



Leverkusen,
July 01, 2021

Covestro AG
Investor Relations
51373 Leverkusen
Germany

IR Contact
Ronald Köhler
Telephone
+49 214 6009 5098
Email
ronald.koehler
@covestro.com

IR Contact
Ilia Kürten
Telephone
+49 214 6009 7429
Email
ilia.kuerten
@covestro.com

IR Contact
Carsten Intveen
Telephone
+49 214 6009 5861
Email
carsten.intveen
@covestro.com

Implementation of the strategy: tailored structure starting on July 1, 2021

Covestro creates the foundation for sustainable growth with its new Group structure

- **The guiding principle: to become fully circular**
- **Milestone in implementing the new strategy achieved**
- **Business reorganized into seven business entities**
- **Future reporting in two segments**
- **Focus on customer centricity and sustainability**

Covestro has restructured its organization effective July 1, 2021, and successfully reorganized its previously three segments – Polyurethanes, Polycarbonates, and Coatings, Adhesives, Specialties – into seven new, tailored business entities. The company has thus achieved a first milestone in implementing its new “Sustainable Future” strategy, which the Group had presented in February 2021. The vision of Covestro to become fully circular is the guiding principle of this strategy.

“We’re very serious about sustainability and are systematically working toward a circular economy. That will enable us to position Covestro ideally for the future,” said CEO Dr. Markus Steilemann. “Our new structure now forms the foundation for further implementing our strategy and achieving sustainable growth. We’ll become an even better partner to our customers and thus increase our competitiveness further.”

Orientation toward customers’ needs and market requirements

In keeping with the first chapter of the strategy – “Become the best of who we are” – the Group has now focused its businesses even more closely on the requirements of individual markets and aligned them to a greater degree with its customers’ needs. In its new structure, Covestro has organized the seven



business entities in a setup based precisely on their individual success factors and integrated all operational activities throughout the value chain that are critical to success into these new entities.

The Group now distinguishes the two segments “Solutions and Specialties” and “Performance Materials.”

- **Solutions and Specialties:** This segment comprises the six business entities Tailored Urethanes, Thermoplastic Polyurethanes, Coatings and Adhesives, Elastomers, Engineering Plastics, and Specialty Films. The focus here is on complex products with a high pace of innovation, which Covestro combines with application technology services.
- **Performance Materials:** This business entity forms a separate segment comprising the businesses with standard polycarbonates, standard urethane components and base chemicals. The focus here is on reliably delivering standard products at competitive market prices.

Covestro will report in the two new segments “Solutions and Specialties” and “Performance Materials” for the first time in the third quarter of 2021. The Quarterly Statement is scheduled to be published on November 8, 2021.

Focus on sustainable growth

In the second chapter of the strategy – “Drive sustainable growth” – Covestro combines the consistent alignment of products and processes with its customers’ needs with an even sharper focus on addressing sustainability in a profitable way.

“We want to generate sustainable growth. That means we’ll also consistently align our investments and acquisitions to the two aspects of profitability and sustainability,” said CFO Dr. Thomas Toepfer. “Due to the optimally allocated resources, our new structure now allows us even better to develop our portfolio in a targeted manner by investing in attractive and sustainable market segments. Our growth activities will be given an even sharper orientation.”

Covestro’s long-term vision is to be realized in the third strategic chapter: “Become fully circular.” As part of that, the Group intends to accelerate transformation to a climate-neutral and resource-conserving economy.



About Covestro:

With 2020 sales of EUR 10.7 billion, Covestro is among the world's leading polymer companies. Business activities are focused on the manufacture of high-tech polymer materials and the development of innovative, sustainable solutions for products used in many areas of daily life. In doing so, Covestro is fully committed to the circular economy. The main industries served are the automotive and transportation industries, construction, furniture and wood processing, as well as electrical, electronics, and household appliances industries. Other sectors include sports and leisure, cosmetics, health and the chemical industry itself. At the end of 2020, Covestro has 33 production sites worldwide and employs approximately 16,500 people (calculated as full-time equivalents).

Find more information at [covestro.com/investors](https://www.covestro.com/investors).

Forward-looking statements

This investor news may contain forward-looking statements based on current assumptions and forecasts made by the management of Covestro AG. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Covestro's public reports, which are available at www.covestro.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.