

Delivering on cost savings

Roadshow presentation

A large, stylized graphic on the left side of the slide. It features a cityscape at the base, with various white icons (gears, trees, sun, wind turbines, etc.) floating above it, all connected by a network of glowing blue lines. A large, curved green shape frames the right side of this graphic.

■ Covestro investment highlights

■ Group financials Q3'25

■ Segment overview

■ Background information

Covestro is diversified across geographies and end-markets



Key performance indicators and sales split



Sales
2024



EBITDA
2024

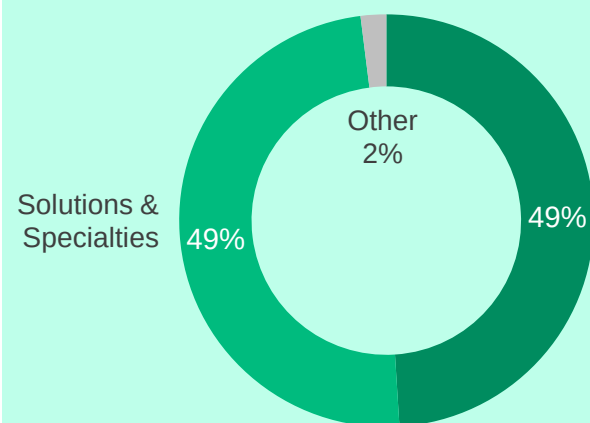


FOCF
2024

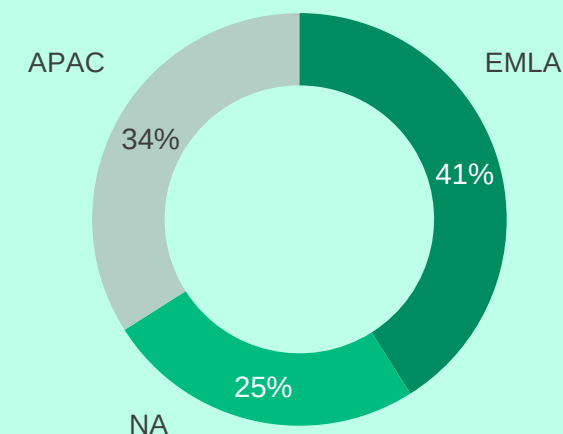
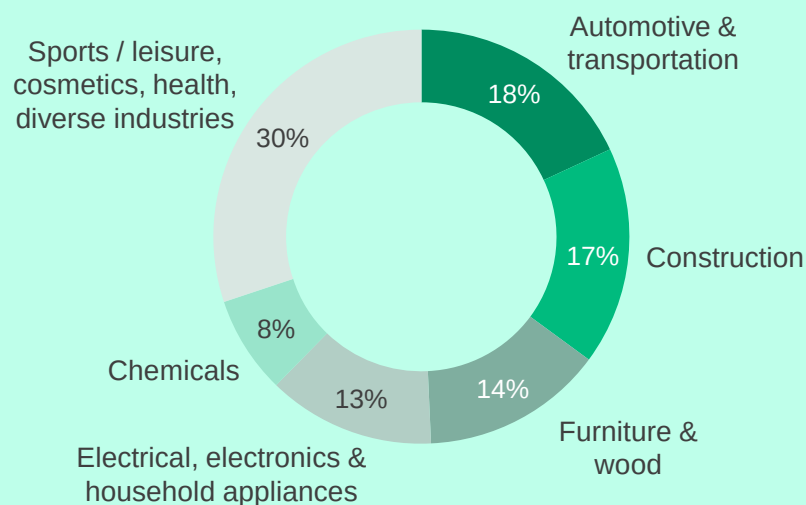


