cases of suspected human rights breaches, corruption, and blackmail. Our employees are made aware of the various reporting channels via communication measures and in our mandatory compliance training.

Specially trained staff at Evonik take up all allegations of possible violations immediately and investigate them internally. Our code of conduct, investigation policy, and rules of procedure for processing reports of compliance violations and complaints relating to possible breaches of human rights or environment-related obligations (section 8 (2) of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG)) state that Evonik does not tolerate any disadvantage to persons within or outside the company who report possible or actual violations in good faith or who cooperate in the investigation of such violations. Consequently, the identity of such persons may only be disclosed on a need-to-know basis to those employees who legitimately require this confidential information for the purpose of internal investigations. Evonik endeavors to ensure comparable protection of external whistleblowers. To this end, we have set out corresponding expectations—for example, in our code of conduct for suppliers. ESRS G1-1

Potential conflicts of interest in the conduct of internal investigations as well as deciding on remedial and follow-up actions must be disclosed so that any conflicts can be eliminated to ensure impartiality. Evonik and its investigating employees are obligated and empowered to process all such reports in accordance with the principles of independence, impartiality, due diligence, and confidentiality, without being subject to directions on how to act. They are required to maintain secrecy. In the interests of a fair process, all relevant circumstances must be taken into account and the principle of proportionality must be observed. ESRS G1-3

As part of the overall process and when examining the individual reports, we consider the findings of our human rights risk analysis and those concerning potential target groups. At present, there is no indication that the whistleblower system and the process for handling reports are not sufficiently well known nor that confidence in this structure and the processes is jeopardized. There is currently no indication that the process is not effective. We welcome suggestions and feedback from whistleblowers at all times. ESRS S2-3

Progress in 2024

The following material progress was made in the ongoing fine-tuning of the CMS:

In the reporting period, it was decided that cybersecurity should be integrated into the House of Compliance in order to further strengthen compliance at Evonik, with formal implementation planned for 2025. In addition, we have set up a new department named Internal Investigation. It consolidates the company's expertise in this area. Other steps toward improving compliance are the continuous optimization of training rates and the automation of manual processes. These include the automatic escalation to line managers when employees fail to participate in mandatory training. The ongoing expansion of automation also covers compliance risk analysis, for instance.

The significance of human rights is underscored by the continuation of group-wide face-to-face training in this area. At the same time, we have implemented actions to promote the whistleblower system. The human rights risk analysis has been continued in a rolling system; the concept covers the next three years but can be flexibly extended at any time. The BAFA[1] report for 2023 was submitted.

Metrics

Training

For the compliance areas of antitrust law, anti-money laundering, fighting corruption, code of conduct, and human rights, we report a training rate for 2024. This is defined as the number of training candidates with a valid certificate relative to the total number of training candidates. The data refer to both face-to-face training and e-learning modules. ESRS S1-1

[1] Federal Office for Economic Affairs and Export Control

ESRS G1-3

Compliance training and training rate in 2024[a]

T66

	Anti-money laundering		Antitrust law		Fighting corruption		Code of conduct		Human rights	
	Training candidates, total	Training rate in %	Training candidates, total	Training rate in %	Training candidates, total	Training rate in %	Training candidates, total	Training rate in %	Training candidates, total	Training rate in %
Worldwide	**4,783**	**99**	**4,495**	**90**	**13,637**	**95**	**29,974**	**96**	**1,601**	**84**
Management functions	**2,340**	**99**	**3,107**	**89**	**8,757**	**95**	**9,137**	**95**	**1,343**	**84**
thereof executives[b]	30	100	101	81	145	91	145	91	94	69
thereof senior management[c]	90	100	318	91	467	95	467	95	234	85
thereof other management levels[d]	2,220	99	2,688	89	8,145	95	8,525	96	1,015	85
Non-management functions	**2,443**	**99**	**1,388**	**92**	**4,880**	**95**	**20,837**	**96**	**258**	**81**
Job functions										
Production and technology	2	100	149	93	3,426	95	12,832	96	199	81
Innovation management	–	–	662	89	1,685	97	4,427	98	68	90
Marketing and sales	1,602	100	1,434	88	1,533	94	1,632	94	5	80
Administrative functions	3,179	99	2,250	91	6,993	95	9,827	96	1,329	84
Other functions[e]	–	–	–	–	–	–	1,256	96	–	–
Regions										
Asia-Pacific	1,191	99	1,156	93	2,380	95	3,744	97	264	91
Central & South America	290	98	185	85	409	86	773	91	65	85
Europe, Middle East & Africa	416	98	356	70	906	97	2,624	94	116	95
North America	803	99	760	85	2,176	94	4,701	95	251	91
Germany	2,083	100	2,038	94	7,766	95	18,132	97	905	78

[a] The training rate is defined as the number of training candidates with a valid certificate relative to the total number of training candidates as of December 31, 2024. All training included in the system is reported.
[b] Executives = i.e., top management functions in the Evonik Group.
[c] Senior management = i.e., key functions in the segments, regions, service units, and corporate divisions.
[d] Other management levels = further management functions.
[e] Other functions = apprentices, non-permanent staff.

Metrics on serious breaches of human rights, discrimination, and corruption

We report key metrics on serious breaches of human rights, discrimination, and corruption for the 2024 reporting period.

ESRS G1-4, ESRS S1-17

Serious breaches of human rights: cases, fines, sanctions, compensation T67

	2024
Serious breaches of human rights identified in relation to the company's own workforce	–
thereof cases of non-compliance with the United Nations Guiding Principles on Business and Human Rights, the ILO Core Labour Standards, or the OECD Guidelines for Multinational Enterprises	–
Fines, sanctions, and compensation payments as a result of the cases disclosed above, in € million	–

Discrimination: cases, complaints, fines, sanctions, compensation T68

	2023	2024
Reported incidents of discrimination	12	10
Complaints submitted via the company's complaints mechanisms for its own employees	3	2
Complaints submitted to the OECD's national contact points for multinational enterprises	–	–
Fines, sanctions, and compensation payments as a result of the incidents and complaints disclosed above, in € million	–	–

Corruption: rulings and fines T69

	2023	2024
Rulings in respect of violations of anti-corruption law	–	–
Fines as a result of violations of anti-corruption law, in € million	–	–

Actions taken to sanction violations of anti-corruption standards and processes

In 2024, the following actions were taken to sanction violations of anti-corruption standards and processes: Dismissal of employees, warnings and reprimands, reassignment, training, awareness measures, and criminal charges. ESRS G1-3, ESRS G1-4

Data protection management

Protection of personal data is one of the fundamental principles governing Evonik's relationship with employees, job applicants, customers, suppliers, other business partners, prospects, and other people affected. This means that handling personal data conscientiously is important to us. All employees have access to information on the relevant requirements and responsibilities via the intranet. The organization of data protection and the rules relating to the processing of personal data, including customer data, are set out notably in the compliance policy and the group-wide data protection policy. Our data protection management supports compliance with the regulations and assists the organizational units in implementing them. It also monitors the correct use of data processing tasks. Data protection incidents are dealt with in accordance with the statutory and in-house documentation, information, and reporting obligations.

As part of the ongoing refinement of our data protection management, an even closer collaboration with the compliance units in the House of Compliance has enabled us to identify significant potential. In order to leverage this potential to optimum effect, the compliance area of data protection was made the responsibility of the chief compliance officer on December 1, 2024.

One focus of our activities in the reporting period was continuing to shape the legal framework for international data transfer. Target group-specific data protection training is mandatory for employees and based on a defined training curriculum. Specific employee groups, such as members of the works councils and the representative bodies for disabled employees, received face-to-face training.

Advocacy

ESRS G1-5

As a dialogue partner, Evonik participates in opinion-forming processes at regional, national, European, and international level, and contributes to sociopolitical debate. Our commitment is aligned with our political mission statement, at the heart of which is the conviction that business must act politically. Companies are part of society. The chemical industry is a crucial partner in the transition toward sustainable economies and energy generation. We harness our expertise to play a constructive role in politics and society. Assuming our corporate political responsibility comes naturally to us. Democracy, an open society, and efficient state leadership are competitive factors and the bedrock of our prosperity. We act responsibly and provide transparent information about donations as well as the type and purpose of our participation in political processes, conveying a clear picture of how we structure our political relationships. Through these actions, we aim to prevent compliance violations.

Our Strategic Communication function is charged with political communication activities in Germany and Europe; operational responsibility lies with the Governmental Affairs department. In this way, we ensure that the company's interests are safeguarded in dialogue with industry associations, parliaments, political parties as well as governmental and non-governmental organizations. The head of the Strategic Communication function reports regularly to the responsible member of the executive board, who is the executive board chairman. Political activities outside Europe are the responsibility of the respective region. No political activities or related donations were reported to us by the regions.

