



Leverkusen,
July 30, 2020

**Annual General Meeting
Thursday, July 30, 2020,
Bonn**

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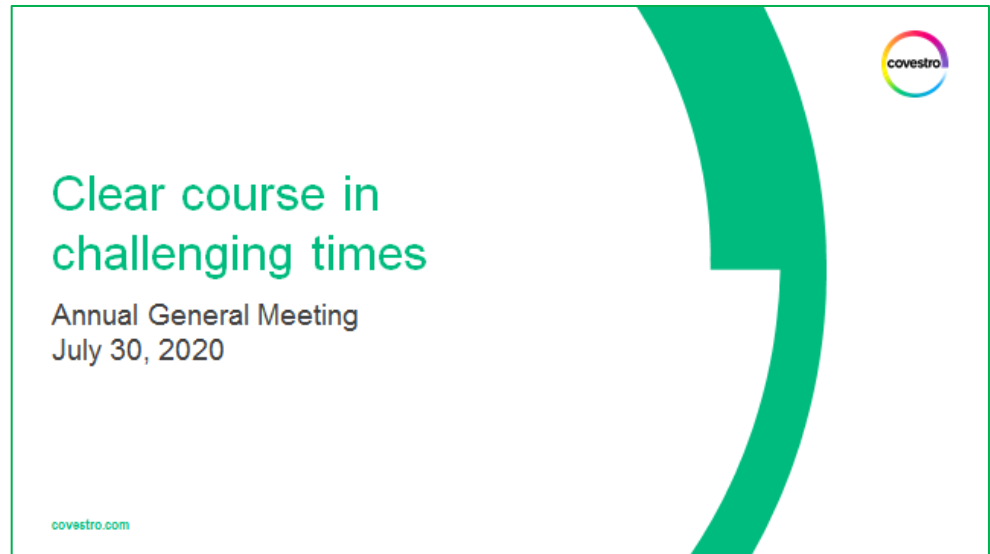
Chief Executive Officer, Covestro AG

and

Dr. Thomas Toepfer,

Chief Financial Officer and Labor Director

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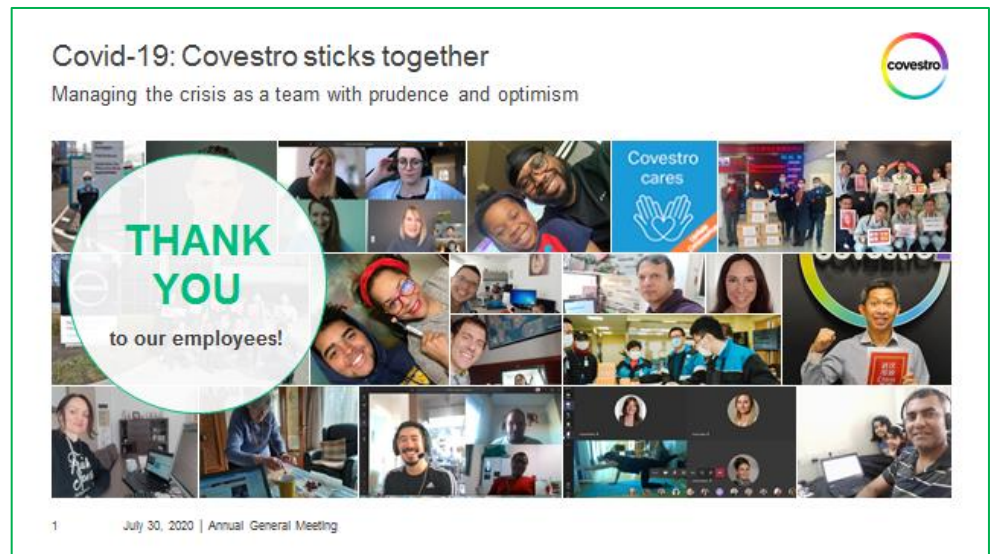
Ladies and Gentlemen,

Dear Shareholders,

On behalf of the whole Board of Management of Covestro AG: Welcome to our virtual Annual General Meeting! I am delighted so many of you are here today.

Unfortunately, we are not able to gather in person due to the coronavirus pandemic. All of us are experiencing exceptional times. This continues to present us with new challenges.

That applies to you. That applies to us on Covestro's Board of Management. And that applies to each and every one of our employees. That is also why I feel it is important to begin by saying thank-you.







I am proud of our employees. No one could have foreseen the coronavirus pandemic. But Covestro has responded swiftly and professionally to the challenge.

Around the globe, our employees have put their shoulders to the wheel. They are ensuring our plants operate safely and reliably. And they are safeguarding the supply to our customers. That is what they have always done. Now they are doing it under completely new conditions, because the coronavirus pandemic has changed our daily work routine tremendously. Within just a few days, our entire organization not only adopted the new way of working. It also infused it with life.

I am also proud of the solidarity demonstrated by our employees all around the globe: Towards their colleagues. Towards our business partners. And far beyond our company as well.

And all the more so when I think about what the crisis has demanded of each of us. Our guiding principle is "We are1." This is simple when everything is running smoothly. But it is also our ambition in challenging times. And we have accomplished it exceptionally well.

Covid-19: Covestro has maintained production
Health of employees, business partners and customers comes first



Protective measures for employees **Maintaining supply chains** **Reliable supply to customers**

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In spring, we initially focused on maintaining production and supply chains. The health of our employees, business partners and customers has always been our top priority.

Our administration employees have worked from home during the past weeks. Only the necessary core staff was on site. And this mostly remains the same until today.

That has not been so easy in production. For this reason, I would like to extend a special thanks to our colleagues on the front line. They have kept our plants around the world running — in, it goes without saying, compliance with very stringent protective and hygiene measures.

Therefore, our global supply chains have remained stable at all times. We are thus once again proving that Covestro is a reliable partner in tough times as well. This will lastingly strengthen our customer relationships — also beyond the current coronavirus crisis.