ROCE above WACC
2024

2024 sales

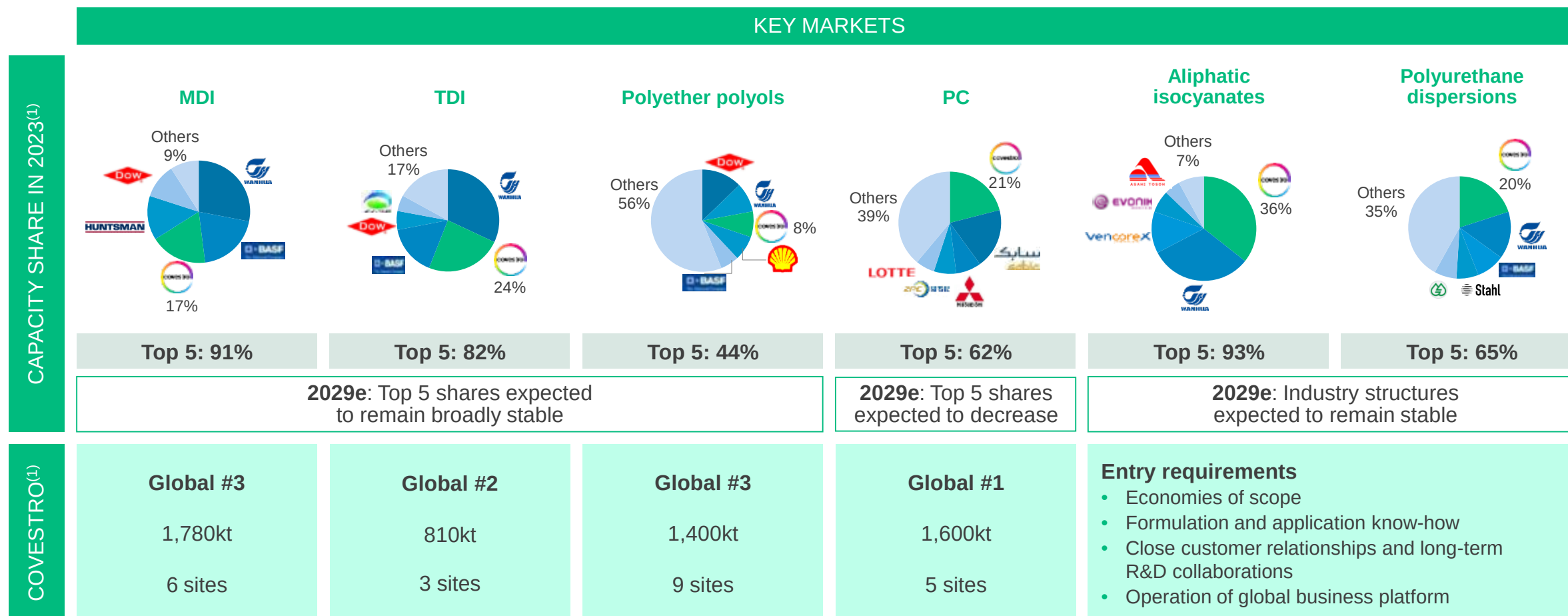


Performance
Materials



Covestro is a global leader across its entire portfolio

World-wide industry positions and production capacities



A clear connection to customers and our ambitions

Our strategy – setting the path for tomorrow



Strategy Updated



Customer perspective anchored in strategy:
You are never more than 10 meters away from a Covestro product



Be a reliable partner for our customers

BECOME THE BEST OF WHO WE ARE



We OPERATE competitively



Grow our product portfolio based on customers needs

DRIVE GROWTH SUSTAINABLY



We GROW our attractive, sustainable portfolio organically, inorganically and through innovation