Evonik's offices in Berlin and Brussels play a key role in our work. Our employees maintain close contacts with politicians, the general public, and industry associations. They provide impetus in shaping policy and are actively involved in consultations, hearings, and discussions. The areas of strategic relevance for Evonik are industrial policy, environmental policy and regulation, energy, the climate, the circular economy, agriculture, and the bioeconomy. These areas are closely linked with the three innovation growth areas "Advance Precision Biosolutions", "Accelerate Energy Transition", and "Enable Circular Economy".

We have set up extensive monitoring processes regarding issues of strategic importance and ensure transparency by providing information to the German and European lobby registers. In 2024, Evonik renewed and refined its entry in the European Transparency Register and the list of lobbyists maintained jointly by the European Commission and European Parliament (register number 5958991861-30) and its entry in Germany's national lobby register (for both Evonik Industries AG, under register number R002081, and Evonik Operations GmbH, under register number R002087).

Evonik does not donate to political parties, but did sponsor a number of political events in 2024 with donations in cash and in kind. The related expenses totaled €135 thousand. Our total annual lobbying spending can be gleaned from the above-mentioned entries in the European Transparency Register and German lobby register. This expenditure is composed of personnel expenses, infrastructure expenses (rent, IT expenses, company cars, etc.), representation expenses (travel expenses, participation fees, etc.), expenses for external advisory and support services (agencies), and other expenses related to lobbying (memberships, training, own events, etc.). The information in the European Transparency Register and German lobby register is kept up to date at all times and is updated at the latest at the end of the first quarter of the new fiscal year.

In the two years prior to their appointment, the members of the supervisory board and executive board held no comparable positions in a public authority or regulatory body.

Our positions

ESRS G1-5

In 2024, within the context of a campaign for the European elections, Evonik advocated for strengthening democracy and participating in the election.

To ensure that Germany and Europe remain competitive as major industrial hubs, we are pressing for business conditions that strengthen the social market economy and industry in these challenging times and beyond. By signing the Antwerp Declaration, we echo the call for flanking the European Green Deal with a European Industrial Deal.

In the area of environmental policy and regulation, our dialogue with politicians covers the digitalization of permitting processes, notably implementation of the pact to accelerate this and legislation to ensure a reliable planning base. Here, the priorities are safeguarding know-how and protecting against cyberattacks.

Through the task force on the modernization of planning, we advocate for amendment of planning and permitting legislation to increase the speed, digitalization, and efficiency of existing workflows. At the same time, we are committed to implementing the Industrial Emissions Directive as well as the second European Network and Information Security Directive (NIS2).

Another relevant aspect for us is the possible classification of certain silicones as persistent organic pollutants. This is something we are addressing together with the European chemical industry council Cefic. In addition, the European Commission has published a proposal to restrict the use of PFAS. Alongside the consultation process, we are engaged in advocacy activities.

Evonik supports the objectives of the Green Deal (climate neutrality in the EU and Germany by 2050 and 2045, respectively) and contributes actively to the efforts of industry associations and the European Commission to shape European climate, energy, and industrial policy. To meet the climate targets, the chemical industry will need large quantities of green hydrogen in the future for conversion into both materials and energy. Important political frameworks for the transformation process include the dossiers on the Renewable Energy Directive, the gas package for the future gas and hydrogen market, the carbon border adjustment mechanism (CBAM), and the European emissions trading system (EU ETS). Revision of the EU ETS directive will further reduce the availability of emission allowances. The price of these allowances could become a significant driver of technologies and investment decisions in the EU going forward.

Electricity is an important production input for the chemical industry. As it transitions to climate-neutral operation, the sector will require considerably more electricity in the future both for the production of hydrogen and for the electrification of processes. This makes a competitive electricity price and further relief measures a necessity. That is why we have joined with the German chemical industry association (VCI) in advocating for an industrial electricity price. To this end, we have discussed various concepts with members of parliament and ideas have been put forward in talks given by members of our executive board.

Looking ahead, Evonik's sites will need climate-neutral hydrogen to make climate-neutral production viable. Our site in Rheinfelden (Germany) is a case in point. This site currently needs 8,000 metric tons of hydrogen a year. Since the projected long-distance pipelines in the federal state of Baden-Württemberg for the period up to 2040 only go as far as Karlsruhe, we are engaged in talks with politicians on how far the hydrogen network could be extended and whether on-site projects for electrolyzers could be realized under the more stringent conditions of EU legislation (RED II, delegated act). We hold talks on these topics with politicians at regional, federal, and European level.

In the area of resource efficiency, we aim to help drive forward the transformation to a circular economy with our products and solutions. In this context, we are advocating, for instance, for a legal framework based on open technology that includes and allows a variety of recycling technologies. Our activities focus on establishing the mass-balance approach as a method of measuring chemically recycled products.

Following the entry into force of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) on January 1, 2023, recent legislation includes the EU's Corporate Sustainability Due Diligence Directive (CSDDD). Adopted in summer 2024, this directive requires large companies in the EU to comply with environmental and human rights standards in their supply chains. The CSDDD is a further development of the LkSG but contains key amendments notably in the environmental field. Germany's legislation must now be adapted to reflect the EU directive. The requirements of the CSDDD go far beyond those of Germany's legislation and entail challenges such as a lack of legal certainty and unclear limitations on liability. Companies could be held liable for risks outside their sphere of influence, which would jeopardize not only their competitiveness but also Europe's position as an industrial hub.

The future of industry is greatly dependent on logistics, making the reliable transportation of people and goods indispensable. For decades, Germany has invested too little in its transportation infrastructure. This has resulted in problems such as the closure of key transportation routes. Road and rail networks as well as waterways are under considerable strain. Together with the VCI in the German state of North Rhine-Westphalia, Evonik is advocating for improvements to the infrastructure—especially in that state. The focus is on construction site management and communications relating to the rail network, the accelerated refurbishment of the canal network in western Germany, and sustainable, reliable, and competitive shipping on the Rhine.

12.2 Responsibility within the supply chain

Strategy and management

Evonik has a significant influence on the environment and society through its procurement volume. By working closely with our suppliers, we aim to help prevent **breaches of human rights and environmental violations in the supply chain.** We strive to counter a **lack of transparency and inadequate traceability in the supply chain.** Our procurement organization also contributes to mitigating operational and reputational risks for Evonik, ensuring the long-term reliability of supply for the production of Evonik products, and securing competitive advantages for our operating businesses by avoiding negative impacts on our direct suppliers' employees as well as employees in our deeper supply chains. The "Actions" section describes our activities to mitigate risks, ensure positive impacts on the people in our supply chains and on Evonik, and assess their effectiveness. ESRS 2 SBM-3, ESRS S2.SBM-3, ESRS S2-4

Alongside economic requirements, our procurement strategy takes account of criteria such as health, quality, safety, social factors, and environmental protection. Evonik deploys significant resources in implementing its procurement strategy and particularly in identifying, mitigating, and eliminating social and environment-related risks and impacts in the supply chain. These resources include a procurement team dedicated to sustainability, risk, and compliance as well as the procurement and use of specialized software solutions for risk management and audits, such as EcoVadis. ESRS S2-4

Global procurement is managed from Germany, with the support of regional units in Asia and North and South America. In 2024, we sourced raw materials and supplies, technical goods, services, energy, and other operating supplies with a total value of €10.5 billion (2023: €11.3 billion) from around 33,000 suppliers. Local sourcing accounted for about 76 percent of this amount (previous year: 75 percent).[1] Raw materials and supplies accounted for 50 percent of the procurement volume (previous year: 47 percent). Spending on petrochemical feedstocks was around €3.7 billion and accounted for 70 percent of our raw material base.

The group procurement policy contains clear-cut specifications for sustainable procurement and dealings with suppliers. Compliance with these principles and their implementation are reviewed when selecting suppliers. If a supplier does not satisfy these requirements, Evonik expects that it will work consistently to remedy the defects identified as a precondition for entering into or continuing a business relationship. Exclusion criteria primarily constitute the supplier's failure to comply with the ILO's Core Labour Standards, serious occupational safety shortcomings as well as severe violations of recognized environmental and safety standards. Evonik is fundamentally willing to support suppliers in remedying any shortcomings. The chief procurement officer is responsible for implementing such actions. These specifications are detailed in the Procurement management manual and thus at a central organizational location.

The code of conduct for suppliers is based on internationally recognized human rights and formulates corresponding expectations of all suppliers.