Covid-19: Covestro shows global commitment

Various aid campaigns all over the world to manage the coronavirus pandemic



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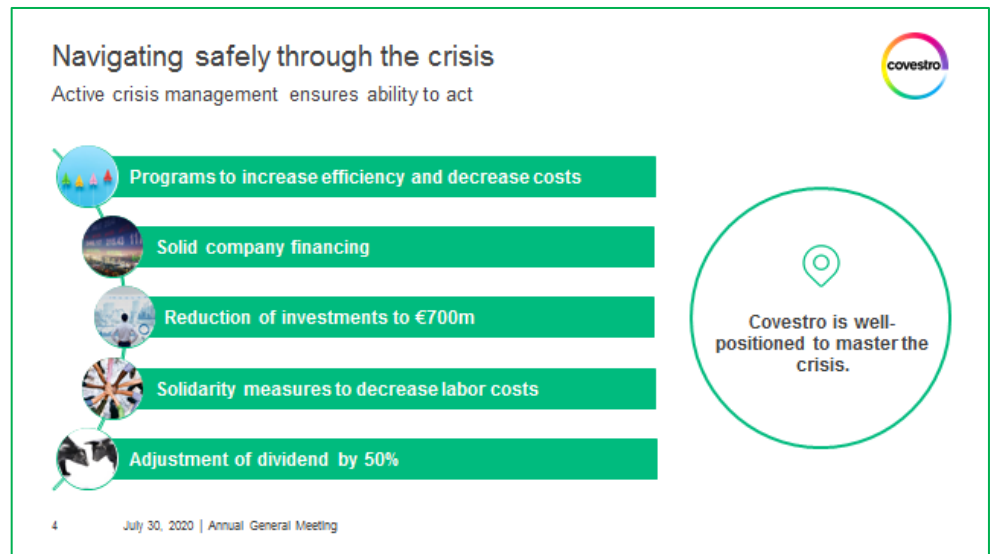
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We want to contribute to containing the global pandemic. That is very important for us. Therefore, our employees around the globe have been working hard over the past weeks and months. I would like to provide you with just a few examples:

We have donated protective eyewear and respirator masks to hospitals in Germany to help doctors and nurses protect themselves against the virus.

Our Chinese colleagues have given 10,000 units of protective eyewear to the German Ministry of Health.

And we have provided the German Aerospace Center with plastic granulate needed for 3D-printed face protection.



Navigating safely through the crisis
Active crisis management ensures ability to act

- Programs to increase efficiency and decrease costs
- Solid company financing
- Reduction of investments to €700m
- Solidarity measures to decrease labor costs
- Adjustment of dividend by 50%

Covestro is well-positioned to master the crisis.

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The coronavirus pandemic has, of course, impacted our business. But we took prompt and consistent action to counter the effects. That proved extremely challenging. The uncertainty was high, especially in the first few weeks of the crisis. We had to work on sight in a news situation that was in permanent flux.

Our top priority is to ensure the safety of our employees, business partners and customers. This is followed by maintaining production and supply chains. Equally important for us is to safeguard our strong liquidity position. Because liquidity is vital to maintaining our ability to act in a situation where it is hard to predict what will happen.

To do that, we have resolutely taken various measures.

We have taken early action by creating a key foundation for sustainably improving efficiency through our “Perspective” program. We are now benefitting from this. This year, we expect savings of €130 million.

On top of that there is our short-term cost-saving program which we have bolstered in the course of the corona crisis. As a result, we will reduce costs by an additional €300 million instead of the €200 million that we had planned originally. As things currently stand, we will achieve this target.

We have secured considerable additional liquidity. Through a new revolving credit line. Through short-term working capital facilities. Through a loan from the European Investment Bank. And through issuance of Eurobonds.



We have adjusted our investment plans. In the current fiscal year, we will invest €700 million. That is about €200 million less than originally intended. That further strengthens our liquidity position in the short term.

Our employees worldwide are also showing their solidarity in this exceptional economic situation.

In Germany, we have come to an agreement with employee representatives on the following model: We are adjusting salaries of all employees and at the same time shorten working hours. This applies for six months through the end of November.

It goes without saying that we will share the burdens fairly and not make excessive demands of anyone. Strong shoulders bear the greatest load. We believe that is also what solidarity means.

The higher the employee's pay grade, the greater the percentage of the salary reduction. Members of the Board of Management and Supervisory Board have taken a 15 percent cut in pay. That is a higher percentage than all other employees. I am very proud that more than 95 percent of our managerial employees voluntarily agreed to make this sacrifice.

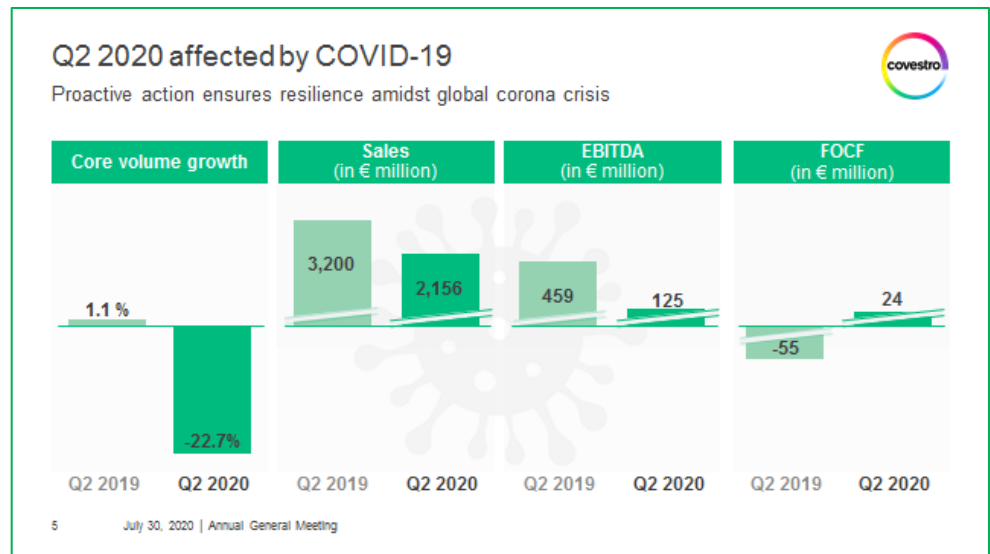
Our international companies have implemented the measures in a manner specific to their respective region. Our employees are therefore making a key contribution to helping Covestro navigate safely through the crisis. I join all of us in thanking them for that.

Dear Shareholders,

After careful deliberation, we have adopted a further measure. It has a very immediate impact on you.

We are proposing a dividend of €1.20 a share to today's Annual General Meeting — That is, only half of the originally planned €2.40.

We have reached a balanced decision with this. First, we are taking into account your interest in participating in the company's success to an appropriate extent. Second, we are securing our strong liquidity position and creditworthiness. Thus, we are strengthening the stability of Covestro in these economically turbulent times even further. In the end, all of us, including you as our shareholders, will benefit from that.



Our consistent crisis management already produces positive results. We can see that from the figures for the second quarter of the current fiscal year. You already know the figures. We released them a week ago. But let us still take a look at them now.