Develop sustainable solutions for and with our customers

BECOME CLIMATE NEUTRAL AND FULLY CIRCULAR



We REALIZE our climate targets and our vision to become fully circular



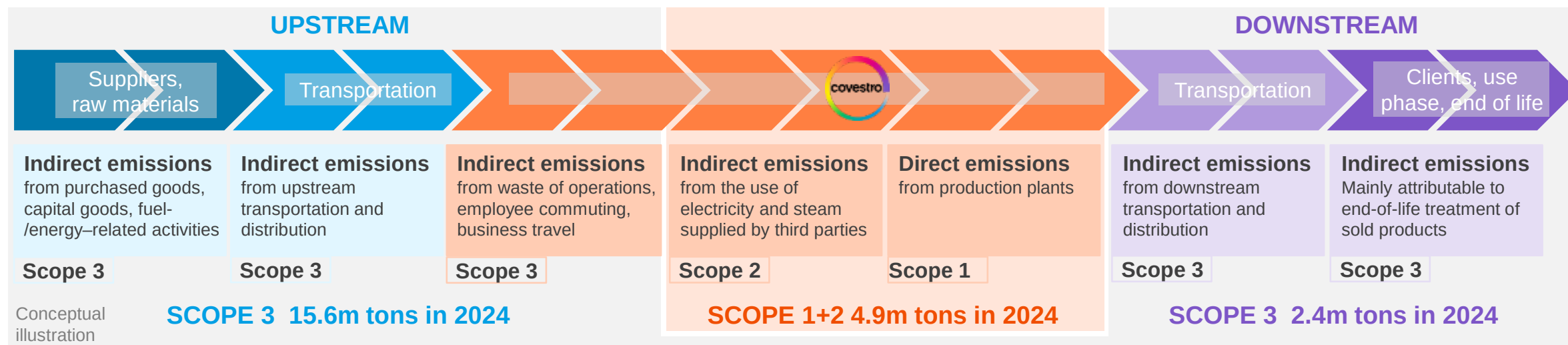
Financial and non-financial ambitions

ADVANCE AI & DIGITAL TRANSFORMATION

STRENGTHEN CULTURE AND BUILD WORKFORCE OF THE FUTURE

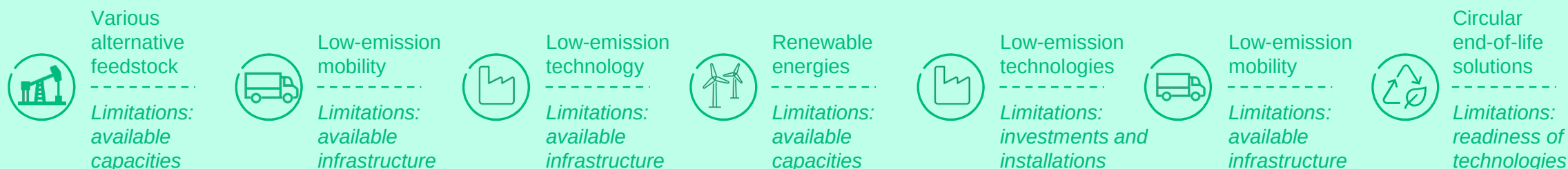
Climate neutrality with existing technologies and assets

