

Annual Shareholders' Meeting of Evonik Industries AG, Essen

on Tuesday May 23, 2017 at 10 a.m. (Central European Summer Time — CEST)

Venue: Grugahalle, Norbertstraße 2, 45131 Essen, Germany

Counter-motions and Proposals for Election by Shareholders

Counter-motions submitted by Dr. Oliver Krauß, Gräfelfing, on items 2, 3 and 4 of the agenda

The shareholder Dr. Oliver Krauß has communicated his intention to raise the following counter-motions:

Motion A on item 2

"Item 2: The net profit of €935,900,000.00 stated in the Company's annual financial statements for fiscal year 2016 shall be allocated as follows:

- *Payment of a dividend of €0.35 per no-par value share
entitled to the dividend* = €163,100,000.00
- *Allocation to other revenue reserves* = €0.00
- *Amount carried forward* = €772,800,000.00

Motion B on item 3

Item 3: The formal approval of the actions of the members of the Executive Board in fiscal year 2016 shall be postponed until the circumstances regarding the sale of the shares in STEAG GmbH (formerly Evonik Steag GmbH) then held directly and/or indirectly and a potential liability for the Company to pay damages arising under or in connection with the proceedings concerning claims for damages pending in the Regional Court (Landgericht) of Karlsruhe, case no. 10 O 376/14, Alster & Elbe Inkasso GmbH v STEAG GmbH and others, currently regarding an amount of €750 million, have been determined.

Motion C on item 4

Item 4: The formal approval of the actions of the members of the Supervisory Board in fiscal year 2016 shall be postponed until the circumstances regarding the sale of the shares in STEAG GmbH (formerly Evonik Steag GmbH) then held directly and/or indirectly and a potential liability for the Company to pay damages arising under or in connection with the proceedings concerning claims for damages pending in the Regional Court of Karlsruhe, case no. 10 O 376/14, Alster & Elbe Inkasso GmbH v Steag GmbH and others, currently regarding an amount of €750 million, have been determined.

Reasons for motions A, B and C on items 2, 3 and 4 of the agenda

STEAG GmbH, Essen, incorporated as Steinkohlen-Elektrizität AG in 1937, was a wholly owned subsidiary of Ruhrkohle AG and subsequently of Evonik. A consortium of municipal utility companies in the Ruhr region took over 51% of the shares in the then-named Evonik Steag GmbH from the Evonik Group in March 2011. In connection with the acquisition of the shares under an agreement dated 17/18 December 2010, it was agreed that KSBG, which had been established for this purpose by the consortium, would be able to acquire the remaining 49% of the shares in STEAG in the period from the beginning of 2014 to the end of 2017. RBV Verwaltungs-GmbH, a wholly owned subsidiary of Evonik, was granted the right to require during the course of 2016 that the remaining 49% of the shares in STEAG retained by it be transferred to KSBG. Given the profits generated by STEAG, the purchase price of approximately €1.1 billion was very excessive. Moreover, there is a

risk of damages in an amount of up to €750 million resulting from a legal dispute pending in the Regional Court of Karlsruhe, case no. 10 O 376/14. The proceedings are based on a delivery transaction entered into between Steag Hamatech AG ("SHT"), which was a publicly listed stock corporation at the time and 66.28% of whose shares were held by an Evonik subsidiary until 2005, and ODS Optical Disc Service GmbH ("ODS") in 2002 regarding the delivery and installation of 35 machines for producing prerecorded CDs and DVDs, with a value of approximately €35 million. A settlement agreement regarding this delivery transaction was entered into between ODS and SHT on 23 December 2003, and subsequently ODS was forced to file for insolvency. The insolvency administrators representing three ODS entities, together with three former managing directors, have claimed damages resulting from insolvency via Alster & Elbe Inkasso GmbH, as claimant. Thus, in view of the difficult financial situation of the affected municipal companies as shareholder in KSBG, the events not only have an economic dimension but also a political one.

The shareholder in KSBG and their municipal finance and control committees, at least in Essen and Bochum, indicated in late 2014/early 2015 that KSBG had not been aware of the €750 million risk arising from the damages proceedings before concluding the purchase agreement with Evonik. It must therefore be assumed that KSBG had not been given sufficient information by Evonik at the time, at least not when the 2nd tranche was purchased in 2014, regarding the risk arising from the damages action which by then had already been pending for five months. Assuming that KSBG would not have acquired the 2nd tranche had it been aware of this risk, or would not have done so without additional security (such as an indemnity by Evonik as seller), this would constitute a breach of pre-contractual information duties, resulting in a liability to pay damages. If, in contrast, KSBG was duly informed, an indemnity obligation was included in the contractual provisions. In either case, Evonik faces the risk of being held liable for an amount of up to €750 million, without the Executive Board having taken appropriate precautions in the form of accounting provisions.

Irrespective of the above considerations, an acknowledged legal expert has come to the conclusion that, in view of the capacity of the municipalities to bear expenditure and risk in a difficult budgetary situation, the acquisition of the 2nd tranche of STEAG, at least, was not proportionate to their capability to meet payment requirements and therefore failed to comply with the provisions of section 107a (1) of the Municipal Code of the State of North-Rhine Westphalia (Gemeindeordnung für das Land Nordrhein-Westfalen; "GO NRW"). In addition, as Steag GmbH falls within the ambit of section 107a (3)

GO NRW and the purchase therefore required formal approval, the purchase agreement is potentially void pursuant to section 134 of the German Civil Code (Bürgerliches Gesetzbuch) and must be reversed.

Moreover, for the reasons specified above, it cannot be ruled out that the syndicate of financing banks, comprising Credit Agricole, NordLB, Bayern LB, HSBC and IKB, was not given sufficient information either, at least regarding the pending damages action, before conclusion of the €420 million financing arrangement for the acquisition of the 2nd tranche and disbursement of the funds. Assuming that the syndicate of banks, had it been aware of this risk, would not have granted the loan, or not without additional security, this would meet the objective requirements of credit fraud (Kreditbetrug) and potentially call into question the entire financing arrangement. Whether and to what extent this also affects the members of the Executive Board and the Supervisory Board of Evonik at the time must yet be clarified.

In any case, these circumstances not only preclude the formal approval of the actions of the members of the Executive Board and the Supervisory Board, but also the resolution on the allocation of the net profit proposed by the management, in any event until the responsibilities and a potential payment obligation have been clarified.

Statement by the Executive Board of the Company regarding the counter-motions submitted by the shareholder Dr. Oliver Krauß on items 2, 3 and 4 of the agenda

As a reason for his counter-motions, the shareholder Dr. Krauß refers to an action filed by Alster & Elbe Inkasso GmbH against STEAG GmbH, which in his opinion might give rise to a liability for Evonik Industries AG to pay damages. There is no evident basis for this. Evonik Industries AG has not held any equity interest in STEAG GmbH since 2014. The sale of the STEAG shareholding has become effective and has been completed. No claims against Evonik Industries AG on the basis of the action referred to above can be identified. Even if the action against STEAG GmbH were to be successful, this would not trigger any payment obligations of Evonik Industries AG.

Accordingly, there is no reason to uphold the counter-motions submitted by the shareholder Dr. Krauß instead of the resolution proposals made by the management.