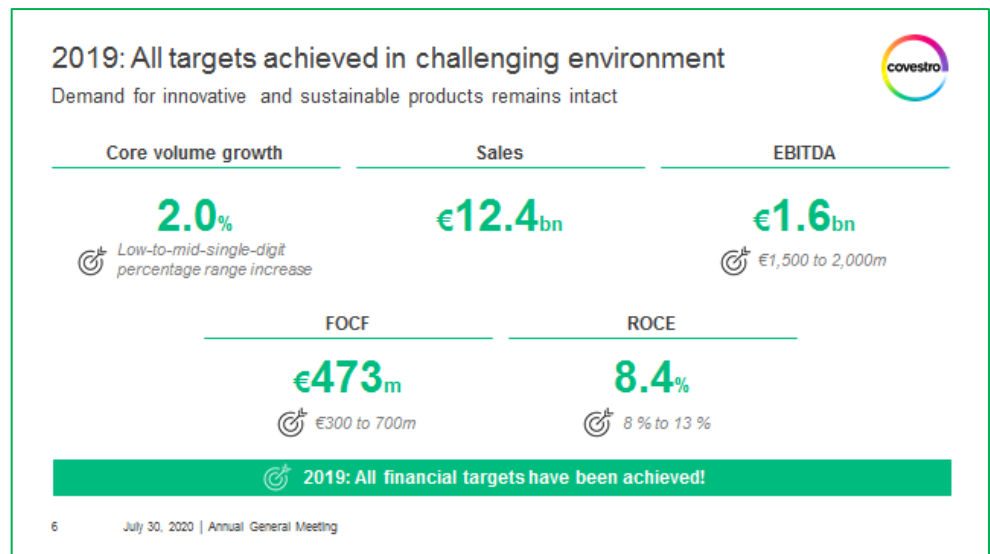
The quarter was overshadowed by the coronavirus pandemic and its impact on all industries and the whole world. As anticipated, the economies of Europe and North America were hit particularly hard by it. This affects us, too. Core volumes fell sharply by 22.7 percent in comparison with the prior-year quarter. That is also reflected in sales: The intensified pressure on prices is amplifying this effect. As a result, sales decreased by around €1 billion to approximately €2.2 billion.

Earnings also fell: €125 million following €459 million in the previous year. This decline is, however, far lower than analysts had expected. That is very good news! At the beginning of July, the analyst's assessment was we would post earnings of just €80 million.

What is the reason for that? Demand recovered quickly. The biggest fall in core volumes took place in April. The situation has progressively improved since mid-May, particularly for Polycarbonates. This segment has seen rising demand from the construction industry. Our diversified positioning is therefore proving its worth yet again. And we also have good news about our liquidity: Our free operating cash flow has increased to €24 million. This shows: Our strict liquidity management is working!

On the basis of that, we are confirming our guidance for the current fiscal year. Nevertheless, 2020 remains an exceptional year, the economic environment

continues to be uncertain. Further developments depend largely on the course taken by the coronavirus pandemic. And this is not completely foreseeable. This makes it all the more important that we have established a solid position for ourselves. Our measures work and produce positive results already. We will continue steering Covestro unwaveringly through this crisis.



We have already mastered the challenging year of 2019 successfully. You already know the figures, but it is important to me that we review them again.


Price trends in 2019 were already very challenging. There has been a marked shift in the supply and demand situation. Many new plants entered the world market. Demand, however, is not increasing to the same extent. This means we are facing a global oversupply. That mainly affects the rigid foam precursor MDI. Our flexible foam precursor TDI is also impacted, just like the polycarbonate area — i.e., high-tech materials.

In this challenging market environment, we achieved solid results in 2019. All key figures are in line with our annual guidance:

Core volumes increased by 2 percent. Sales fell to €12.4 billion. EBITDA declined sharply to €1.6 million. Our free operating cash flow was €473 million and ROCE 8.4 percent. This means we achieved all our financial targets in 2019!

I would like to emphasize one thing: demand for our products was absolutely intact until the coronavirus pandemic broke out. Since 2015, we have increased volumes by around 4 percent annually.

I will return later to our strategy for tackling this situation. And now, I will hand over to Thomas Toepfer. He will provide you with a detailed look at how this impacted 2019.

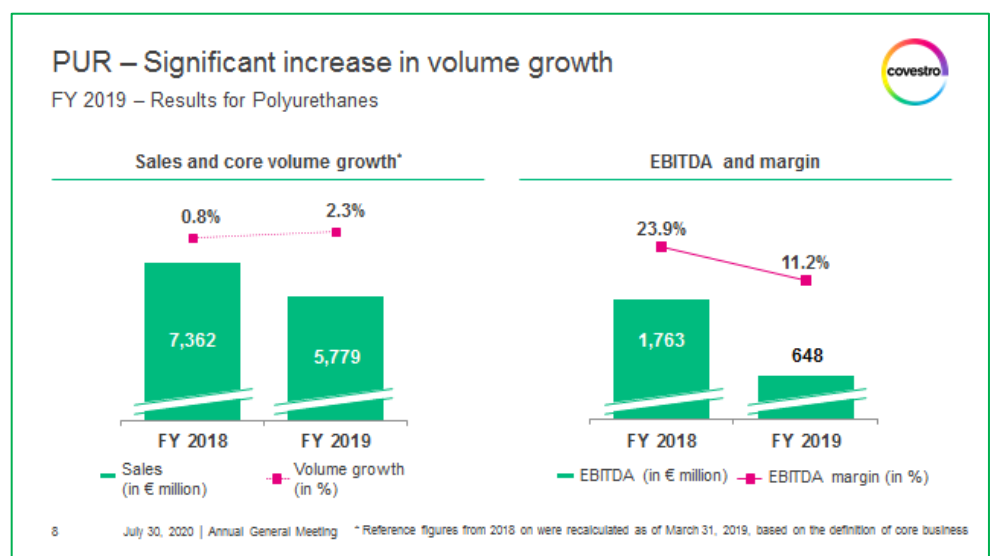


MANAGING THE CORONA CRISIS ON THE BASIS OF SOLID 2019 FINANCIALS

Thank you, Markus.

Ladies and Gentlemen, dear shareholders, I also would like to extend a warm welcome to our virtual Annual General Meeting.

In the next few minutes, I would like to provide you with more details about our figures for the past fiscal year 2019 and explain Covestro's current financial situation.



Let us first take a look at the individual segments.

