

Press Release



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Annual General Meeting 2022

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Dividend of EUR 3.40 approved

- **Actions of the Board of Management and Supervisory Board ratified**
- **Supervisory Board: Dr. Sven Schneider succeeds Prof. Dr. Rolf Nonnenmacher**
- **Dr. Markus Steilemann: “There can be no sustainability without Covestro”**

Shareholders approved all the resolutions proposed by the Board of Management and Supervisory Board by the required majority at Covestro AG's Annual General Meeting on April 21, 2022. The actions of Covestro's Board of Management and Supervisory Board were ratified. As in the past two years, the Annual General Meeting was held virtually and broadcast live on the Internet. Shareholders and their proxies were able to submit their questions relating to the agenda online in advance and, for the first time this year, follow-up questions in writing during the event. They could also contribute statements in written or video form. A total of 124 questions were submitted in advance and one follow-up question was asked during the event.

In his speech at the beginning of the event Dr. Markus Steilemann, CEO of Covestro, explained the path-breaking foundations that had been laid in the past fiscal year. “We have positioned the company optimally by implementing our new Group strategy ‘Sustainable Future’. Covestro is becoming more efficient, agile and flexible,” said Steilemann.

Focus on the circular economy and climate neutrality

The Group presented its new strategy ‘Sustainable Future’ and restructured its organization last year: The three former business units were reorganized into



the two segments Performance Materials and Solutions & Specialties. “Our strong fiscal year 2021 provided impressive proof to the fact that our strategy is working and that we are on the right track with our systematic focus on circularity,” added Steilemann.

Covestro also announced in March 2022 that it is striving to become climate neutral and achieve net zero emissions* by 2035. The Group will make investments between EUR 250 million and EUR 600 million to accomplish that. “We accept responsibility and want to live up to our leadership role,” stated Dr. Markus Steilemann. “That means we aim to be climate neutral in less than 13 years.” The first major milestone is to be achieved by 2030. The Group plans to cut greenhouse gas emissions from its own production operations (scope 1) and from external energy sources (scope 2) by 60 percent compared to 2020 levels. Covestro is focusing on three levers on its path toward climate neutrality: more sustainable production processes, renewable electricity and renewable steam. A long-term transition to renewable sources of energies and raw materials is key to reducing dependency on fossil fuels and therefore on gas imports, especially in view of the current geopolitical situation.

Covestro’s long-term objective is to reduce greenhouse gas emissions throughout the entire value chain. Consequently, Covestro’s next step will be to publish a target for cutting scope 3 emissions in the coming year. “Climate neutrality at Covestro is closely linked to becoming fully circular. Climate neutral, circular products are the products of the future,” said Steilemann. “There can be no sustainability without Covestro.” The Group aims long term to offer every product in a climate neutral version.

Record dividend: highest payout in the Group’s history

Dr. Thomas Toepfer, CFO and Labor Director of Covestro, put the strong results for fiscal 2021 as a whole into context for shareholders in his speech. “Due to strong demand for our products, we were completely sold out for a large portion of the year,” said Toepfer.

The Annual General Meeting approved the proposed dividend of EUR 3.40 per no-par value share. Before Covestro announced its share buy-back program, that was equivalent to a total distribution of EUR 657 million, a figure that has fallen to around EUR 651 million since the program was launched. The payout ratio is 40 percent of the Group’s net income. “That’s the highest dividend in the

* Achievement of net zero greenhouse gas emissions is defined as a balance between anthropogenic emissions [by the company itself and as a result of purchased energy] and reduction of anthropogenic greenhouse gases.



history of our company,” added Toepfer. Covestro redefined its dividend policy last fiscal year and now aims for a payout ratio of between 35 and 55 percent of the Group’s net income.

The Group announced on February 28, 2022, that it intended to buy back its own shares to a total volume of around EUR 500 million over a period of two years. “This program underscores our clear focus on creating value for our shareholders and our commitment to an attractive dividend,” said Toepfer.

New member of the Supervisory Board: Dr. Sven Schneider confirmed

In a further agenda item at this year’s Annual General Meeting, Dr. Sven Schneider, who has been CFO of Infineon Technologies AG since 2019, was nominated as a new member of the Supervisory Board. He succeeds Prof. Dr. Rolf Nonnenmacher, who resigned his seat and thus his position as Chair of the Audit Committee effective the end of the Annual General Meeting.

The Supervisory Board thanked Prof. Dr. Nonnenmacher for his many years of dedication on Covestro AG’s Supervisory Board, on which he had served since the company was founded in 2015. “On behalf of the Supervisory Board I wish to thank Prof. Nonnenmacher deeply for his many years of outstanding work, the trusted working relationship with him, the many valuable discussions, and his commitment to our company,” said Dr. Richard Pott, Chairman of Covestro’s Supervisory Board. At the same time the Supervisory Board welcomed Dr. Sven Schneider: “We feel sure that Dr. Schneider is an excellent choice for our Supervisory Board and are pleased that Dr. Schneider intends to stand for the chairmanship of our Audit Committee,” added Pott. “He brings with him extensive profession knowledge, expertise and experience as a CFO and ideally complements our Supervisory Board’s skills profile.”

Before joining the Management Board of Infineon Technologies AG, Dr. Sven Schneider held several posts at Linde AG, lastly as CFO on the Board of Directors, as well as Board Spokesman and Labor Director.

Further information and documents

- You can find a recording of the 2022 Annual General Meeting, the manuscripts of the presentations and press photos at [Press Kit | Annual General Meeting | Covestro AG](#).
- The detailed voting results on the agenda items at the Annual General Meeting are available at [Annual General Meeting | Covestro | Covestro AG](#).



About Covestro:

Covestro is one of the world's leading manufacturers of high-quality polymer materials and their components. With its innovative products, processes and methods, the company helps enhance sustainability and the quality of life in many areas. Covestro supplies customers around the world in key industries such as mobility, building and living, as well as the electrical and electronics sector. In addition, polymers from Covestro are also used in sectors such as sports and leisure, cosmetics and health, as well as in the chemical industry itself.

The company is committed to becoming fully circular and is striving to become climate neutral by 2035 (scope 1 and 2). Covestro generated sales of EUR 15.9 billion in fiscal 2021. At the end of 2021, the company had 50 production sites worldwide and employed approximately 17,900 people (calculated as full-time equivalents).

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Forward-looking statements

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