

# Corporate Responsibility@Evonik

## Together for Sustainability (TfS)

Brussels, February 1<sup>st</sup>, 2018

Dr. Gerrit Schneider / Evonik Industries AG



# Our sustainability commitments

External	<b>UN Global Compact</b> Aligning companies' operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption	<b>Responsible Care</b> The global chemical industry's initiative to improve health, environmental performance, enhance security, and to communicate with stakeholders about products and processes	<b>Chemie<sup>3</sup></b> An alliance of VCI, IG BCE and BAVC underpinning sustainability as a guiding principle of the chemical industry in Germany and providing inspiration for the international community
	<b>Global Social Policy</b> Evonik's internal commitment to human rights, core labor standards, international standards and principles of conduct	<b>ESHQ Values</b> Protecting people and the environment, treating partners fairly, and focusing on the needs of customers as core beliefs for everyone at Evonik	<b>Code of Conduct (CoC)</b> Containing corporate values and principles, governing conduct of all Evonik employees; <b>whistleblower system; CoC update effective spring 2017</b>
	Internal		



CHEMIE<sup>3</sup>



# Our sustainability strategy

We are convinced that sustainable and responsible business activities are vital for the future of our company

- Sustainability core element in corporate claim “Power to create”
- Evonik positions sustainability close to its operating businesses
- Focus of sustainability activities on six material areas of action



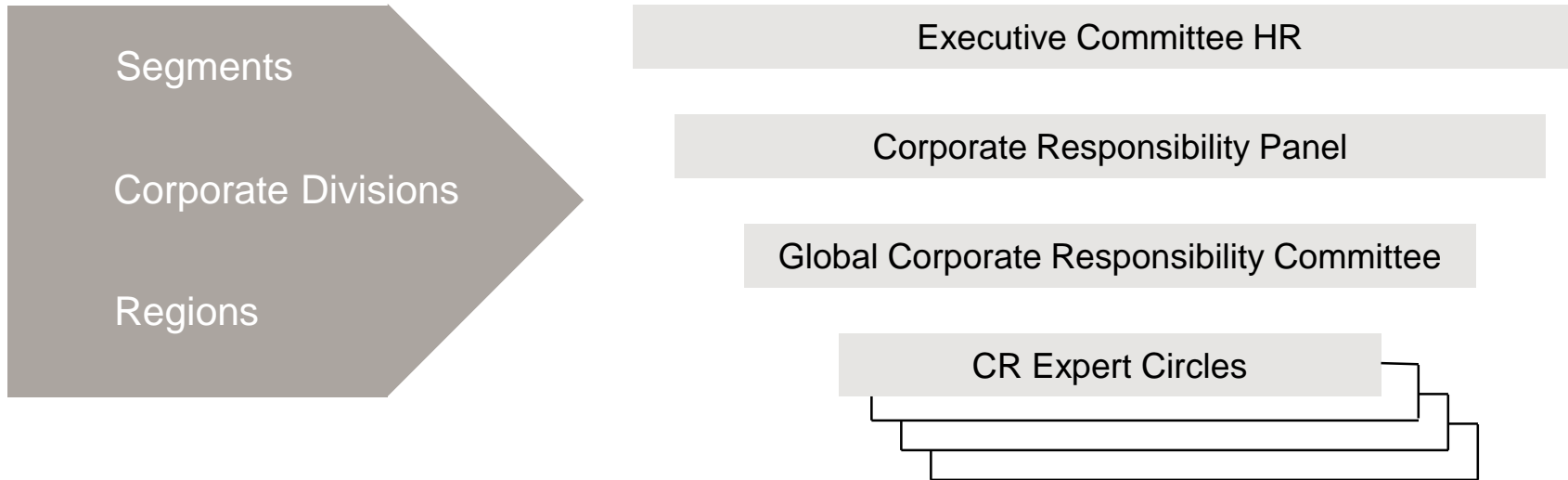
## Sustainability strategy

taking up growth engines identified in our corporate strategy and defining six areas of action geared to balanced management of economic, ecological and social factors.