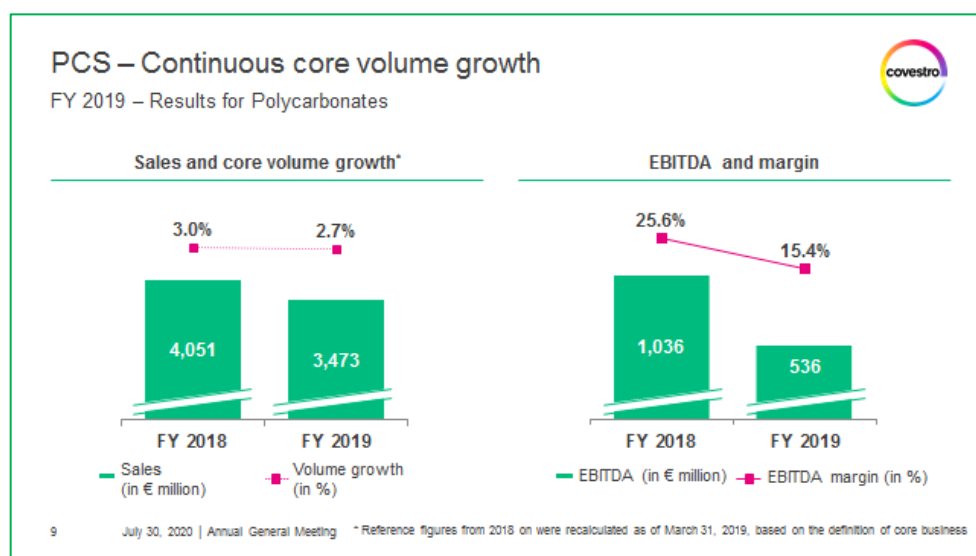
First, the Polyurethanes segment: That is the core product for the production of rigid as well as soft foams. Soft foams you know for example from your car seats or mattresses. Rigid foams, for instance, are used for the efficient insulation of buildings. Here, we posted very solid growth of 2.3 percent in fiscal year 2019. Our sales declined to €5.8 billion over the same period. As is also the case for Group sales, that is mainly attributable to the considerable pressure on prices. This does particularly apply to TDI. In this area, our margins were at an exceptionally high level in fiscal 2018.

Looking towards the future, we need to differentiate between our products.

The prices for MDI in fiscal year 2019 were well below long-term levels. That also remains the case for the moment. However, we believe there is a very good chance the gap between demand and production capacities will close in the medium term and we will therefore see a more positive price trend.

We likewise have surplus capacities and consequently pressure on margins in the TDI arena. That situation will not change in the short term as a result of the coronavirus pandemic. However, we do believe — and that is at least positive news — that we have reached the bottom of the downturn.

In these challenging conditions, the segment generated an EBITDA of €648 million in the past fiscal year. The margin of around 11 percent is below average for the cycle. That is due to the circumstances I have just explained.

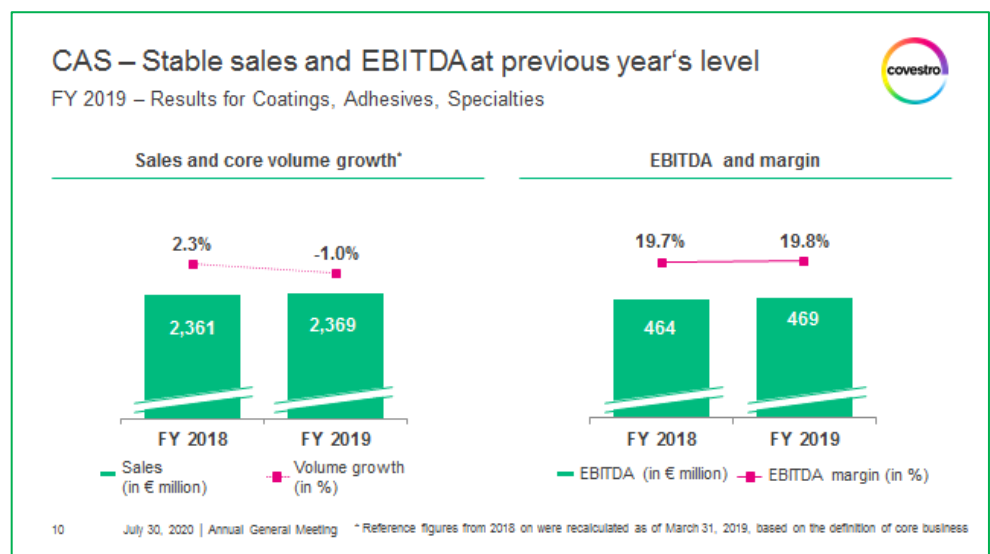


Let us now turn to the second segment, Polycarbonates. Those are high performance polymers such as what is used for car headlights, for laptop casings or in medical equipment.

Here, too, we achieved solid volume growth of 2.7 percent in 2019. We greatly benefit from our diversified positioning in this segment. Demand in one of our most important sales markets, the automotive industry, did indeed fall. However, that was more than offset by rising demand in other industries, such as medical technology and electronics.

Nevertheless, we experienced significant pressure on prices here, too. That is also reflected in our earnings performance: €536 million and a decline in the margin to 15.4 percent, which we were not able to fully compensate for despite the cost cuts.

However, we remain confident that the polycarbonate business has good growth prospects in the long term and will remain a very interesting line of business that offers attractive margins.



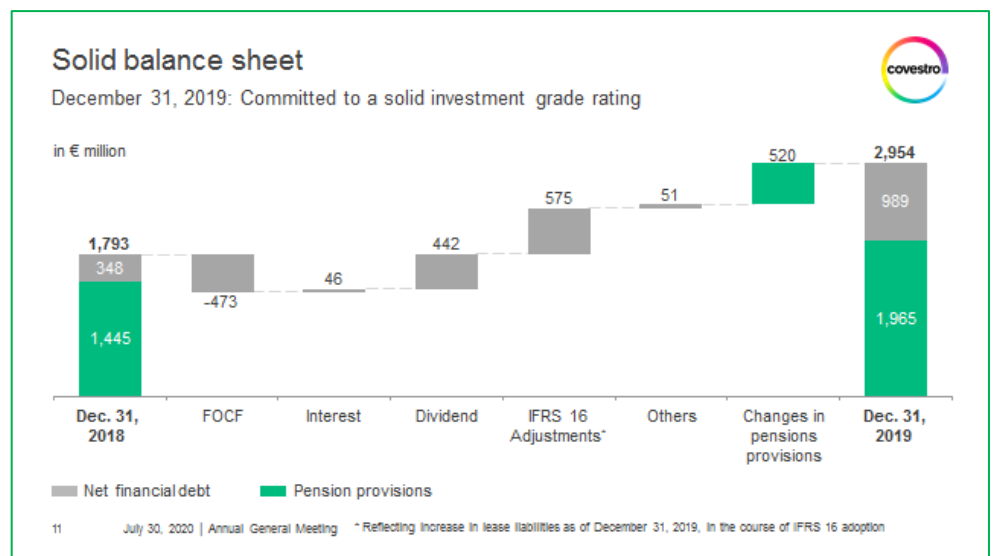
Now we come to our third segment.