The code of conduct covers the following areas:

- Conduct in the business environment:
  - Compliance with laws
  - Fighting corruption; fighting money laundering, payment fraud, and cybercrime; foreign trade and export control; antitrust law; confidentiality and data protection
- Human rights and fair working conditions:
  - Prohibition of forced labor, human trafficking, and child labor
  - Fair treatment, protection against discrimination, and equal opportunity
  - Freedom of association and collective bargaining
  - Right to fair remuneration and regular working hours
  - Training and qualification
  - Rights of local communities and Indigenous peoples
  - Protection of human rights when deploying security forces
- Specifications for sourcing raw materials and the procurement of services
- Environment, safety, health, quality, and energy:
  - Health and safety in the workplace
  - Product safety and quality
  - Climate change, environmental protection, and resource efficiency
  - Animal protection

The code of conduct additionally contains specifications for the implementation of our standards by suppliers. They include, for instance, setting up appropriate implementation systems, establishing appropriate corrective actions in the event of violations of the standards, and support to ensure the application of comparable standards by sub-suppliers. Evonik also expects suppliers to set up their own effective complaints procedure so that any individual

[1] For us, local sourcing means deliberate procurement from sources that are geographically close to our production sites.

who is potentially or actually affected can report violations of the code of conduct standards without incurring any disadvantages whatsoever. In addition, employees at supplier companies always have the option of reporting any issues or problems to our externally operated whistleblower system (see chapter 12.1 Responsible corporate governance/human rights (section "Evonik's whistleblower system") p. 194 f.). All cases are examined promptly so that appropriate action can be taken. ESRS S2-1, ESRS S2-3

The values and expectations set out in our code of conduct are communicated to all suppliers also via our general terms and conditions of purchase. Evonik holds regular Supplier Days to brief relevant suppliers about the company's values and commitments. We are aware that actively involving those people who are (potentially) affected by human rights breaches, such as those who work in the supply chains, is a key component of human rights due diligence processes. Our aspiration going forward is to establish a structured dialogue process with the people who are (potentially) affected, related groups, and their representatives in order to give adequate consideration to their interests in our decision making as well as when defining and monitoring relevant targets and actions. We will roll out this process in 2025 as part of our human rights and environmental risk analyses. ESRS S2-2, ESRS S2-5

Harmonizing global standards in the supply chain creates transparency and makes it easier for both suppliers and customers to reliably assess and evaluate sustainability performance and compliance with social standards. The chemical industry set up the Together for Sustainability (TfS) initiative for this purpose in 2011. Evonik is one of the six founding members.

As of September 2024, TfS encompasses over 53 international chemical companies and pursues the goal of implementing a global assessment and audit program for the responsible procurement of goods and services. These audits are mainly conducted on site by independent service providers and assess aspects such as working conditions on site. The initiative additionally provides webinars and training on sustainability. Furthermore, all suppliers and their employees can access information and training materials free of charge in the TfS Academy, which is an online learning platform. In this way, the initiative does not simply make environmental and social standards in supply chains quantifiable, but also contributes to a targeted improvement.

Active involvement in TfS is very important to us. Sharing knowledge of sustainability criteria with suppliers is a key aspect of TfS. The TfS Academy learning platform is used to provide specific information as well as for the training and further education of both suppliers and Evonik's procurement organization. Suppliers learn about the TfS Academy on the procurement page of Evonik's website, on the TfS website itself as well as through regular TfS webinars. In addition, specific training content is recommended to them in an automated process following completion of TfS assessments and audits.

As a member of the TfS initiative, we similarly subject ourselves to the TfS assessments. In 2024, rating agency EcoVadis again awarded Evonik platinum status, with the area of sustainable procurement also receiving a high rating of 90 out of 100 points. This places us among the top 1 percent of the companies evaluated by EcoVadis in both the chemical industry and in other sectors.

Target

- Examination of more than 90 percent of significant raw material suppliers by 2030 through TfS assessments

By selecting suppliers carefully, we secure and enhance not only their own sustainability standards but also the quality of the entire value chain. Suppliers of certain critical raw materials are subject to special scrutiny. We define critical raw materials as all raw materials that could potentially pose a supply risk or reputational risk, such as conflict minerals and renewable raw materials. We have put in place specific procurement strategies for these critical raw materials. The processes are integrated into a management system where they are mapped. Besides monitoring suppliers of critical raw materials, our aim is to examine by 2030 over 90 percent of all significant raw material suppliers[1] with an annual procurement volume of more than €100,000 from sustainability perspectives through TfS or equivalent assessments.

[1] Relative to the expenditure for recurring procurement transactions.

Furthermore, we wish to prevent human rights breaches and environmental violations by our direct and indirect suppliers as far as possible. At the same time, we aim to do all we can to create a positive impact for people and the environment within the context of our supply chains. We describe below the related assessments and actions taken. Since our goal is continuous improvement, we have not set any detailed targets. This also applies to risks and opportunities for Evonik itself arising from acting accordingly in respect of our supply chains. ESRS S2-5

Actions

Supplier-based risk assessment

ESRS S2.SBM-3, ESRS S2-4

As part of the annual group-wide human rights compliance risk analysis (see also section "Human rights compliance risk analysis" in chapter 12.1 Responsible corporate governance/human rights p. 188 ff.), we identify value chains that we consider to be particularly high risk and treat these as a matter of priority. Generally speaking, the risk assessment covers all employees of our direct suppliers as well as those in Evonik's deeper supply chain worldwide. They include not only the employees of contractors at our sites but also the people who work in logistics and distribution in the downstream value chain. We take special care to identify particularly vulnerable groups in the given context and to focus on them when defining and implementing preventive and corrective actions.

As for our value chains, we have pinpointed the following as being particularly high risk:

- **Metallic and mineral raw materials** due to the very high human rights risks—including child and forced labor—notably at the extraction stage but also in the processing of these materials
- **Renewable raw materials** due to the very high human rights risks—including child and forced labor—especially in the cultivation of certain raw materials
- **Services** due to the high human rights risks to employees, especially those arising in connection with low-skilled and/or low-wage work and with regard to the deployment of subcontractors
- **Logistics** due to the high to very high human rights risks of certain shipping modes such as ocean freight and transportation of goods by road

For these value chains, we implement actions to prevent and mitigate the relevant risks. We will successively include other potential risk areas in our assessments, notably in the deeper supply chain.

Our risk analysis also includes an ongoing process applied solely to our direct suppliers. In the evaluation of suppliers, special attention is paid to our strategic suppliers and suppliers of strategic raw materials. Strategic suppliers and raw materials are defined as those identified in consultation with the operational units as being of greater significance for Evonik's business performance. These may be key raw materials or single-source situations. We work systematically both to extend strategic relationships with suppliers and to validate new suppliers.

To supplement our code of conduct for suppliers, our approach includes self-assessments, audits, and validation of suppliers through the TfS initiative. The abstract human rights and environmental risk relating to the supplier's country and industry is determined with the aid of the EcoVadis risk management tool (EcoVadis IQ). In the next step, we determine a possible specific risk using EcoVadis assessments and other tools such as a more detailed screening of business partners performed by a third-party service provider. We implement preventive measures including improvement plans or training to address these specific risks. Possible actions and their areas of application are defined in internal process documents.

If we identify actual breaches of human rights, for instance, as a result of audits, reports from whistleblowers, or external sources, we immediately engage with the supplier. Based on our discussions, we agree on binding actions to resolve the situation and, wherever necessary, make redress to those affected. Possible actions include improvement plans agreed with the supplier, modification of our own procurement practices, collaboration with relevant partners, and potentially also temporary suspension of the business relationship while corrective measures are ongoing. If any clarification is needed, the responsible Procurement employees consult the human rights officer. Further escalation levels are defined in the internal process documents. ESRS S2-3

We draw on recurring EcoVadis assessments and audits to review the effectiveness of preventive and corrective actions relating to suppliers. Evonik reviews the relevant processes and policies on an ad-hoc basis.

Validation and evaluation of suppliers

ESRS G1-2, ESRS S2-2, ESRS S2-4

We expect our suppliers to share our principles and act correctly in every respect, which means honoring their responsibility toward their employees, business partners, society, and the environment. Validation is the first step in every new supply relationship. For this purpose, we notably use a validation process based on the values defined in our code of conduct for suppliers. All details are entered online and evaluated using a validation matrix. The initial validation involves a country-based assessment which does not include a separate review of the location of operations.

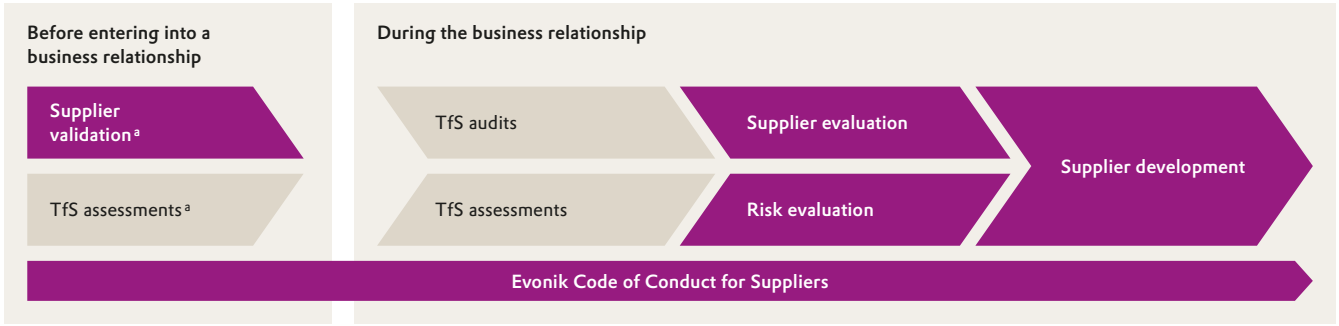
Successfully completed TfS assessments can similarly be used as evidence of validation. Overall, suppliers are evaluated using a method that identifies and quantifies risk factors as a basis for risk mitigation. This safeguards the supply of raw materials and technical goods to Evonik and enables us to gain access to new procurement markets and suppliers.

