

Press Release



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First-time participation in CDP Climate Ranking

Covestro awarded for effective climate protection

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- **Group receives excellent CDP "A-" rating**
- **Good performance and transparent communication endorsed**
- **Announcement of climate neutrality target planned for the first quarter of 2022**

The non-profit organization CDP (formerly the Carbon Disclosure Project) has ranked Covestro an "A-" rating in this year's climate protection ranking. This makes Covestro one of the world's leading companies in this field. Covestro took part in the annual survey for the first time this year and achieved one of the best ratings with its clear focus on the circular economy.

"We are very pleased to have achieved such an excellent ranking directly with our participation," says Dr. Markus Steilemann, CEO of Covestro. "The A-grade rating impressively demonstrates that our efforts in recent years are bearing fruit. Our ambition is to maintain and further expand this high level."

CDP specifically recognized Covestro's achievements in the categories "Governance," "Emissions reduction Initiatives" and "Business Strategy & Financial Planning." The company achieved the highest score in each of these areas, placing it well ahead of the industry average. In total, more than 13,000 companies participated in the rating, which is assessed on a scale from A to D-. The top score is awarded to companies that provide a high level of transparency in conjunction with actual climate protection services. The survey is considered one of the world's most renowned rankings for environmental reporting and environment-related management by companies.

"On the way to a circular economy, we also work towards climate-neutrality. The CDP rating is a great confirmation of our efforts and successes in this



endeavor. Today, we can already produce products entirely without fossil raw materials, delivering a lower product carbon footprint," explains Lynette Chung, Covestro's Chief Sustainability Officer. "We are working to further expand our sustainable product portfolio and are also becoming increasingly transparent in our reporting, as recognized by CDP."

Continued progress on transparency and action

Sustainable growth and a complete focus on the circular economy are central components of Covestro's corporate strategy "Sustainable Future". In September, for instance, the company announced plans to invest around EUR 1 billion in circular economy projects over the next ten years and to unveil a climate neutrality target based on absolute greenhouse gas emission reductions next year. Transparent communication about the company's progress in the area of sustainability also remains a priority. For example, Covestro will also publish a stand-alone report for the first time in line with the recommendation of the Task Force on Climate-related Financial Disclosure (TCFD) with the publication of the Annual Report 2021 on March 1, 2022.

Another example of Covestro's ongoing efforts in the area of sustainability is the EU innovation project Circular Foam. Together with 21 partners, the company has taken on the coordinating role in this project to close the material cycle for rigid polyurethane foams in the long term. That could reduce waste by one million metric tons and CO₂ emissions by 2.9 million metric tons, as well as EUR 150 million in incineration costs, every year in Europe from 2040 onward. At the same time, Covestro is continuously expanding its sustainable product portfolio and thus also helping its customers to reduce their carbon footprint in production in the long term.

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).



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