CAS stands for Coatings, Adhesives and Specialties. They include products that increase the resilience of vehicle coatings or flooring or prevent the weathering of wind turbines. We had slightly negative volume growth of minus 1 percent in this segment.

That is attributable to the previously mentioned decline in global demand in individual industries, specifically the automotive industry.

EBITDA in this segment was slightly up over the previous year at €469 million and the margin remained constant at approximately 20 percent.

We therefore managed to compensate for the negative volume effect on our earnings. A targeted acquisition in Japan helped us accomplish that. But we also succeeded in stabilizing our prices. In that regard, we can be satisfied with our result in the CAS segment.



Let us now return to the Group level and look at our balance sheet for 2019.

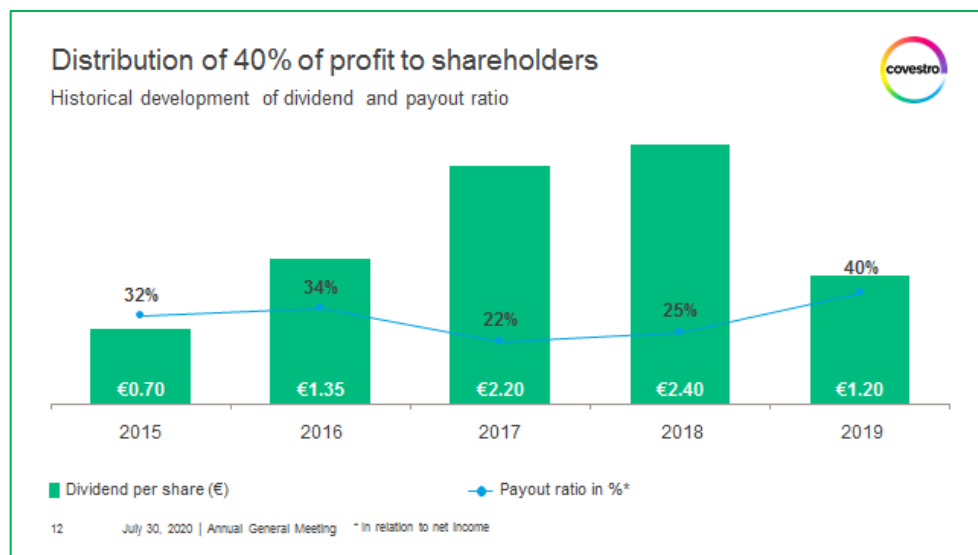
As you can see from the header, we can continue to report that our balance sheet for 2019 is exceptionally solid. Although net debt as of December 31, 2019, rose by €1.16 billion to almost €3 billion, that increase was almost fully due to accounting effects.

Adoption of the accounting standard IFRS 16 means the existing lease agreements we concluded long ago are now carried on our balance sheet. This effect increased debt by €575 million.

Moreover, the discount rate for pensions, in particular in Germany, fell again. As a result, our pension obligations in our balance sheet increased by €520 million. You can see that in the line on the right-hand side of the graphic.

The combined total for these two effects is over €1 billion. While it is therefore true that our net debt has risen, this is attributable to the accounting effects I just mentioned.

The ratio between EBITDA and net debt has increased from 0.6 at the end of 2018 to 1.8, however we remain unequivocally committed to maintaining a solid investment grade rating. And we will continue to invest in growth moving ahead.

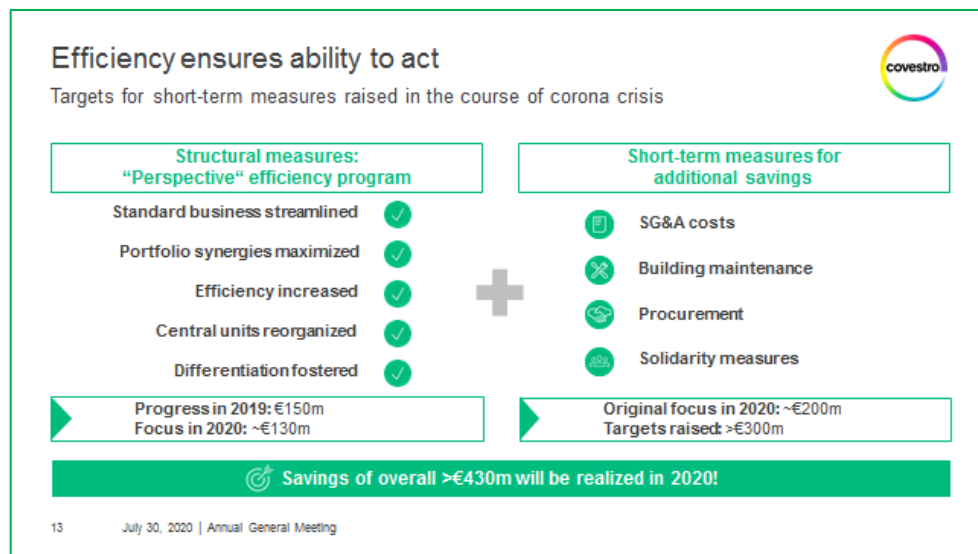


Our policy is to pay out an increased or at least stable dividend to our shareholders. That was also our intention this year.

We will, however, deviate from that policy in 2020 due to the enormous impact of the coronavirus pandemic. Nevertheless — and I believe this is good news in these times — we want to pay you, our shareholders, a dividend despite the difficult macroeconomic situation. Envisaged is €1.20 a share.

The total payout would therefore be almost €220 million, which is equal to a payout ratio of 40 percent and, as a result, a new record.

I am convinced we have made a balanced decision with this proposed dividend. We consider the interests of our shareholders, and we secure our robust liquidity position and credit rating.



In these challenging times, we benefit from having promptly and with determination implemented measures to maintain our ability to act.

Back in 2018, we launched our "Perspective" program, an extensive concept aimed at increasing our effectiveness and efficiency.

Since then, we have reached and accomplished important milestones as part of this program.

We have streamlined our standard business with structural measures. At the same time, we have maximized synergy effects in our portfolio and also increased cost efficiencies.

We have also reorganized our central functions and pressed ahead with differentiating our portfolio in order to put our company on an even broader and more stable basis.