# Our sustainability management

Executive Board – Overall responsibility for sustainability

Responsible Executive Board member – Chief Human Resources Officer (CHRO)



**Thomas Wessel**  
Executive Board  
Member  
responsible for  
sustainability

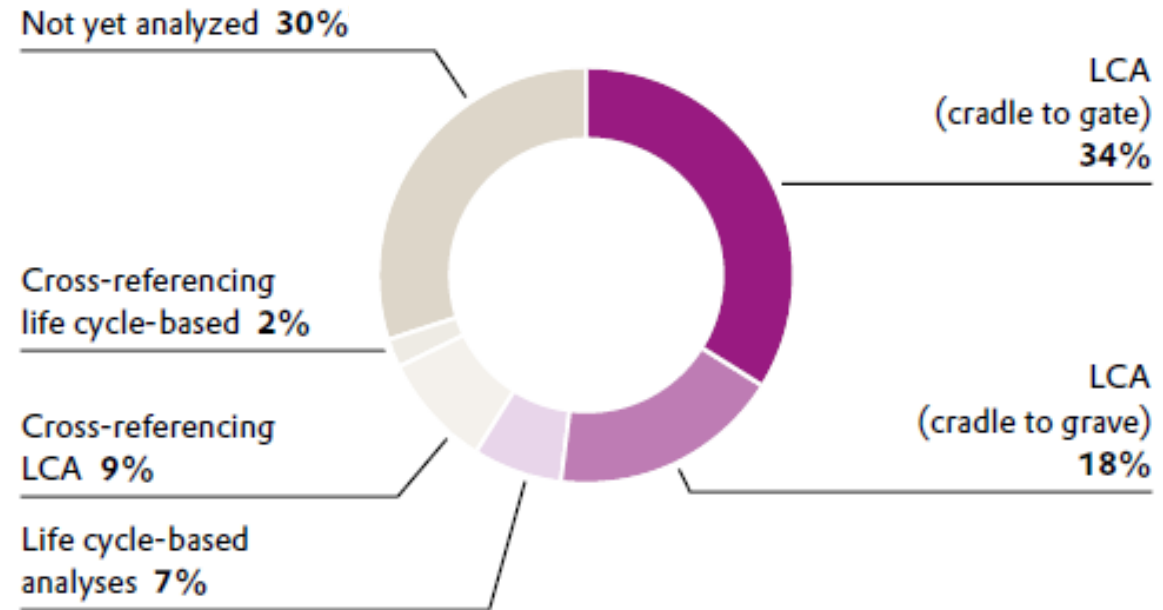
## Downstream: Sustainability analysis of our business

**94%** of Group sales covered by sustainability analysis; methodology available at Evonik website

**50%** of sales generated with products for resource-efficient applications<sup>1</sup>

**70%** of sales covered with life cycle analyses; foreseen extension to

**~80%**



## Ratings & Rankings: Evonik among chemical leaders!

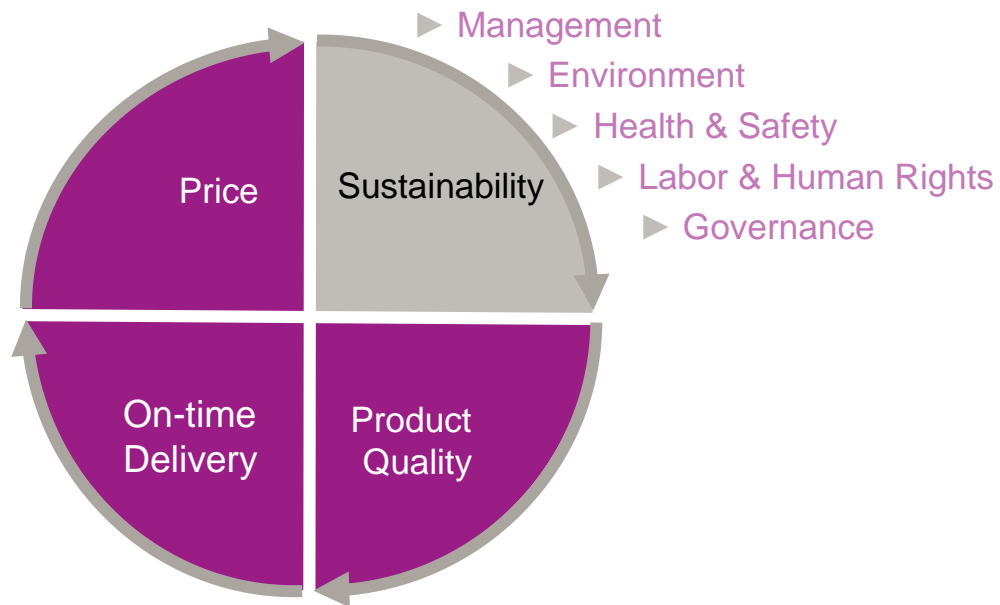
- ✓ **Oekom Research** (Prime Standard B-)
- ✓ **Sustainalytics** (among Top 5 of chemicals sector)
- ✓ **CDP** Climate Change (A-) ; CDP Water (B)
- ✓ Together for Sustainability/**EcoVadis** (“Gold Standard”)
- ✓ **Dow Jones Sustainability Indices** World and Europe
- ✓ **FTSE4Good** Europe, FTSE4Good Global
- ✓ **STOXX**® Global ESG Leaders
- ✓ **MSCI** World ESG Leaders Index; Socially Responsible Index MSCI Europe
- ✓ **Vigeo Eiris** Euronext Index – Europe 120



# Evonik creates value added, employment and public revenues along the value chain



## TfS adds sustainability to supply chains' focus



TfS is to drive and foster **resilience, efficiency, and sustainability of global supply chains** in the chemical industry.