We apply the same care to evaluating existing supplier relationships. Alongside the annual evaluation of all major supplier relationships, a detailed review of strategic suppliers is undertaken. Based on the findings, specific improvement measures are initiated as required (see chart C73 "Audit escalation process" p. 204). To minimize risks in connection with our management of contractors, we obtain and evaluate evidence and self-assessments on compliance with the relevant German legislation (the German Minimum Wage Act, the German Employee Secondment Act, and the German Ordinance on Craftsmen).

We have a clear-cut, structured process for supplier audits, including various escalation steps. Wherever shortcomings are identified, we expect our suppliers to implement corrective action plans within a defined timeframe. These actions are tracked using a software solution. If the shortcomings are particularly serious and no improvement can be ascertained, we reserve the right to terminate our collaboration with the supplier.

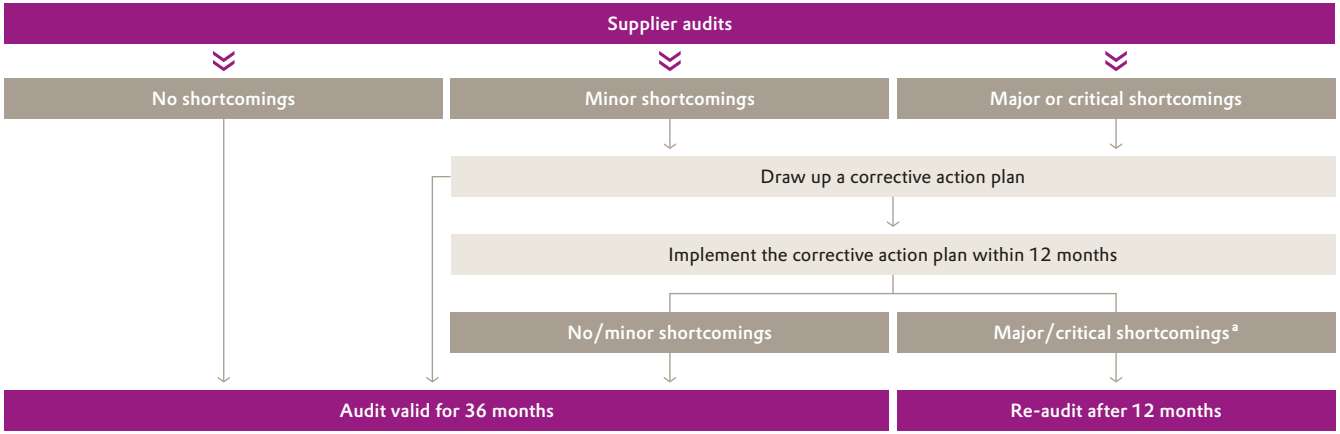
Procurement employees receive training on ESG assessments and audits. At the same time, they have access to TfS Academy learning resources. Strategic procurement specialists are given additional training in fair business practices and negotiation.

Supplier validation and evaluation C72



TfS process. Evonik process. [a] Alternatives.

Audit escalation process C73



[a] If the shortcomings are particularly serious and no improvement can be identified, we reserve the right to end our collaboration with the supplier.

Conflict minerals

ESRS S2.SBM-3

The Dodd-Frank Act requires companies listed on the US stock market to disclose whether or not their products contain potential conflict minerals. These are mineral raw materials from the Democratic Republic of the Congo and its neighboring countries that are frequently used to finance armed conflicts. Moreover, human rights are often violated in the production of conflict minerals. Evonik is not listed on US stock exchanges and hence has no legal obligation to comply with the reporting requirements of the US stock market regulator. Nevertheless, we believe we have a responsibility to check the origin of any such substances we source. Each year, we review all relevant suppliers with regard to conflict minerals and ensure that none are procured. Furthermore, we require new suppliers to provide corresponding evidence of origin as part of the validation process. Mineral raw materials checked include tin, tungsten, tantalum, gold, cobalt, and mica. We continuously evaluate whether other critical raw materials should be included in the review.

Sourcing of palm oil

For many years, Evonik has supported the use of sustainable palm oil in the supply chain. We report in detail on our memberships, initiatives for more sustainable palm oil production (with the related positive impacts for people and the environment), targets, metrics, and progress in chapter 10.5 Circular economy p. 153 ff.

Progress in 2024

During the reporting period, we made further improvements to our processes geared to evaluating and validating suppliers. This included reviewing the practicality of our risk analysis process for direct suppliers. Following this review, we set a minimum order threshold of €100 thousand for the implementation of additional preventive measures. Below this threshold, we consider our influence over suppliers to be too small for additional actions to prove promising.

We additionally focused on a more detailed analysis of the value chains considered to be particularly high risk in terms of human rights and defined actions to increase transparency and prevent risks. The additional actions defined included sending questionnaires to relevant suppliers, identifying potential further industry initiatives, and improving communication between our grievance systems and (potentially) affected groups.

In 2024, we continued automating and standardizing our supplier-specific risk management for direct suppliers and carried out improvements. We implemented a software solution to further automate our process for managing the actions. We send out corresponding questionnaires and gather feedback on the implementation status of the actions. Furthermore, we have adjusted processes to enhance implementation efficiency. For example, we have established a standardized process to flag when it is not possible to directly allocate relevant contact partners in procurement.

In addition, we refined our monitoring of raw material risks by examining regional and geopolitical dependencies in greater detail than before. For aspects of the reduction in Scope 3 emissions, see chapter 10.1 Mitigating climate change p. 129 ff.

Metrics

As regards our target of examining by 2030 over 90 percent of all significant raw material suppliers[1] with an annual procurement volume of more than €100 thousand from sustainability perspectives through TfS or equivalent assessments, we had validated around 87 percent of the major raw material suppliers in accordance with applicable criteria as of the end of 2024.

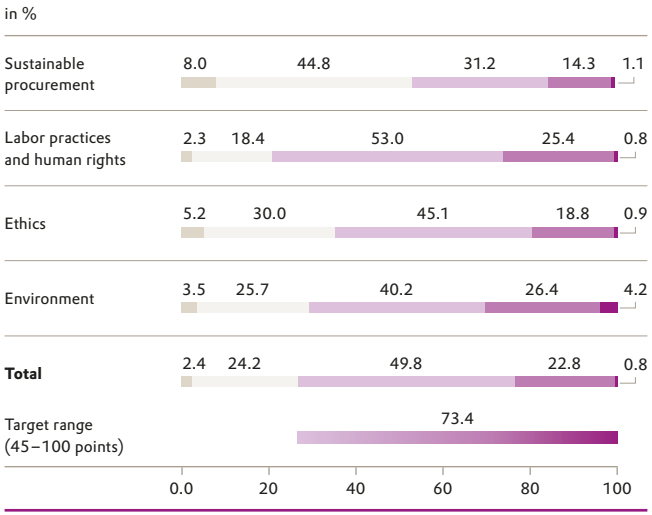
Worldwide, the TfS[2] member companies initiated 596 audits and 1,309 assessments in 2024. Evonik initiated 22 of these audits and 92 of the assessments. As a result, 1,568 suppliers were assessed in 2024 based on the audits, assessments, and supplier validations performed by TfS and directly by Evonik. About 87 percent of our direct and over 78 percent of our indirect procurement volume was covered by TfS assessments.

In 2024, we screened 1,454 new suppliers and identified no use of conflict minerals. This is equivalent to over 79.5 percent of new suppliers.

In the reporting period, TfS assessments were performed on 138 new suppliers of raw materials, technical goods, and services.

The chart "Sustainability performance of our suppliers" show their performance in the various evaluation categories used by the EcoVadis rating. Taking all criteria together, around 73 percent of our suppliers are within our target range of 45 to 100 points.

Sustainability performance of Evonik suppliers[a] C74



[a] No. of suppliers assessed: 4,091 as of December 31, 2024.