All that resulted in a contribution of €150 million to our earnings in 2019. A further €130 million are expected in 2020.

Given the challenging market environment, we have implemented further short-term cost-cutting measures since last year. In view of the coronavirus pandemic, we have intensified efforts even more this year.

We now aim to achieve additional short-term savings of more than €300 million this fiscal year — instead of the originally planned €200 million. And, as things currently stand, we will also achieve these targets.

We will achieve those additional savings by reducing material costs, among other actions. In this context, we have initiated and conducted intensive budget reviews.

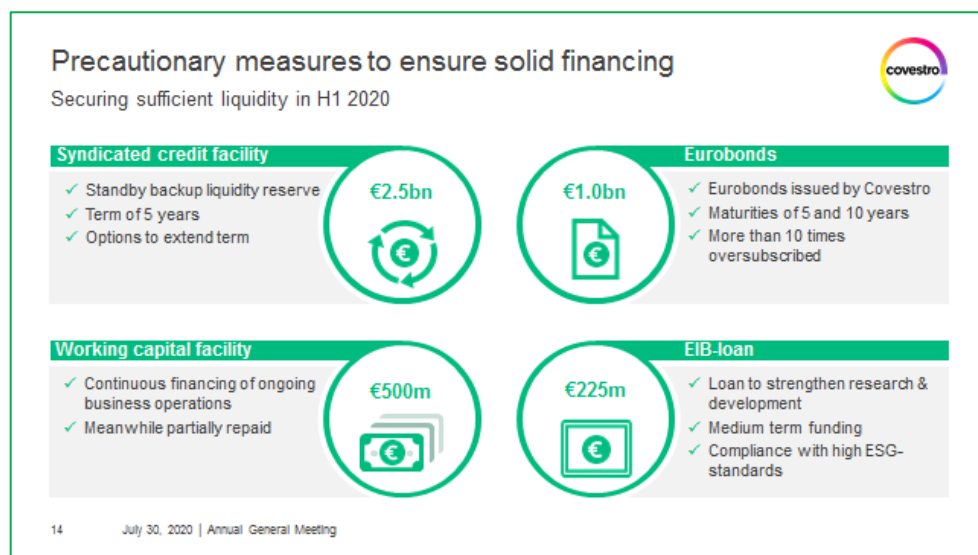
Another significant item is our maintenance costs. Here, too, we are working intensively on a number of measures to reduce them. However, and I wish to emphasize this, these measures in no way affect the safety and reliability of our plants. Our colleagues' safety always has top priority for us. We have primarily postponed non-acute projects here.

Our procurement chain is a further area where we are leveraging cost-cutting potential by means of targeted optimization measures.

In addition, there are the solidarity measures of Covestro's global workforce, including the Management Board and Supervisory Board. Markus Steilemann has already explained this in detail.

We are also scrutinizing our investments to further strengthen our liquidity.

As you can see, we are thinking long term with our "Perspective" program while not neglecting short-term challenges. All these measures help us maintain the flexibility and security we need to cope with the challenges of the coronavirus pandemic.



A strong liquidity position is a further key success factor. It makes us more resilient and able to respond to unforeseen events.

That is why we took various financing measures in the first half of this year to strengthen Covestro's liquidity lastingly.



We concluded a new revolving credit facility of €2.5 billion with a term of five years with our principal banks. That is pure a liquidity reserve, since we have no plans at present to draw on the loan.

The credit line is linked to an ESG rating comprising three criteria: environmental, social and governance. The better we as a company perform in these areas, the lower the interest components are. Thus, there is a clear financial incentive for us to develop our business sustainably.

We have strengthened financing of current business operations – for example in relation to our plants –with short-term working capital facilities of €500 million. And a loan of €225 million from the European Investment Bank will help us boost our research and development activities, in particular in the area of the circular economy.

You are also aware of the fact that we recently placed two Eurobonds with a total volume of €1 billion on the international debt markets.

These bonds were issued in two tranches, which are due in February 2026 and June 2030 and carry interest of 0.875 percent and 1.375 percent, respectively. There was exceptionally high demand from investors. It was so high that the issue was oversubscribed by more than tenfold — a clear sign the capital market has great trust in Covestro even in these challenging times.

As a result of this measure, we have significantly lengthened the average maturity of our bond portfolio and bolstered our liquidity further. Moreover, we will also use the funds we generate to repay the existing bond with a maturity up to 2021.

As you can see, Ladies and Gentlemen, Covestro has a very solid basis, especially in these challenging times, and enjoys the trust of the capital market.

I would now like to hand things back to Markus Steilemann, who will go over the progress we have made in addressing our strategic areas of focus. Over to you, Markus.

PROGRESS IN STRATEGY IMPLEMENTATION ON OUR WAY TO CIRCULAR ECONOMY

Thank you, Thomas.


Ladies and Gentlemen,


Dear Shareholders,

The development over the first six months and the economic outlook for the current year show: We still find ourselves in a macroeconomically difficult situation. But I am sure of this: We will successfully steer Covestro through this situation. That is because we are pursuing a clear, far-sighted strategy. It is a strategy that addresses current challenges. But above all it will secure the company's long-term success.

Covestro consistently pursues its strategy


Focus on long-term goals






We strengthen our innovative capacity.

We optimize our production network.





We become pioneers in sustainability.

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I now wish to explain to you three cornerstones of our strategy in more detail.

► **“We strengthen our innovative capacity”**

We are positioning ourselves to thrive in the future. To do this, we are boosting our innovativeness. That is a far-reaching complex. I will select two areas as examples:

First, the major future issue of 5G — a strongly growing market segment. The network standard for mobile communication 5G boasts a high transmission speed but only has a very short range. This means a dense network of antennas will be needed. This is the only way for us to achieve good network coverage.

We therefore have to install a lot of antennas. The material of choice is polycarbonate. You could call it the “decathlete” among materials. That is due to its unique combination of qualities. It is light, yet dimensionally stable. That makes it exceptionally safe to use. And it offers maximum freedom in terms of color and surface design. Polycarbonate therefore meets all the requirements to, for example, play a key role in the expansion of 5G.

Let us now move on to the second example: digital chemistry.

Today we are able to calculate precise forecasts and models at breathtaking speed. Advances in the power of modern computers have made this possible. It is something researchers could only have dreamed of a few years ago.

Perhaps you know this from chemistry lessons at school. Setting up and conducting chemical experiments is often a very laborious process. In the chemicals industry, these experiments are many times more complex. They involve a lot of time and resources. But we can now simulate them on a computer. We can change individual variables at the touch of a key and simply repeat the experiment as many times as needed. That saves time and money.