TfS aims to build the **industry's standard for sustainable supply chains.**

Sustainable supply chains build upon **strong partnerships and commitment of its participants** to protect the environment and the safety and health of workers, provide fair working conditions, contribute positively to the livelihoods of workers and communities, and operate in full compliance with applicable laws.



## TfS is steadily growing



19 members as of June 2017

Global **Turnover** of TfS companies  
in the chemical industry<sup>1</sup>: **€ 313 billion**

Global **Spend** of TfS companies in  
the chemical industry<sup>2</sup>: **€ 219 billion**

<sup>1</sup> According to the published financial reports

<sup>2</sup> Estimated figures

## TfS strictly adheres to anti-trust law

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1st Anti-trust Assessment  
by law firm Cleary Gottlieb  
Steen & Hamilton in 2013

2nd Anti-trust Assessment  
by law firm Cleary Gottlieb  
Steen & Hamilton in 2016

To be repeated  
regularly  
(defined in TfS Articles  
of Association)

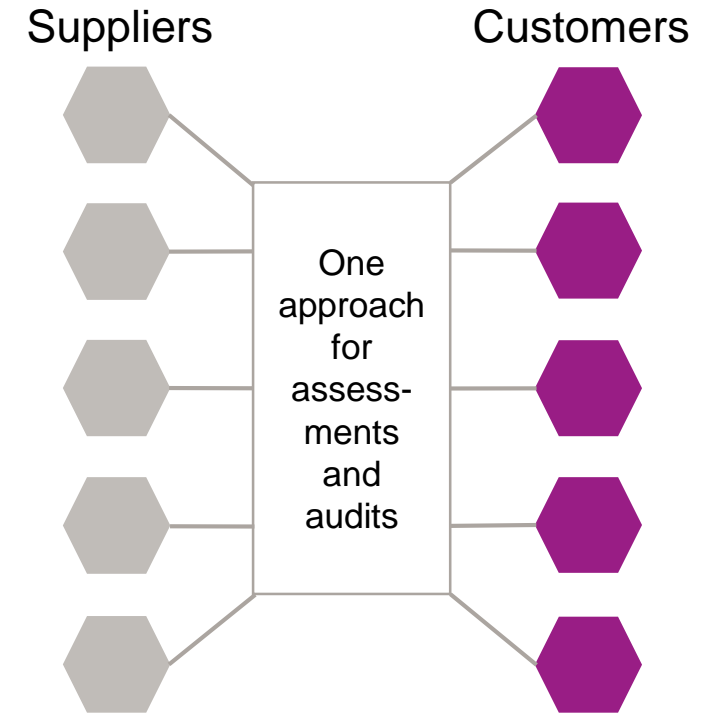
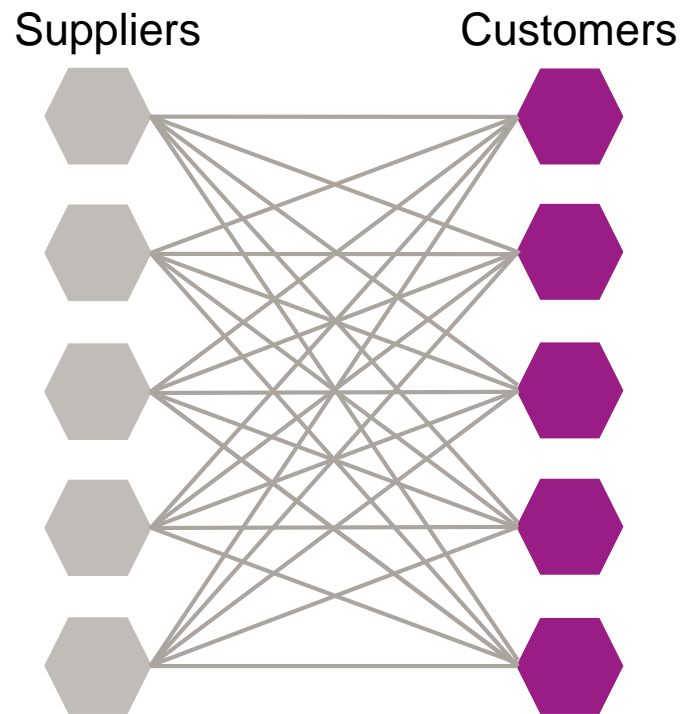
### **Method:**

Processes and Practices of TfS AISBL reviewed by external, independent anti-trust law professionals

### **Results summary:**

The risk that the TfS AISBL and its inherent sustainability related information exchange and activities would be regarded as being inconsistent with European or US competition rules is minimal.

