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Evonik drives forward sustainability analysis of its business

* In 2016, half of sales came from products for resource-efficient applications
* Clear progress towards achieving environmental targets
* Sustainability in the supply chain: gold rating from EcoVadis again

Specialty chemicals company Evonik is driving forward the sustainability analysis of its business. This involves examining

the contribution made by its products to resource efficiency in

the application phase, including energy savings and reducing greenhouse gas emissions, water consumption, and waste.

The analysis covers Evonik's entire operating chemicals business.

The results of the sustainability analysis for 2016 confirm that around 50 percent of the sales generated by Evonik's chemical segments already come from products that make a measurable contribution to improving resource efficiency in the use phase. Examples are amino acids for animal nutrition, additives for hydraulic fluids, and functional silanes to protect building facades. The method used for this analysis was validated by an external auditor in spring 2017 and then published by Evonik.

Sustainable business activities and responsible conduct are cornerstones of Evonik's business model. Thomas Wessel, the Executive Board member responsible for sustainability at Evonik: “We experience the close relationship between ecologically and socially responsible conduct on the one hand and business success on the other on a daily basis in our interaction with employees, customers, investors and business partners.” Sustainability has been a growth driver at Evonik for many years and is an important criterion in customers’ purchasing decisions.

**Energy- and water-saving measures are having a positive effect**

Evonik has set itself ambitious environmental targets for the period 2013 - 2020 (reference base: 2012): It aims to reduce specific greenhouse gas emissions per metric ton of output by 12 percent, and specific water intake by 10 percent.

In 2016, specific greenhouse gas emissions were 6 percentage points lower than in the previous year, while specific water intake was a substantial 13 percentage points lower. This progress was due to energy efficiency and water-saving measures and to structural renewal at the Marl Chemical Park. The old coal-fired power plant at this site has been replaced by a highly efficient gas and steam turbine plant, which cuts CO2 emissions by up to 280,000 metric tons a year.

**“Safety at Evonik” initiative firmly established**

Occupational safety and plant safety, in other words, protecting employees, local inhabitants and the environment, have priority over sales and profits at Evonik. Thomas Wessel: “Our initiative to strengthen our safety culture provides binding guidance for our employees on how individual conduct contributes to ensuring top safety standards.” In 2016, the accident frequency indicator for Evonik employees was 1.2. That was within the ceiling of 1.3 set by the company but slightly above the previous year's figure of 1.0. The accident frequency rate shows the number of accidents involving Evonik employees and contractors’ employees under Evonik's direct supervision per 1 million working hours. Thanks to the safety initiative, Evonik has also greatly improved the process safety of its production facilities.

**Evonik supports transparency and sustainability in the supply chain**

Evonik’s high standards in the areas of safety, health, environmental protection and labor standards are also applied to its suppliers. Through the Together for Sustainability (TfS) sector initiative, the company is committed to applying uniform standards for sustainable procurement. Evonik is also subject to regular TfS assessments which are conducted by the rating agency EcoVadis. In 2017, as in the previous year, the company was awarded a gold rating.

**Recognition of sustainability performance**

2016 was a good year for Evonik’s sustainability activities. The company was included in the prestigious “Dow Jones Sustainability Index (DJSI) World” and “DJSI Europe”indices for the first time. In addition, it received two accolades from the German Sustainability Award—as a prize-winner in the “research” category and as one of Germany’s five most sustainable large corporations.

**Successful relaunch of the sustainability report**

Evonik once again prepared its Sustainability Report 2016 using the strict guidelines issued by the Global Reporting Initiative. The depth and structure of reporting have been systematically aligned to the areas of action that are of material significance to Evonik. In addition, the report has been enhanced by additional indicators, targets and information about Evonik's sustainability performance, especially the areas of governance and compliance, and the value chain and products.

The Sustainability Report 2016 is available in the internet at [www.evonik.com/reponsibility](http://www.evonik.com/responsibility). A summary of the method used for the sustainability analysis of the business can be found at www.evonik.com/sustainability-analysis.

**Company information**

Evonik, the creative industrial group from Germany, is one of the world leaders in specialty chemicals. Profitable growth and a sustained increase in the value of the company form the heart of Evonik’s corporate strategy. Evonik benefits specifically from its innovative prowess and integrated technology platforms. Evonik is active in over 100 countries around the world with more than 35,000 employees. In fiscal 2016 the enterprise generated sales of around €12,7 billion and an operating profit (adjusted EBITDA) of about €2.165 billion.

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