Quantum computing is the pinnacle of this development. This technology boasts the greatest computing power now technically possible. In this way, highly complex chemical reaction processes can be simulated and assessed in the future. And this can be done in a very short space of time! This will also play a vital role if we want to advance the circular economy. After all, it will enable us to take research and development to a completely new level – also, and in particular, in regard to the pace at which we can develop innovations.

We want to move forward quickly here. We are looking for strong partners to do this. In early July, we announced a partnership with Google. Working together, we will further develop this technology for using it in the chemical industry.

► **“We optimize our production network”**

The second key pillar: We are optimizing our production network. That means: We are making our production more efficient. And we are expanding our production capacities.

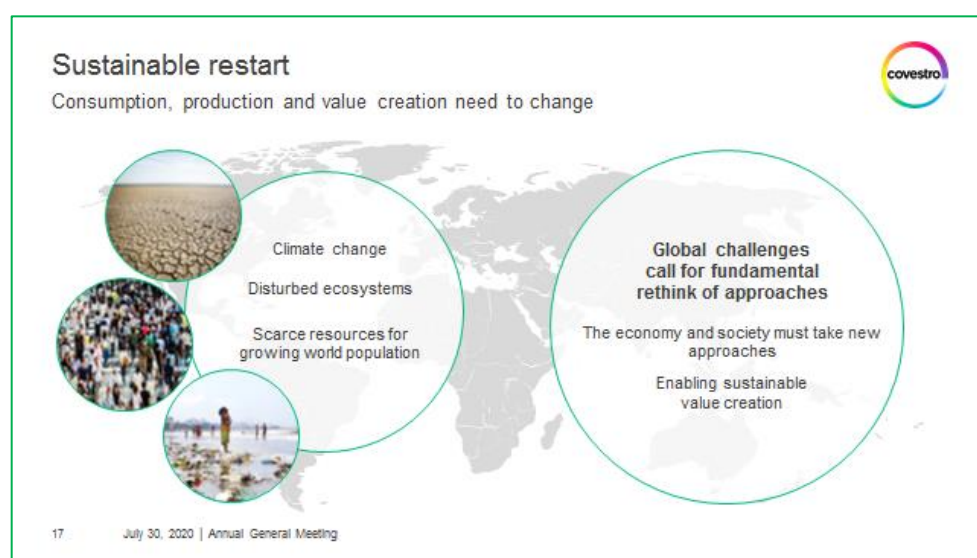
At the start of the year, we successfully expanded our production capacity in Brunsbüttel by 200,000 tons in the area of MDI rigid foams. That is already providing us opportunities for additional growth this year.

► **“We become leaders in sustainability”**

Covestro is leading the way on the topic of sustainability. That is the third pillar that I would like to address.

Our society is facing significant challenges. We will not be able to resolve many of them without plastics. Because plastics are one of the most sustainable materials there are. But you have to rigorously adopt an approach focused on circularity.

We are embarking on a long strategic journey here — one that will also be arduous. But we are convinced: Its goal is worthwhile.



I want to take you with us on this journey. It starts with issues to which the global community is again turning its focus: the major global challenges. Climate change. Environmental pollution. Dwindling resources. I only want to name a few. The coronavirus crisis has dispelled these issues only briefly. They will move increasingly to the fore in the future.

Many feel we have reached a crossroads. That the new start also offers an opportunity to create a better, more sustainable world. This has found its way into people's thinking: In society. Among political leaders. In the business community. In the scientific, cultural and financial worlds. Terms such as "green recovery" have been coined for this.

Covestro also aims to contribute to this break with the past. Because we want to make the world a brighter place. That is the rationale and purpose of our company. And we know how to get there.

A sustainable, climate-neutral future is feasible.

But only through a significant common effort. Society and the economy must find a responsible approach to our limited resources and make the cycle the new guiding principle. And not least, we must make value creation more sustainable.



Global guiding principle
Circular economy as a concept for a truly sustainable world

Circular economy as a guiding principle
Key to climate neutrality and resource protection
Great business opportunities
Plastics are the key

Leave one-off use
Take waste as a resource
Recover carbon

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The slide features a central image of a globe with a city skyline on top. Two overlapping circles are positioned on either side of the globe. The left circle contains the text 'Circular economy as a guiding principle' and its sub-points. The right circle contains the text 'Leave one-off use', 'Take waste as a resource', and 'Recover carbon'. The Covestro logo is in the top right corner. At the bottom left, it says '18 July 30, 2020 | Annual General Meeting'.

We have the blueprint for a truly sustainable world: the concept of the circular economy. It has to become our new global guiding principle.

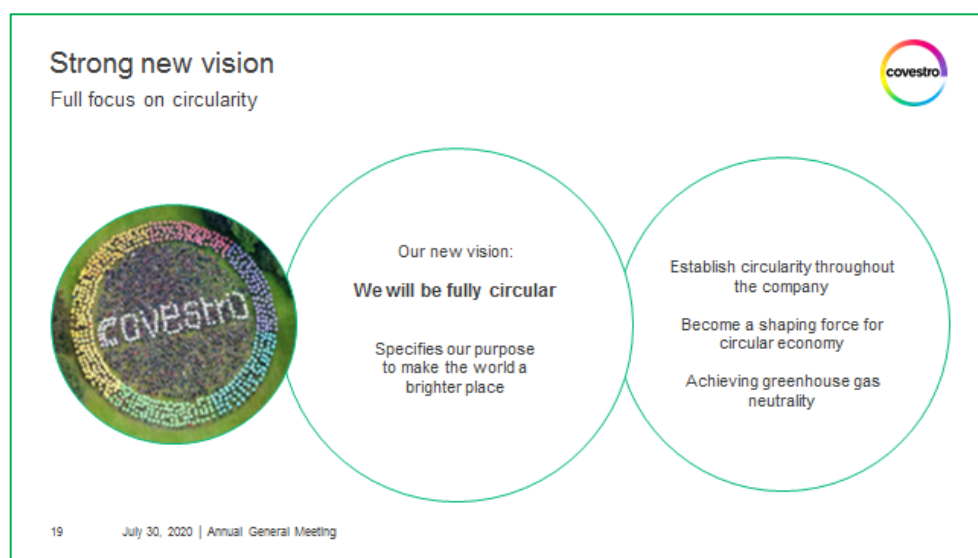
The circular economy will significantly advance protection of the environment. It will enable us to conserve resources — if implemented without compromise and

worldwide. It will help to attain greenhouse gas neutrality and curb global warming: How will that work? By ensuring we do not use carbon from fossil sources such as crude oil. And if, however, it is used, then this must be in closed-loop cycles where it cannot enter the atmosphere.

