

Version 1.0 FINAL



PRODUCT POLICY



PREAMBLE

Headquartered in Germany and one of the world's leading specialty chemicals companies, Evonik has made protecting people and the environment a cornerstone of our business. As such, it simply goes without saying for us that all of our chemical products need to do more than simply comply with the law—they also have to be manufactured, handled, used, and disposed of under safe conditions. To this end, we not only implement legal requirements to their fullest—in many cases we also go well beyond these requirements.

As part of our global ESHQ values (ESHQ = Environment, Safety, Health, Quality), we have committed ourselves to protecting people and the environment everywhere we operate. The principles of Responsible Care are binding for our product stewardship activities throughout the world.

OUR COMMITMENT

Evonik makes every effort to ensure that its products make a substantial contribution toward improving quality of life and toward sustainable development. We reduce potential risks wherever we can.

We take a cradle-to-grave view of our products that covers the entire product life cycle—from manufacturing to disposal.

Compliance with all legal requirements simply goes without saying.

We also take an active part in voluntary programs and make voluntary commitments aimed at continuously improving the safety and sustainability of our products. And then we turn our ideas into action.

Examples of how we do this include procuring information and data on our products on an ongoing basis, continuously improving handling and use, and, last but not least, communicating extensively with our customers.

As we obtain data and information on specific materials and uses, we always make responsible animal welfare a key consideration.

PRODUCT STEWARDSHIP

For Evonik, product stewardship means facing ever-increasing demands and working continuously to make its products safer, better for the environment, and more sustainable. We also see product stewardship as an integral part of the business of identifying, managing, and reducing risks to health, safety, and the environment during every phase of a product's life cycle.

This process begins in the early stage of product research and development, and ends with a safe disposal method.

Our product stewardship standards are high. We aim to use scientific principles and analyses as a basis for earning and deepening our credibility, integrity, and trust within society, paying special attention to our employees, customers, suppliers, and shareholders.

Product stewardship encompasses a large number of issues related to materials and products. These includes **chemical regulations**, an aspect of product stewardship that involves continuously keeping track of regulatory changes throughout the world and fully implementing all laws and regulations applying to chemicals and chemical applications.

Process data management is another aspect of our efforts to reliably communicate material properties to our customers. Under this umbrella term, Evonik bundles material data sovereignty on the basis of a group-wide, professional database, which serves as a source of technically accurate, legally compliant, and up-to-date material safety data sheets and product labels.

Hazard and risk management at Evonik encompasses the acquisition and scientific evaluation of intrinsic material properties, as well as the resulting risk assessment. When assessing risk, Evonik feels that, in addition to looking at the hazard itself as indicated in the material data, taking the type of use and the exposure associated with that use into consideration is absolutely imperative. As Evonik sees it, basing assessments solely on intrinsic properties does not make scientific sense and, as such, is untenable. As part of the **Chemicals Management System (CMS)** that we developed in house, we study those products that enter the market in amounts exceeding 1 metric ton per year, subjecting them to a multistage evaluation similar to a life cycle assessment. We also look at products amounting to less than 1 metric ton per year if the material in question is especially dangerous.

By recognizing the hazards posed by materials, identifying possible exposure patterns, and, finally, assessing the potential risk so that we can respond early on, this system helps us maintain and continue expanding a sustainable product portfolio that will remain viable going forward

Chemicals Management System^{PLUS} expands on this, taking an additional four key points into consideration:

We review the raw materials we use with an eye to reducing materials classified as particularly hazardous wherever possible (**reduction**). Evonik looks for potential ways of improving manufacturing processes in order to further reduce possible undesirable materials in our products or to eliminate them completely (**decreasing toxicity**). The company is also

continuously engaged in rigorous risk management activities aimed at reducing exposure to people and the environment; examples here include ensuring safe use and handling, employee and customer training, and use restrictions (**risk management**).

Finally, we are ramping up research and development on alternatives for materials with properties of particular concern (**replacement**).

This forms the basis for effective, scientifically grounded communication with our customers on the effects of our products, which in turn strengthens trust in Evonik and its products. Actively integrating product stewardship into the discussion surrounding certain sustainability issues helps make our portfolio better prepared for the future. In addition, Evonik takes on activities and voluntary commitments that are not directly addressed by government regulations, such as the **Responsible Care** and **Global Product Strategy (GPS)** initiatives of the International Council of Chemical Associations (ICCA). The aim of GPS is to establish global standards of product stewardship, to communicate safe chemicals handling and usage information to a broad audience, and, in so doing, to make chemicals safer throughout the world. This means increasing transparency, improving communication in the supply chain, and being willing to make readily understandable information accessible to the public in the form of GPS Safety Summaries.

Evonik provides equivalent product information on the group internet and on the ICCA GPS Chemicals Portal.

NANOMATERIALS

Taking advantage of the opportunities afforded by nanomaterials and working with these materials responsibly will allow us to generate new business while supporting sustainable development. Nanomaterials help us make an important contribution to environmental and climate protection, even as we offer our customers new products and efficient solutions.

The actions we take to protect the employees, customers, and consumers who handle nanomaterials are based on the latest findings of scientific hazard and risk assessment research and on epidemiological and toxicological studies. In addition, we also support the establishment of new experimental methods that are geared toward the specific properties of nanomaterials and that allow us to refine our risk assessment process—an effort that has us working closely with leading research institutes.

BIOTECHNOLOGY

Evonik utilizes the opportunities that biotechnology has to offer in order to develop efficient, environmentally safe processes for manufacturing our products. This allows us to make use of substances that would be difficult or impossible to obtain with classic chemistry methods. Biotechnology also allows Evonik to optimize its own products and minimize potential risks even further. Because using this technology responsibly and safely is a matter of principle for Evonik, we have developed guidelines for doing just that.

ANIMAL WELFARE

The ability to assess product safety requires toxicological and ecotoxicological data, and, even though we explore every alternative at the outset (QSAR, read-across, literature, non-animal methods), animal testing often remains, from a scientific and legal perspective, the only suitable option for meeting the data requirements mandated by law. In these cases, Evonik has its animal studies performed exclusively by certified test institutes in compliance with national and international legal requirements. In addition, we select only well-respected test institutes and conclude framework agreements obliging these institutes to maintain the highest standards of quality and animal welfare. Our animal welfare officer regularly reviews this process as well. As a responsible company, Evonik has developed its own animal welfare guidelines.

CONFLICT MINERALS

Section 1502 of the US Dodd-Frank Act requires all companies traded on the US stock exchange to identify whether their products contain gold, tantalum, tungsten, or tin—regardless of the amount—originating in the Democratic Republic of the Congo and/or adjacent states. Although Evonik is not traded on the US stock exchange, we are part of the supply chain of companies traded on the US stock exchange and, as such, feel obliged to make corresponding verification

available upon customer request. A corresponding internal process has been established. Our aim is to completely avoid the use of conflict materials.

TRAINING

We train all of our employees and, upon request, our customers on handling and using our products responsibly throughout the entire product life cycle—from development to disposal.

COMMUNICATION

Evonik continuously provides open, consistent information on issues of product stewardship; opportunities and risks are represented in a transparent, balanced way. The company seeks open, honest dialog with society, our customers, our employees, and other interested parties.

Evonik communicates its activities in areas surrounding product stewardship in places such as the Evonik website (in the “Evonik’s opinion” section), in the annual report, and in our sustainability report.

Evonik also seeks out contact with all parties involved in the supply chain using tools such as the Single Point of Contact (SPC) REACH@Evonik.com.