Covestro greenhouse gas emissions



EXISTING OPTIONS AND CURRENT LIMITATIONS TO REDUCE GHG EMISSIONS

Selective examples only

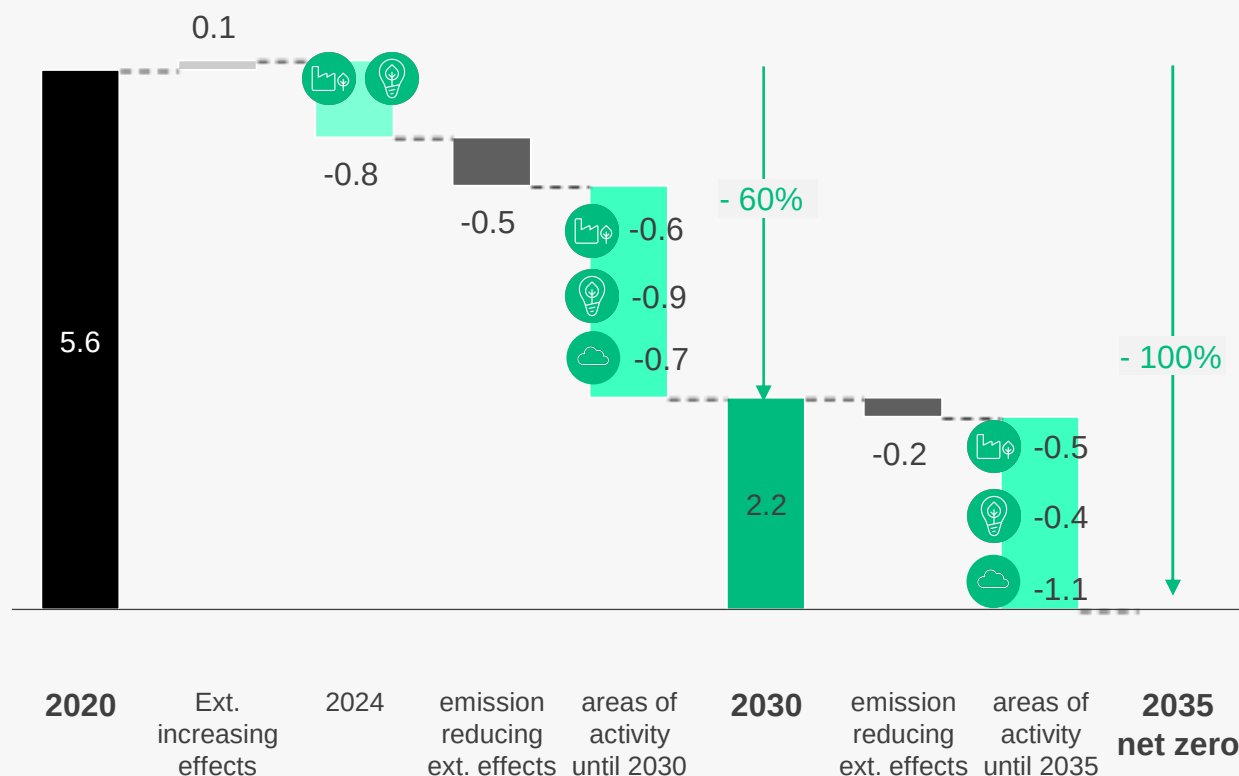


Sustainable manufacturing and renewable energy to lead path



Climate neutrality target for GHG emissions scope 1 and 2

GHG emissions in million metric tons, scope 1 and 2



EMISSION REDUCTION MEASURES

- Three main levers make a vital contribution to reduce GHG emissions:
 - More sustainable manufacturing (scope 1 and 2)
 - Renewable electricity (scope 2)
 - Renewable steam (scope 2)
- Net external effects comprise known future changes in the energy mix of public grids (e.g. nuclear exit in Germany and Belgium) and in public energy allocation schemes (e.g. EEG in Germany)
- Roadmap for 2030 interim target based on identified 'lighthouse projects'
- Further roadmap until 2035 climate neutrality target in preparation based on similar key measures; no negative impact from business growth as future growth investment are required to support climate neutral growth latest by 2030

Numerous measures effectively reduce GHG emissions

Climate neutrality target for GHG emissions scope 1 and 2



MORE SUSTAINABLE MANUFACTURING



Reducing nitrous oxide emissions by installation of highly efficient catalysts



Optimizing production processes to increase energy efficiency



Employing digital technologies for efficient production control



RENEWABLE ELECTRICITY



EMLA⁽¹⁾: Solar&wind electricity PPA's with ENGIE for 60% of site's power in Antwerp, with Ørsted for 10% of sites' electricity in Germany and with BP for 30% of Spanish operations



NA: Virtual PPA with Ørsted for solar electricity starting late 2024 to achieve Scope 2 net-zero in electricity for four US sites⁽²⁾



APAC: Solar&wind electricity, PPAs for ~45% of Shanghai site electricity with Datang Power & CGN New Energy



RENEWABLE STEAM



Converting steam generation from fossil to renewable energy sources



Develop options to electrify steam generation based on renewable energies



Develop options to use e.g. biogas or green hydrogen as energy source to generate steam

Continuously improving global renewable electricity footprint

Additional PPAs became active end 2024



MILESTONES TO RENEWABLE ELECTRICITY SUPPLY

EMLA

PPAs with BP, Engie and Ørsted for 650 GWh solar and wind energy:

- 45% of electricity for Antwerp site since 2022 increasing to 60% as of 2026⁽¹⁾
- 10% of German sites as of 2026⁽²⁾
- 30% of Spanish sites as of end 2024