We focus in particular on the process of following up on the audits and assessments of our direct suppliers. In the reporting period, corrective action was initiated with 14 suppliers, where major or critical issues were identified during audits. In 14 cases, supplier assessments showed that insufficient attention had been paid to sustainability aspects. Corrective action was initiated also in these cases. Thirty suppliers showed an improvement in the follow-up to the previous audit/assessment. In particular, TfS supplier audits focused on shortcomings in implementing environmental actions as well as the potential for improvement in occupational safety. None of the suppliers evaluated had significant negative impacts on the environment or on social aspects. There were no cases of discrimination or restriction of the freedom of association. In addition, we consistently follow up on the risks identified at our indirect suppliers. In 2024, we received four reports of issues at indirect suppliers. All four were corrected or resolved during the reporting period. ESRS S2-1, ESRS S2-4

Below is a breakdown of the complaints received, (potential) violations identified, and training measures:

- No complaints received from or about suppliers via the whistleblower system
- Fifty-two (potential) violations identified at direct suppliers (audit findings) and 15 (potential) violations identified at indirect suppliers. With regard to the violations at direct suppliers, 27 were resolved or halted, while all 15 of the violations at indirect suppliers were resolved or halted. The incidents that remain open are still being investigated, so are not yet concluded.
- Every strategic sourcing manager received training on human rights processes (34 percent through individual training).

[1] Relative to the expenditure for recurring procurement transactions.
[2] The assessments from EcoVadis SAS (external) and from Together for Sustainability AISBL were not covered by the audit performed by KPMG AG Wirtschaftsprüfungsgesellschaft, Düsseldorf.

12.3 Cybersecurity

Strategy and management

Evonik views cybersecurity as mission-critical to the success of digitalization. To this end, the company takes both office IT and production IT systems (operational technology, OT) into consideration. Challenges in cyberspace are increasing exponentially. The geopolitical situation is deteriorating, cyber extortionists are becoming ever more professional, the range of malware and its variants is expanding, and widely used software products may display critical vulnerabilities. The consequences of ransomware attacks are growing ever more serious because they interrupt the availability of IT systems and the associated business processes. AI is accelerating and increasing the scale of AI-assisted cyberattacks. At the same time, the level of digitalization of production facilities continues to rise. Added to this is the increase in cybersecurity regulation worldwide.

Within the Evonik Group, we take a 360-degree approach to cybersecurity management. For both IT and OT, this is based on three pillars—people, technology as well as processes and organization. This involves bringing together decision makers from our specialist cybersecurity units with the relevant people from other organizational units and business areas to develop a coordinated process that aligns with our strategic targets. Our approach centers on defining an appropriate level of protection, striking a balance between the value added by cybersecurity, the company's needs, and the costs involved. We base our actions on maturity assessments and cyber risk analyses. These help us to prioritize key risk mitigation actions as well as to monitor the progress and effectiveness of the action taken. In addition, the Evonik Group has appropriate cybersecurity insurance.

Our strategy covers the protection of office IT and OT systems and takes a serious approach to the growing challenges in cyberspace. To heighten cybersecurity, we are focusing on cyber risks with adverse impacts on the availability of business and production processes, the **loss of intellectual property** combined with a **loss of business,** inadequate observance of regulatory and compliance requirements, and insufficient resilience of critical IT and operational technology systems. We also focus on risks at critical IT service providers such as the **loss of customer data,** reputational risks, and emerging technological risks. Our scope covers all Evonik Group companies in which we are the majority shareholder. In the upstream value chain, we look at critical IT suppliers (third party risk management). ESRS 2 SBM-3

To protect our information and information systems, Evonik's cybersecurity framework comprises a binding group functional policy for all employees, group-wide benchmarks, and standard operating procedures for IT and OT. Evonik's cybersecurity policies for IT and OT are based on the international information security management standards ISO 27001 and IEC 62443. They govern key aspects such as risk management, access control, network security, and incident management, and ensure the secure management of IT and OT assets, network segmentation as well as the protection of industrial control systems (ICS). All Evonik sites with more than ten IT specialists are certified to DIN ISO 27001. These policies also define monitoring, auditing, and supply chain security processes. At the same time, training and awareness programs promote a robust security culture. The aim is to secure Evonik's IT and OT environments end-to-end, while ensuring compliance with regulatory requirements and applicable standards.

Evonik has a clearly defined cybersecurity governance structure, responsibility for which is consolidated in a corporate function assigned to the chief financial officer. Governance and technical guidance are provided by the chief IT security officer and chief OT security officer. An organization comprising the central IT security officer (ISO) and local OT security officers (OSO) supports the divisions, functions, and regions in implementing actions. It also ensures the effectiveness of the management system. The IT function is charged with the operational implementation of key technical cybersecurity actions. Regular reports are provided to the chief financial officer, risk committee, and audit committee by the CIO, chief IT security officer, and chief OT security officer. Group cybersecurity governance has been included as an additional pillar of the House of Compliance and will be implemented in 2025. The CIO and chief IT security officer provide regular updates on the risks and the effectiveness of the cybersecurity management system.

The existing organizational structure is supplemented by overarching bodies within the group. The Cybersecurity Working Group brings together specialist departments and business areas to develop coordinated strategies that align with our corporate targets. It meets each month, coordinates group-wide cybersecurity actions, facilitates the exchange of information, defines

assessment criteria, and tracks progress as well as implementation of the group-wide cybersecurity policies. The participants have the right to vote on the decision points presented.

In recent years, we have introduced numerous strategic and operational effectiveness KPIs within the framework of a defined cybersecurity control system. This enables us to manage our security controls and monitor their effectiveness.

Target

- Annual participation in cyber-awareness training of at least 90 percent of IT users with an active user account

Evonik promotes cybersecurity awareness through its Cybersecurity Training & Awareness Program. This encompasses mandatory training, regular phishing simulations, and content on subjects such as social engineering and mobile security. The aim is to establish a strong security culture and enhance resilience to cyber threats.

Actions

Evonik pursues an active, end-to-end approach to managing cybersecurity impacts and risks. We continuously review our extensive security actions to prevent attacks from within and outside the company. At the same time, we invest in technical and organizational actions to identify and ward off such attacks.

We enforce and monitor implementation of our security actions for the operation and use of IT with the aid of an in-house management system. In addition, we constantly monitor present threats and align our security actions with them. We deploy a global network of experts and partners who support us in countering cyberattacks with their products and know-how. The threat situation is regularly evaluated by our Cyber Defense Team with the help of external sources and reported to the security organization via a cyber security briefing. Protective measures are reviewed and modified on a regular basis—through cybersecurity operation at operational level and through cybersecurity programs at strategic level. A key element of our IT security organization is the cybersecurity operation center. This is responsible for detecting, responding to, and preventing cyber threats as well as for operational cybersecurity management.

Via our EMPOS program (Evonik Management Platform for OT Security), we constantly adapt the protection level for our production facilities—which are increasingly networked and connected to the Internet—and provide central OT security support.

We are also a member of various professional cybersecurity associations and working groups. Evonik has insurance to cover business interruption and consequential damages resulting from cyberattacks. Regular penetration tests and security audits are carried out to protect our IT systems. We have additionally set up group-wide programs to bolster cybersecurity. The Cyber Security Enforcement Program classifies our employees and applications in four cyberattack protection (CAP) groups according to their functions and access. The first level comprises basic protection which is augmented with additional technical and organizational actions through the next stages up to level four.

We harness our Cyber Security Resilience Program—known as CRISP for short—to enhance the Evonik Group's resilience to increasingly aggressive, state-motivated cyberattacks. More and more, Evonik is turning to digital networking in its collaboration with suppliers, partners, and customers and developing special cybersecurity actions for this purpose.

We regularly train our employees and use posters, training modules, video formats, and interactive events such as the Evonik learning sessions to heighten awareness. Timely information on current threats is posted on the intranet. Evonik continuously analyzes the participation rates in training and phishing tests.

We monitor the effectiveness of our actions internally and record the number and severity of incidents, reaction times, threat monitoring activities, and employee participation in cybersecurity training. A differentiation is made between strategic KPIs (for example, general risk mitigation, policy compliance) and operational KPIs (for example, incident reaction times, system vulnerabilities). In this way, we assess the organization's ability to mitigate risk and ensure resilience. Frameworks such as NIST serve as a basis. Incidents are defined as events that compromise the confidentiality, integrity, or availability of IT systems. Actions include quantifiable risk mitigation as a result of regular employee training.

We aim to adapt the level of protection to the risk level; our cybersecurity performance is measured and evaluated by external rating agencies Security Score Card and CyberVadis. Evonik's current rating positions our company in the top third of its peer group which is frequently used for comparisons by investors and analysts. To ensure credibility and transparency, our cybersecurity data are validated externally, including by specialist consulting firms, independent penetration tests, and reconciliation with industry benchmarks.

Our cybersecurity policies and actions are monitored using the three lines of defense model to assess their effectiveness in terms of mitigating material risks (for example, security incidents or system vulnerabilities that could result in loss of business), as well as utilizing opportunities (for example, building stakeholder confidence through robust cybersecurity). The effectiveness of our cybersecurity actions is assessed through regular audits, risk analyses, penetration tests, ISO organizations, and KPI monitoring.