The circular economy means: We are leaving behind linear consumption and production patterns that are geared to one-time use. Instead, we will: Use goods repeatedly and for a long time. Avoid waste. And understand and use unavoidable waste as a resource to a much greater extent than we do now.

For you and me as consumers, this means: We are breaking with our habits. We are changing our behavior. The business community faces the challenge of adapting supply chains, production methods and products — The circular economy offers us very considerable economic opportunities here.

Plastics play a key role along the way to circularity. They are particularly sustainable materials. The world needs plastics if we want a healthier, smarter and more sustainable world. The circular economy will also help us in the fight against plastic waste. To make it crystal clear: We face an enormous waste management problem here. Plastics themselves are part of the solution. This is why they are still urgently needed.



Ladies and Gentlemen,

I feel sure you will agree with me: Covestro must walk the talk and commit itself wholeheartedly to the circular economy. It is a worthwhile goal. This is where we will take our company. It will be our guiding star in the future



“We will be fully circular.” This sentence gets to the heart of our strong vision. It completes our corporate mission statement. It specifies the direction to take. And it gives very tangible form to what we today call “purpose.” We now know exactly what our company’s raison d’être is: To make the world a brighter place every day. As a plastics manufacturer, we want to do our part for a more sustainable world. We want to help to resolutely counteract climate change. Because we will not succeed without the features of high-tech plastics. At the same time, plastics must be fully recycled in the future.

We will be fully circular. What does that mean? First, that we are comprehensively establishing the principle of circularity at our company. All divisions around the globe will develop concrete concepts for that. Each of us will make our contribution.

On the other hand, we want to actively shape the circular economy with the whole of society. In the chemicals and plastics industry and beyond. We want to make a contribution to achieving a greenhouse-gas-neutral economy. For this reason, Covestro will also become greenhouse gas neutral over the long term.

With Covestro’s new vision, we will be better able to satisfy our stakeholders. Our customers want sustainable products made in an eco-friendly way. Our employees want our actions to be meaningful. Policymakers and regulatory authorities expect that we achieve the UN’s Sustainable Development Goals. You, dear shareholders, have an interest in continuous value creation, just as we do.

I would like to emphasize this one more time: The circular economy offers considerable economic potential. And Covestro is already very well positioned to benefit from it. With our products, which help reduce energy consumption and emissions. Whether in the area of mobility or construction. And with our highly efficient, resource-conserving production processes.



Dear Shareholders,

In the future, we want to become even better.

We want to make our production completely circular. We want to create a closed-loop carbon cycle. And we are striving to deliver a comprehensively sustainable product portfolio — a portfolio that supports the UN's Sustainable Development Goals.

To enable that, we launched a long-term strategic program in 2019. Step by step, we are now infusing it with life. We will measure our results with concrete targets and key indicators. We are currently working on this. In the process, we are focusing on four promising strategic areas.

First, alternative raw materials. Biomass and CO₂ as well as scrap materials and waste will replace fossil raw materials like crude oil.

Second, innovative recycling. Thanks to energy-efficient technologies, scrap materials and waste can be efficiently recycled.

Third, joint solutions. To drive circular economy, Covestro is cooperating with others across industries. We are breaking ground for new business models this way.

Fourth, renewable energy. The circular economy is only truly sustainable if we use electricity from alternative sources. This is why we will gradually switch to such sources at our sites.



Here, we have recently set an accent: The Danish energy supplier Ørsted will supply our German sites with green electricity from 2025 onward. The power will be generated from a wind farm being erected off the North Sea island of Borkum. The purchase agreement is unprecedented in scale. It will hopefully contribute to accelerating expansion of wind energy.


In other respects we have already chalked up successes, too. In the area of alternative raw materials, we are already using CO₂ to make plastics. For this effort, we were a finalist at the end of last year in the German Future Prize of the president of Germany. In terms of recycling technologies, we have launched more than 20 research and development projects. This includes the reuse of mattress foam. We are making good headway here. We are also making progress with partnerships. For example in the joint Circularise PLASTICS initiative. The goal of this is to enable traceability of plastics by means of blockchains — i.e., digitally encrypted, local databases.






Ladies and gentlemen,

Regardless of all these successes, we are just at the beginning of the road. There is still a long way to go before the circular economy becomes the new guiding principle. In our company and in the world. This journey calls for know-how, inventiveness, courage and perseverance. And, of course, support. I ask you: Support Covestro on the long journey toward the circular economy. Get behind our new vision.

It will be worthwhile. For our planet. For the well-being of its inhabitants. And for sustainable value creation.

Exceptional year 2020
Outlook for the rest of the year



- 1 Economic environment remains uncertain due to Corona 
- 2 Focus on efficiency, cost awareness and securing liquidity 
- 3 Consistent crisis management and active measures show effect 
- 4 Guidance for the full year confirmed 
- 5 Establishing circular economy as a guiding principle 

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To conclude my presentation, I would like to recap where we currently stand:

The economic environment was already challenging in 2019. And 2020 has developed into an absolutely exceptional year. That has become clear.

Let us look at some of our customer industries. They have been facing significant challenges for some time now. One example is the automotive industry, which is currently experiencing structural change.

And then there are geopolitical uncertainties. Consider the trade conflict between the US and China. The impact from the coronavirus pandemic on the economic environment, production, and supply chains is a further aggravating factor. How this will unfold cannot be fully foreseen at present. How long will COVID-19 continue to hold the world in its grip? No one now can say for sure. For us, this means: The economic environment will remain uncertain in the second half of the year as well. We must be well prepared for this.

Therefore, we will continue to focus on efficiency, cost awareness and securing liquidity. We have taken the right action early on with our program “Perspective”. This has now benefited us in the coronavirus crisis. At the same time, we have intensified our short-term cost-cutting measures. And we have implemented many additional measures. The results from the second quarter demonstrate: These measures are working. We have rigorously countered the effects and achieved a solid position for ourselves. And will not let up on our efforts. For this reason we are reconfirming our guidance for the full year again today.



Dear Shareholders,

Even as we place our short-term focus on safely navigating Covestro through the crisis: We must not lose sight of our long-term goals. This is very important to me! We are therefore relentlessly pursuing our long-term goal at this time as well: We will be fully circular. That is our guiding star. We work toward this each and every day. Because we accept responsibility. For a sustainable new beginning following the coronavirus crisis. For a brighter world to live in. We are pleased you are joining us on this journey. Thank you for your attention!

