



Towards a Sustainable Future of China

Contribution of the Chemical Industry

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Covestro – leading in the world of polymers

We are pushing boundaries to make the world a brighter place



Leading position



- One of the largest polymer producers
- 16,200 employees

Strong performance



- €14+ bn in sales
- DAX member
- Upgrade by Moody's

Large portfolio



- Polyurethanes
- Polycarbonates
- Coatings, Adhesives, & Specialties
- Basic Chemicals

Global player



- 30 sites worldwide
- Close to markets, customers and suppliers

Highly innovative



- 1,000+ employees in research and development
- 80 years of ideas and inventions

Sustainability – at the heart of all we do

80% of R&D to contribute to achieving UN sustainability goals



Our five goals for 2025



Align research and development with the UN sustainability goals



Apply own dedicated sustainability standards to all suppliers



Reduce own specific greenhouse gas emissions by 50%



Improve living conditions of 10 million people in underserved markets



Use carbon in the most intelligent way



China – single biggest market for Covestro

Production and R&D on top-level



22% of
global revenue



EUR 3.1 billion (RMB 24 bn) revenue in 2017¹



Around EUR 3 billion (RMB 23.2 bn)
investments since 2001



Innovation center “PRDC” with more than
200 employees

Chemical industry: Foundation and enabler for all other value chains



Source of problem?

China's strong commitment to green development

- 3-Year Action Plan for Winning the Blue Sky Defense Battle (2018-2020)
- Agenda 2030 for Sustainable Development

Chemical industry restructuring

- Unprecedented and fundamental
- Crucial to the development of a sustainable value chain

Multinational companies

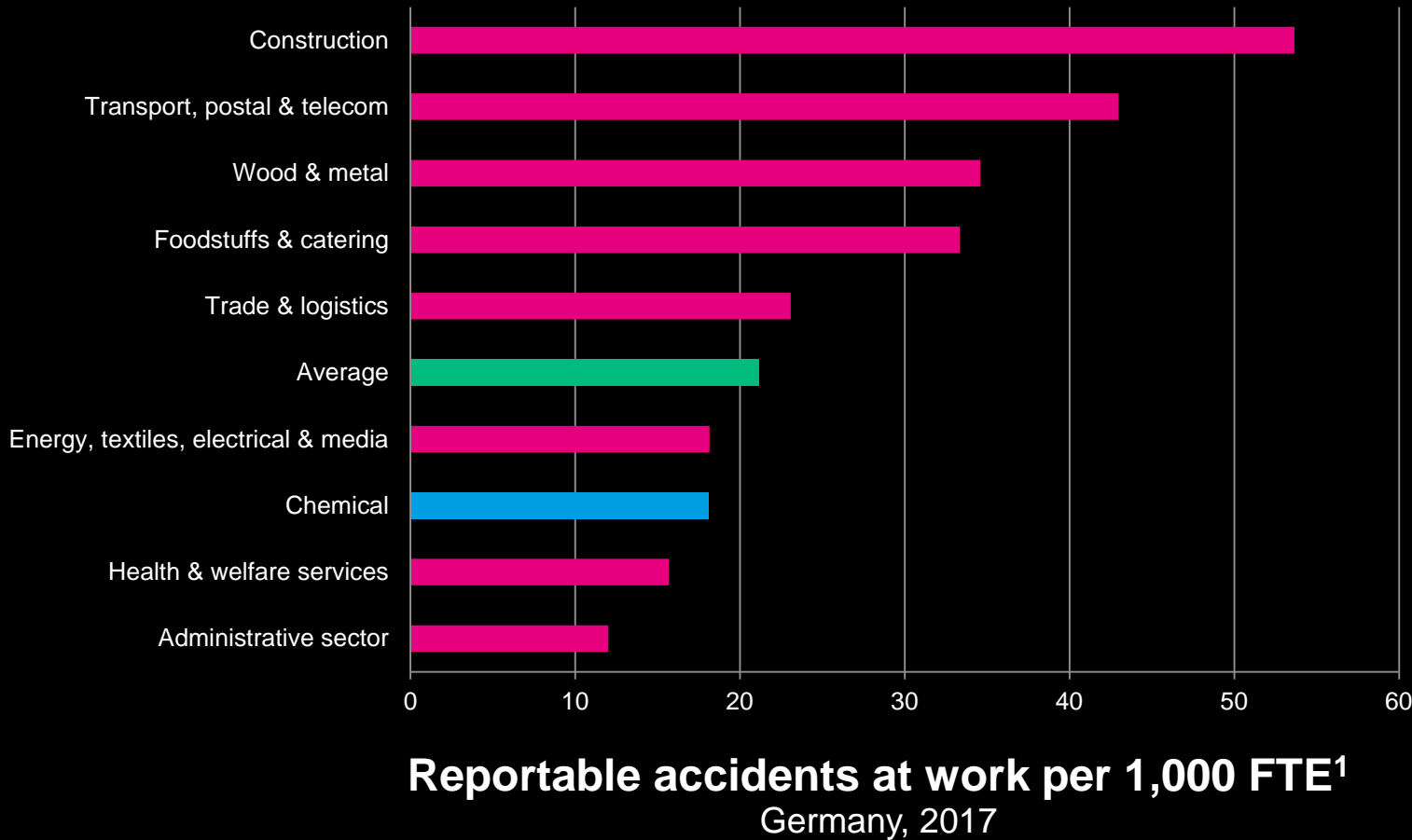
- Continuing to contribute to the industry's sustainable future



A SUSTAINABLE CHEMICAL INDUSTRY DEPENDS ON...