# TfS members benefit from using synergies



## From founding to September 2017

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>8000 shared supplier assessments<sup>1</sup>

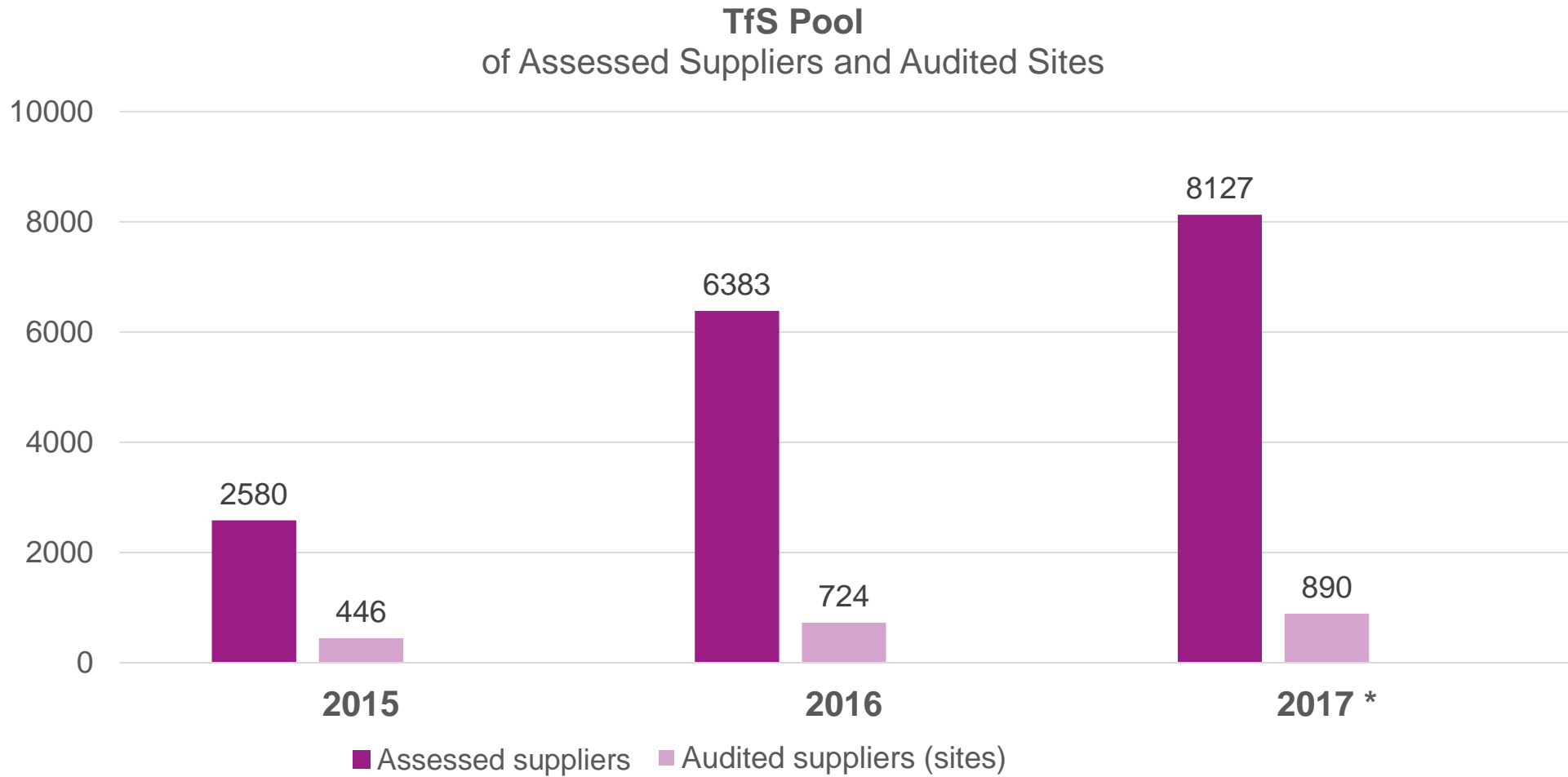
>850 shared supplier audits<sup>2</sup>

>350 auditors qualified

>72% of suppliers improve in re-assessment  
(spread from 55-75% by region)

<sup>1</sup> Current scorecards in the TfS shared pool, as of Sep.11, 2017: 8127; <sup>2</sup> Version 1 (Pilot) and Version 2 until Sep.11, 2017: 890

# TfS Supplier Assessments and Audits



\* As of Sep.11, 2017



**EVONIK**

**POWER TO CREATE**