We aim to make sure that ISO 27001 certification is maintained at all times. To ensure our readiness for certification, we track our progress using quantitative indicators—for example, the rate of employee participation in cybersecurity training and the reduction of security incidents—as well as qualitatively through external audits.

Progress in 2024

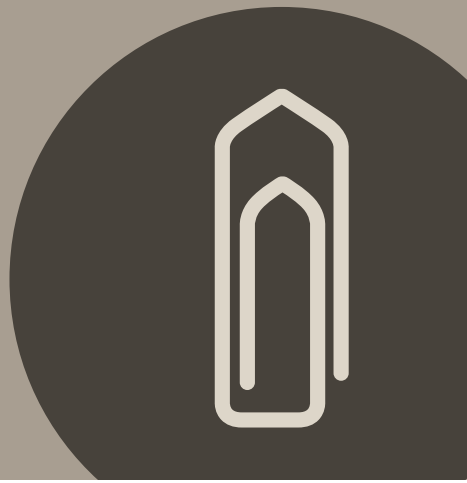
We are pushing ahead with our cybersecurity programs and implementing the actions identified on the basis of defined schedules. For example, as part of the EMPOS program, the team charged with enhancing OT security was augmented in 2024.

Metrics

Participation in cybersecurity training sessions was 94 percent in the reporting period. We likewise continued our phishing test initiatives: Eleven tests were conducted in 2024. In addition, the company conducted a vishing initiative for especially vulnerable employees with access to highly confidential information about Evonik.

ANNEX

to the combined management report 2024



ESRS 2 Appendix B

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E1-4	Targets related to climate change mitigation and adaptation	x		129 ff., 136
E1-5	Energy consumption and mix	x		141 f.
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	x		134 ff.,
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	x		129 f., 133
E1-8	Internal carbon pricing	x		131 f.
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	x	x	
ESRS E2	**Pollution**	**x**		
ESRS 2 IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	x		109, 159
E2-1	Policies related to pollution	x		159 f., 180 ff.
E2-2	Actions and resources related to pollution	x		159
E2-3	Targets related to pollution	x		159 f.
E2-4	Pollution of air, water and soil	x		163, 184 f.
E2-5	Substances of concern and substances of very high concern	x		163
E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	x	x	
ESRS E3	**Water and marine resources**	**x**		
ESRS 2 IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	x		143

[a] Classified based on the materiality assessment and ESRS 2 AR 16.

ESRS Index: Disclosure requirements covered

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ESRS	Disclosure	Material[a]	Use of phase-in provisions	Page number
E3-1	Policies related to water and marine resources	x		104, 143, 180
E3-2	Actions and resources related to water and marine resources	x		144 f.
E3-3	Targets related to water and marine resources	x		143
E3-4	Water consumption	x		146
E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	x	x	
ESRS E4	**Biodiversity and ecosystems**	**x**		
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	x		147 ff.
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	x		148, 150
ESRS 2 IRO-1	Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	x		109, 147, 149
E4-2	Policies related to biodiversity and ecosystems	x		147, 154, 156 f.
E4-3	Actions and resources related to biodiversity and ecosystems	x		109, 148
E4-4	Targets related to biodiversity and ecosystems	x		148
E4-5	Impact metrics related to biodiversity and ecosystems change	x		151 f.
E4-6	Anticipated financial effects from biodiversity and ecosystem-related impacts, risks and opportunities	x	x	
ESRS E5	**Resource use and circular economy**	**x**		
ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	x		153 f., 157
E5-1	Policies related to resource use and circular economy	x		154 f.
E5-2	Actions and resources related to resource use and circular economy	x		155 f.
E5-3	Targets related to resource use and circular economy	x		155 ff.
E5-4	Resource inflows	x		158
E5-5	Resource outflows	x		158
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	x	x	
ESRS S1	**Own workforce**	**x**		
ESRS 2 SBM-2	Interests and views of stakeholders	x		105 ff.
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	x		170, 177, 180 f. 188, 192
S1-1	Policies related to own workforce	x		180, 188 f., 195
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	x		173, 188
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	x		194 f.
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	x		170 ff., 175, 191
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	x		171 ff., 175, 177,
S1-6	Characteristics of the undertaking's employees	x		175 f.
S1-7	Characteristics of non-employees in the undertaking's own workforce			
S1-8	Collective bargaining coverage and social dialogue	x		173 f.
S1-9	Diversity metrics	x		121 f., 178 f.
S1-10	Adequate wages	x		172

[a] Classified based on the materiality assessment and ESRS 2 AR 16.

ESRS Index: Disclosure requirements covered

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ESRS	Disclosure	Material[a]	Use of phase-in provisions	Page number
S1-11	Social protection	x		174
S1-12	Persons with disabilities			
S1-13	Training and skills development metrics	x		172, 174 f.
S1-14	Health and safety metrics	x	x	180, 183
S1-15	Work-life balance metrics	x	x	174
S1-16	Remuneration metrics (pay gap and total remuneration)	x		173
S1-17	Incidents, complaints and severe human rights impacts	x		197
ESRS S2	**Workers in the value chain**	**x**		
ESRS 2 SBM-2	Interests and views of stakeholders	x		105 ff.
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	x		157, 200,
S2-1	Policies related to value chain workers	x		188, 200 f., 205
S2-2	Processes for engaging with value chain workers about impacts	x		201, 203 f.
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	x		194 f., 200 ff.
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	x		157, 191, 200, 202 f., 205
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	x		201 f.
ESRS S3	**Affected communities**			
ESRS S4	**Consumers and end-users**			
ESRS G1	**Business conduct**	**x**		
ESRS 2 GOV-1	The role of the administrative, management, and supervisory bodies	x		121 f., 190 f.
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	x		108 ff., 114 ff., 192, 202
G1-1	Business conduct policies and corporate culture	x		190 ff., 195
G1-2	Management of relationships with suppliers	x		194, 203
G1-3	Prevention and detection of corruption and bribery	x		189 ff., 193, 195 ff.
G1-4	Incidents of corruption or bribery	x		197
G1-5	Political influence and lobbying activities	x		197 f.
G1-6	Payment practices			

[a] Classified based on the materiality assessment and ESRS 2 AR 16.

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ESRS	Disclosure	Other source[a, b, c, d]	Material[a]	Page number
ESRS 2 GOV-1	Board's gender diversity	a, c	x	121 f.
ESRS 2 GOV-1	Percentage of board members who are independent	c	x	121
ESRS 2 GOV-4	Statement on due diligence	a	x	125
ESRS 2 SBM-1	Involvement in activities related to fossil fuel activities	a, b, c		98
ESRS 2 SBM-1	Involvement in activities related to chemical production	a, c	x	
ESRS 2 SBM-1	Involvement in activities related to controversial weapons	a, c		
ESRS 2 SBM-1	Involvement in activities related to cultivation and production of tobacco	c		
ESRS E1-1	Transition plan to reach climate neutrality by 2050	d	x	129 f.
ESRS E1-1	Undertakings excluded from Paris-aligned benchmarks	b, c		
ESRS E1-4	GHG emission reduction targets	a, b, c	x	129 f., 136
ESRS E1-5	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	a	x	
ESRS E1-5	Energy consumption and mix	a	x	142
ESRS E1-5	Energy intensity associated with activities in high climate impact sectors	a	x	142
ESRS E1-6	Gross Scope 1, 2, 3 and Total GHG emissions	a, b, c	x	135
ESRS E1-6	Gross GHG emissions intensity	a, b, c	x	135
ESRS E1-7	GHG removals and carbon credits	d	x	134
ESRS E1-9	Exposure of the benchmark portfolio to climate-related physical risks	c		
ESRS E1-9	Disaggregation of monetary amounts by acute and chronic physical risk	b		
ESRS E1-9	Location of significant assets at material physical risk	b		
ESRS E1-9	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	b		
ESRS E1-9	Degree of exposure of the portfolio to climate-related opportunities	c		
ESRS E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	a	x	184 f.
ESRS E3-1	Water and marine resources	a	x	143
ESRS E3-1	Dedicated policy	a	x	143
ESRS E3-1	Sustainable oceans and seas	a		
ESRS E3-4	Total water recycled and reused	a	x	146
ESRS E3-4	Total water consumption in m^3 per net revenue on own operations	a	x	146
ESRS 2 SBM-3-E4	Biodiversity and ecosystems	a	x	148, 150
ESRS E4-2	Sustainable land/agriculture practices or policies	a	x	147
ESRS E4-2	Sustainable oceans/seas practices or policies	a		
ESRS E4-2	Policies to address deforestation	a		
ESRS E5-5	Non-recycled waste	a	x	158
ESRS E5-5	Hazardous waste and radioactive waste	a	x	158
ESRS 2 SBM3-S1	Risk of incidents of forced labour	a	x	188, 192 f., 200 f.
ESRS 2 SBM3-S1	Risk of incidents of child labour	a	x	188, 192 f.
ESRS S1-1	Human rights policy commitments	a	x	188
ESRS S1-1	Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8	c	x	188

[a] SFDR reference.
[b] Pillar 3 reference.
[c] Benchmark Regulation reference.
[d] EU Climate Law reference.