Safety – chemical risks can be managed

Chemical sector is one of the safest industries



Technology & education

Production – clean and resource-efficient

Chemical industry becoming close neighborhood to communities



Reducing energy consumption through innovation



Management system for optimal energy consumption of plants



Gas-phase technology for production of crucial building blocks



Oxygen depolarized cathode technology for chlorine production



Example:
Dormagen site at the Rhine, Germany

State-of-the-art integrated sites

Large-scale chemical parks as success model



Most eco-friendly production



Communication to neighbors and other stakeholders



Long-term relationship and collaboration



Access to competitive supply of energies



Best in class cost position



Benefits from substance cycle and waste management

Alternative raw materials



Broadening resource base for the chemical industry

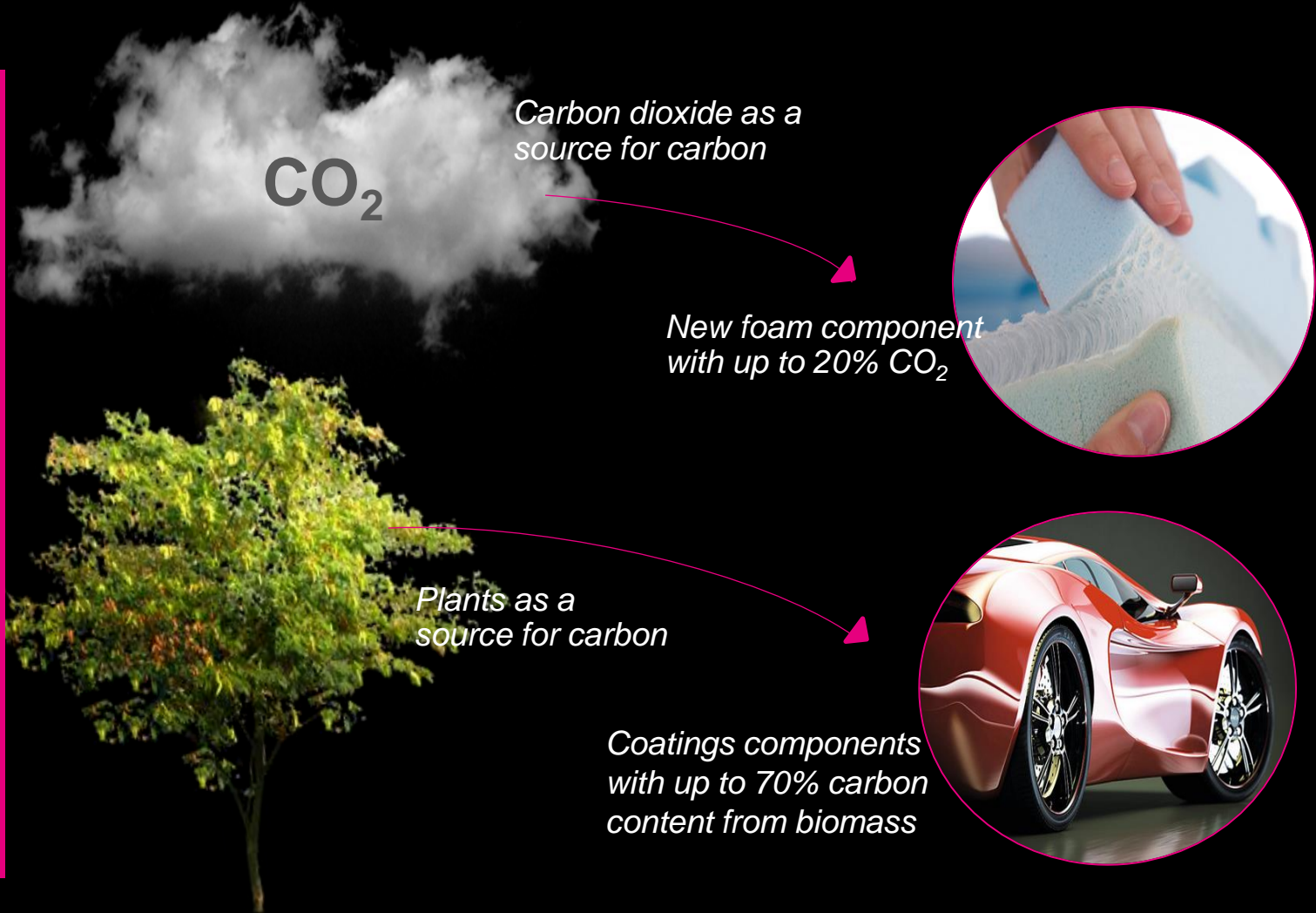
Replacing crude oil

CO₂ and plants as alternatives for scarce fossil resources such as crude oil

Use CO₂ to produce foam components

Derive carbon content from plants for paint hardeners for cars and furniture

Extract aniline from biomass



Green development – beyond manufacturing



Solutions that promote prosperity while protecting the planet

Low energy building / affordable housing



Living comfort



High-performance sportswear



Benefit society while driving towards zero impact on the planet



Lightweight transportation



Food preservation / affordable durable goods



We must act together...

To make the world a brighter place



Enterprises

Upholding safety & environmental standards as voluntary priority

Achieving clean & efficient production through technology upgrading



Industry/Associations

Keeping active conversation to the public for trust & confidence


Aligning the stakes of government & enterprises



Government

Driving industrial restructuring & development simultaneously

Supporting clean manufacturing & modern chemical park development

A close-up photograph of four hands gently holding a small green seedling with two leaves and a stem, growing out of dark soil. The background is a soft, out-of-focus green. A large blue curved shape is overlaid on the right side of the image.

Let's shape the
sustainable future —
together

Thank you!

Forward-looking statements



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