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ESRS	Disclosure	Other source[a, b, c, d]	Material[a]	Page number
ESRS S1-1	Processes and measures for preventing trafficking in human beings	a	x	188, 200 f.
ESRS S1-1	Workplace accident prevention policy or management system	a	x	180
ESRS S1-3	Grievance/complaints handling mechanisms	a	x	194 f.
ESRS S1-14	Number of fatalities and number and rate of work-related accidents	a, c	x	183
ESRS S1-14	Number of days lost to injuries, accidents, fatalities or illness	a	x	183
ESRS S1-16	Unadjusted gender pay gap	a, c	x	173
ESRS S1-16	Excessive CEO pay ratio	a	x	173
ESRS S1-17	Incidents of discrimination	a	x	197
ESRS S1-17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	a, c	x	197
ESRS 2 SBM3-S2	Significant risk of child labour or forced labour in the value chain	a	x	200, 202
ESRS S2-1	Human rights policy commitments	a	x	200 ff.
ESRS S2-1	Policies related to value chain workers	a	x	188 f., 200
ESRS S2-1	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	a, c	x	197
ESRS S2-1	Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8	c	x	188 f.
ESRS S2-4	Human rights issues and incidents connected to its upstream and downstream value chain	a	x	205
ESRS S3-1	Human rights policy commitments	a		
ESRS S3-1	Non-respect of UNGPs on Business and Human Rights, ILO principles and OECD guidelines	a, c		
ESRS S3-4	Human rights issues and incidents	a		
ESRS S4-1	Policies related to consumers and end-users	a		
ESRS S4-1	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	a, c		
ESRS S4-4	Human rights issues and incidents	a		
ESRS G1-1	United Nations Convention against Corruption	a	x	191
ESRS G1-1	Protection of whistleblowers	a	x	195
ESRS G1-4	Fines for violation of anti-corruption and anti-bribery laws	a, c	x	197
ESRS G1-4	Standards of anti-corruption and anti-bribery	a	x	197

[a] SFDR reference.
[b] Pillar 3 reference.
[c] Benchmark Regulation reference.
[d] EU Climate Law reference.

EU taxonomy tables

Proportion of turnover from products or services associated with taxonomy-aligned economic activities—disclosure covering 2024 T72

				Substantial contribution criteria						DNSH criteria ("Do No Significant Harm")									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Economic activities	Code(s)[b]	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned (A.1) or taxonomy-eligible (A.2) proportion of turnover, 2023	Category enabling activity	Category transitional activity
		in € million	in %	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Taxonomy-aligned activities																			
Manufacture of energy efficiency equipment for buildings	CCM 3.5	64	0.4	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.5	E	
Manufacture of plastics in primary form	CCM 3.17	4	–	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	–		T
Turnover of taxonomy-aligned activities (A.1)		**68**	**0.4**	**0.4**	**–**	**–**	**–**	**–**	**–**		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.5**		
of which enabling		64	0.4	0.4	–	–	–	–	–		Y	Y	Y	Y	Y	Y	0.5	E	
of which transitional		4	–	–							Y	Y	Y	Y	Y	Y	–		T
A.2. Taxonomy-eligible but not taxonomy-aligned activities				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of energy efficiency equipment for buildings[a]	CCM 3.5	38	0.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2		
Manufacture of organic basic chemicals	CCM 3.14	116	0.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.5		
Manufacture of plastics in primary form	CCM 3.17	2,141	14.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								14.7		
Transmission and distribution of electricity	CCM 4.9	43	0.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2		
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	114	0.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8		
Manufacture of active pharmaceutical ingredients	PPC 1.1	103	0,7	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.6		
Turnover of taxonomy-eligible but not taxonomy-aligned activities (A.2)		**2,556**	**16.9**	16.2	–	–	0.7	–	–								**17.0**		
Total (A.1 + A.2)		**2,624**	**17.3**	16.6	–	–	0.7	–	–								**17.5**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of taxonomy-non-eligible activities (B)		**12,533**	**82.7**																
Total (A + B)		**15,157**	**100.0**																

[a] For this activity, several smaller units of evaluation with aggregate turnover of less than €4 million were not examined for taxonomy alignment on materiality grounds and due to the disproportionate amount of work involved.
[b] The code is the abbreviation for the environmental objective to which the economic activity can make a substantial contribution, i.e., climate change mitigation (CCA); pollution prevention and control (PPC).

Y – yes: activity is taxonomy-eligible and taxonomy-aligned with the relevant environmental objective; N – no: activity is taxonomy-eligible but not taxonomy-aligned with the relevant objective.
EL – eligible: activity is taxonomy-eligible for the environmental objective; N/EL – not eligible: activity is not taxonomy-eligible for the environmental objective.

Proportion of CapEx from products or services associated with taxonomy-aligned economic activities—disclosure covering 2024

T73

				Substantial contribution criteria						DNSH criteria ("Do No Significant Harm")									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Economic activities	Code(s)[b]	Absolute CapEx	Proportion of CapEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned (A.1) or taxonomy-eligible (A.2) proportion of CapEx, 2023	Category enabling activity	Category transitional activity
		in € million	in %	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Taxonomy-aligned activities																			
Manufacture of energy efficiency equipment for buildings	CCM 3.5	2	0.2	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.2	E	
Manufacture of plastics in primary form	CCM 3.17	–	–	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	–		T
CapEx of taxonomy-aligned activities (A.1)		**2**	**0.2**	**0.2**	**–**	**–**	**–**	**–**	**–**		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.2**		
of which enabling		2	0.2	0.2	–	–	–	–	–		Y	Y	Y	Y	Y	Y	0.2	E	
of which transitional		–	–	–							Y	Y	Y	Y	Y	Y	–		T
A.2. Taxonomy-eligible but not taxonomy-aligned activities				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of energy efficiency equipment for buildings[a]	CCM 3.5	1	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1		
Manufacture of organic basic chemicals	CCM 3.14	6	0.6	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2		
Manufacture of plastics in primary form	CCM 3.17	100	9.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL								11.5		
Transmission and distribution of electricity	CCM 4.9	19	1.9	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.1		
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	15	1.5	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	17	1.7	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.2		
Inland freight water transport	CCM 6.8	42	4.2	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.6		
Manufacture of active pharmaceutical ingredients	PPC 1.1	14	1.4	N/EL	N/EL	N/EL	EL	N/EL	N/EL								1.0		
CapEx of taxonomy-eligible but not taxonomy-aligned activities (A.2)		**215**	**21.2**	19.8	–	–	1.4	–	–								**17.2**		
Total (A.1 + A.2)		**217**	**21.4**	20.0	–	–	1.4	–	–								**17.4**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of taxonomy-non-eligible activities (B)		**797**	**78.6**																
Total (A + B)		**1,014**	**100.0**																

[a] For this activity, several smaller units were not examined for taxonomy alignment on materiality grounds and due to the disproportionate amount of work involved.
[b] The code is the abbreviation for the environmental objective to which the economic activity can make a substantial contribution, i.e., climate change mitigation (CCA); pollution prevention and control (PPC).

Y – yes: activity is taxonomy-eligible and taxonomy-aligned with the relevant environmental objective; N – no: activity is taxonomy-eligible but not taxonomy-aligned with the relevant objective.
EL – eligible: activity is taxonomy-eligible for the environmental objective; N/EL – not eligible: activity is not taxonomy-eligible for the environmental objective.

Proportion of OpEx from products or services associated with taxonomy-aligned economic activities—disclosure covering 2024

T74

				Substantial contribution criteria						DNSH criteria ("Do No Significant Harm")									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Economic activities	Code(s)[b]	Absolute OpEx	Proportion of OpEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned (A.1) or taxonomy-eligible (A.2) proportion of OpEx, 2023	Category enabling activity	Category transitional activity
		in € million	in %	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Taxonomy-aligned activities																			
Manufacture of energy efficiency equipment for buildings	CCM 3.5	1	0.1	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.2	E	
Manufacture of plastics in primary form	CCM 3.17	–	–	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	–		T
OpEx of taxonomy-aligned activities (A.1)		**1**	**0.1**	**0.1**	**–**	**–**	**–**	**–**	**–**		**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.2**		
of which enabling		1	0.1	0.1	–	–	–	–	–		Y	Y	Y	Y	Y	Y	–	E	
of which transitional		–	–	–							Y	Y	Y	Y	Y	Y	–		T
A.2. Taxonomy-eligible but not taxonomy-aligned activities				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of energy efficiency equipment for buildings[a]	CCM 3.5	1	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1		
Manufacture of organic basic chemicals	CCM 3.14	2	0.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2		
Manufacture of plastics in primary form	CCM 3.17	115	13.5	EL	N/EL	N/EL	N/EL	N/EL	N/EL								13.4		
Transmission and distribution of electricity	CCM 4.9	–	–	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	1	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Manufacture of active pharmaceutical ingredients	PPC 1.1	8	0.9	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.8		
OpEx of taxonomy-eligible but not taxonomy-aligned activities (A.2)		**126**	**14.9**	14.0	–	–	0.9	–	–								**14.5**		
Total (A.1 + A.2)		**127**	**15.0**	14.0	–	–	0.9	–	–								**14.7**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of taxonomy-non-eligible activities (B)		**720**	**85.0**																
Total (A + B)		**847**	**100.0**																

[a] For this activity, several smaller units were not examined for taxonomy alignment on materiality grounds and due to the disproportionate amount of work involved.
[b] The code is the abbreviation for the environmental objective to which the economic activity can make a substantial contribution, i.e., climate change mitigation (CCA); pollution prevention and control (PPC).

Y – yes: activity is taxonomy-eligible and taxonomy-aligned with the relevant environmental objective; N – no: activity is taxonomy-eligible but not taxonomy-aligned with the relevant objective.
EL – eligible: activity is taxonomy-eligible for the environmental objective; N/EL – not eligible: activity is not taxonomy-eligible for the environmental objective.

Overview taxonomy-eligible and -aligned proportion per environmental objectives 2024 T75

	Proportion of turnover/absolute turnover		Proportion of CapEx/absolute CapEx		Proportion of OpEx/absolute OpEx	
Environmental objectives	Taxonomy-aligned per objective in %	Taxonomy-eligible per objective in %	Taxonomy-aligned per objective in %	Taxonomy-eligible per objective in %	Taxonomy-aligned per objective in %	Taxonomy-eligible per objective in %
Climate change mitigation (CCM)	0.4	16.2	0.2	19.8	0.1	14.0
Climate change adaptation (CCA)	–	–	–	–	–	–
Water and marine resources (WTR)	–	–	–	–	–	–
Circular economy (CE)	–	–	–	–	–	–
Pollution prevention and control (PPC)	–	0.7	–	1.4	–	0.9
Biodiversity and ecosystems (BIO)	–	–	–	–	–	–

EU taxonomy templates

Template 1 Nuclear and fossil gas related activities T76

Row	Nuclear energy-related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Template 2 Taxonomy-aligned economic activities (denominator) T77

		Proportion of turnover						Proportion of CapEx						Proportion of OpEx					
		(CCM + CCA)		Climate change mitigation (CCM)		Climate change adaptation (CCA)		(CCM + CCA)		Climate change mitigation (CCM)		Climate change adaptation (CCA)		(CCM + CCA)		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	**Economic activities**	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**68**	**–**	**68**	**–**	**–**	**–**	**2**	**–**	**2**	**–**	**–**	**–**	**1**	**–**	**1**	**–**	**–**	**–**
8.	**Total applicable KPI**	**15,157**	**100**	**15,157**	**100**	**15,157**	**100**	**1,014**	**100**	**1,014**	**100**	**1,014**	**100**	**847**	**100**	**847**	**100**	**847**	**100**

Template 3 Taxonomy-aligned economic activities (numerator) T78

		Proportion of turnover						Proportion of CapEx						Proportion of OpEx					
		(CCM + CCA)		Climate change mitigation		Climate change adaptation		(CCM + CCA)		Climate change mitigation		Climate change adaptation		(CCM + CCA)		Climate change mitigation		Climate change adaptation	
Row	**Economic activities**	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**68**	**100**	**68**	**100**	**–**	**–**	**2**	**100**	**2**	**100**	**–**	**–**	**1**	**100**	**1**	**100**	**–**	**–**
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**68**	**100**	**68**	**100**	**–**	**–**	**2**	**100**	**2**	**100**	**–**	**–**	**1**	**100**	**1**	**100**	**–**	**–**

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities T79

		Proportion of turnover						Proportion of CapEx						Proportion of OpEx					
		(CCM + CCA)		Climate change mitigation		Climate change adaptation		(CCM + CCA)		Climate change mitigation		Climate change adaptation		(CCM + CCA)		Climate change mitigation		Climate change adaptation	
Row	Economic activities	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %	Amount in € million	in %
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	114	1	114	1	–	–	15	1	15	1	–	–	1	–	1	–	–	–
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**2,441**	**16**	**2.441**	**16**	**–**	**–**	**199**	**20**	**199**	**20**	**–**	**–**	**126**	**15**	**126**	**15**	**–**	**–**
8.	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**2,555**	**17**	**2.555**	**17**	**–**	**–**	**214**	**21**	**214**	**21**	**–**	**–**	**126**	**15**	**126**	**15**	**–**	**–**

Template 5 Taxonomy non-eligible economic activities T80

Row	Economic activities	Proportion of turnover		Proportion of CapEx		Proportion of OpEx	
		Amount in € million	in %	Amount in € million	in %	Amount in € million	in %
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	–	–	8	1	1	–
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	n/a	n/a	n/a	n/a	n/a	n/a
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**12,533**	**83**	**789**	**78**	**719**	**85**
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**12,533**	**83**	**797**	**79**	**720**	**85**

Assurance report of the independent German Public Auditor on a limited assurance engagement in relation to the Consolidated Sustainability Statement

To Evonik Industries AG

Assurance Conclusion

We have conducted a limited assurance engagement on the Consolidated Sustainability Statement, included in chapters 9 to 12 of the combined management report of Evonik Industries AG for the financial year from January 1, 2024 to December 31, 2024. The Consolidated Sustainability Statement was prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as Sections 315b and 315c of the HGB [Handelsgesetzbuch: German Commercial Code] for a consolidated non-financial statement and Sections §§ 289b to 289e of the HGB for a non-financial statement of the company.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Consolidated Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Sections 315b and 315c HGB for a consolidated non-financial statement, Sections §§ 289b to 289e of the HGB for a non-financial statement of the company and the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe that:

- the accompanying Consolidated Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the Consolidated Sustainability Statement (the materiality assessment) is not, in all material respects, in accordance with the description set out in chapter 9 of the Consolidated Sustainability Statement, or
- the disclosures in chapter 10.7 "Disclosures on the EU taxonomy" of the Consolidated Sustainability Statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the chapter "German Public Auditor's Responsibilities for the Assurance Engagement on the Consolidated Sustainability Statement".

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) and International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Sustainability Statement

The executive directors are responsible for the preparation of the Consolidated Sustainability Statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the supplementary criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of a Consolidated Sustainability Statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent sustainability reporting in the Consolidated Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Consolidated Sustainability Statement, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for overseeing the process for the preparation of the Consolidated Sustainability Statement.

Inherent Limitations in Preparing the Consolidated Sustainability Statement

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of sustainability matters based on these interpretations is uncertain. As further set forth in the Consolidated Sustainability Statement, the quantification of the non-financial performance indicators is also subject to inherent uncertainties.

These inherent limitations also affect the assurance engagement on the Consolidated Sustainability Statement.

German Public Auditor's Responsibilities for the Assurance Engagement on the Consolidated Sustainability Statement

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Consolidated Sustainability Statement has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the supplementary criteria presented by the company's executive directors, and to issue an assurance report that includes our assurance conclusion on the Consolidated Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process used to prepare the Consolidated Sustainability Statement, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Consolidated Sustainability Statement.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we, among others,:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Consolidated Sustainability Statement
- inquired of the executive directors and relevant employees involved in the preparation of the Consolidated Sustainability Statement about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Consolidated Sustainability Statement, and about the internal controls relating to this process
- evaluated the reporting policies used by the executive directors to prepare the Consolidated Sustainability Statement
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain
- performed analytical procedures and made inquiries in relation to selected information in the Consolidated Sustainability Statement
- conducted site visits
- considered the presentation of the information in the Consolidated Sustainability Statement
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Consolidated Sustainability Statement.

Restriction of Use/Clause on General Engagement Term

This assurance report is solely addressed to Evonik Industries AG.

The engagement, in the performance of which we have provided the services described above on behalf of Evonik Industries AG, was carried out on the basis of the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) dated as of January 1, 2024 (**www. kpmg.de/AAB_2024**). By taking note of and using the information as contained in our report each recipient confirms to have taken note of the terms and conditions stipulated in the aforementioned General Engagement Terms (including the liability limitations specified in item No. 9 included therein) and acknowledges their validity in relation to us.

Düsseldorf, 27 February 2025
KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Brandt
Wirtschaftsprüferin
[German Public Auditor]

Baur
Wirtschaftsprüferin
[German Public Auditor]