APAC

PPAs with CGN and Datang for 400 GWh solar and wind energy:

- 45% of electricity for Shanghai site since 2023

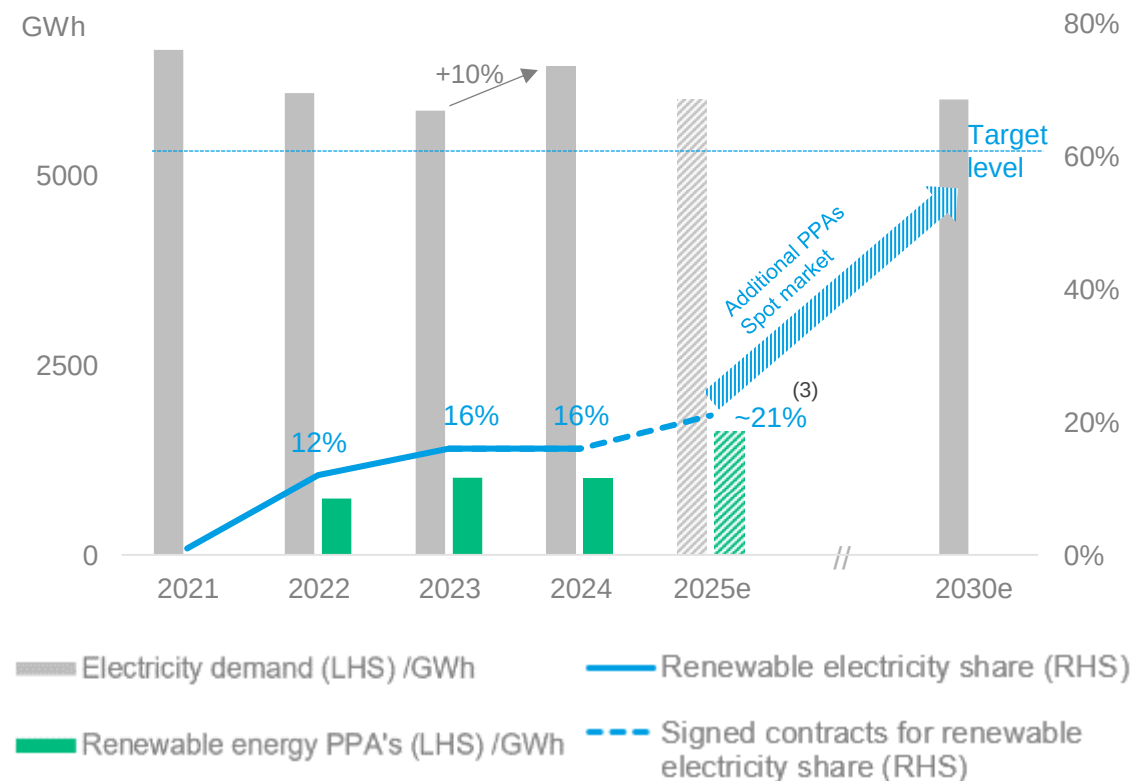
NA

Virtual PPA with Ørsted for 200 GWh solar power:

- 12% of electricity for US sites as of end 2024

Starting global coverage of renewable PPA's

ELECTRICITY TRANSFORMATION PROGRESS



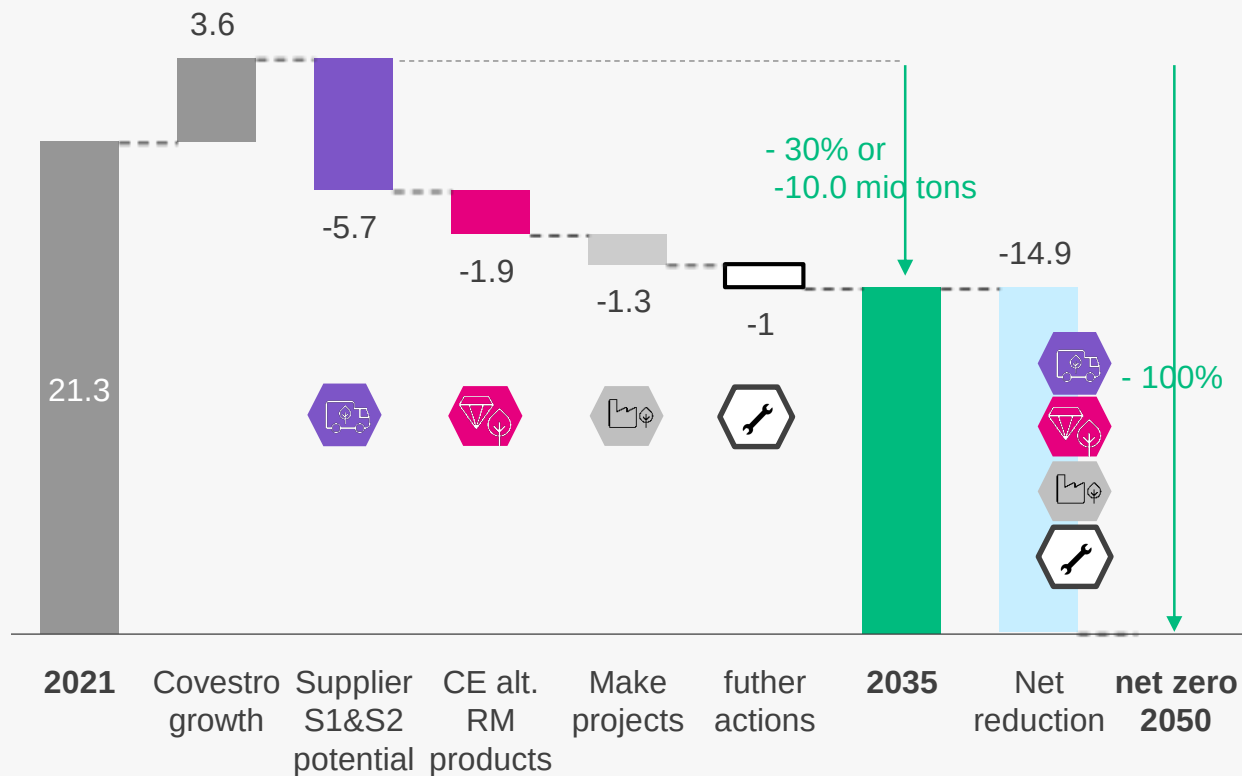
Well on track to our intermediate target of 60% GHG reduction until 2030

Target reduction of 10m tons GHG until 2035 and net-zero until 2050

Climate neutrality target for GHG emissions scope 3



GHG emissions in million metric tons, scope 3 - categories 1, 3, 4, 12⁽¹⁾



EMISSION REDUCTION MEASURES

- Four main levers make a vital contribution to reduce scope 3 GHG emissions:
 - Supplier scope 1&2 reduction
 - Advancing MAKE projects
 - Profitable sales of products based on alternative raw materials
 - Other measures
- Contribution of different levers can vary depending on technical realization of MAKE projects
- Scope 3 emissions represent ~80% of Covestro's 2024 greenhouse gas emissions
- Strict commitment to net-zero underlines consistent implementation of the green transformation
- Net-zero 2050 target in line with SBTi and 1.5° goal

Strategic levers supporting transformation towards climate neutrality



Target for GHG emissions scope 3



FOCUS ON SUPPLIERS



Broaden engagement with suppliers that achieve scope 1&2 reductions



Identify first mover supplier



Develop strategy on CO₂ reduced top raw materials

ADVANCING MAKE PROJECTS



Continue innovation & digital R&D in renewable technologies



Prove technical feasibility of own technologies



Execute investments according to strategy-based asset planning

FOCUS ON CUSTOMERS



Identify first mover customers to deliver climate neutral products



Enhance value proposition & active customer engagement



Secure access to strategic waste feedstock

OTHER MEASURES



Green logistics initiatives



Primary energy generation



Increased recycling quota

Re-shaping the PU value chain for soft foams into a closed loop

Innovative recycling / joint solutions



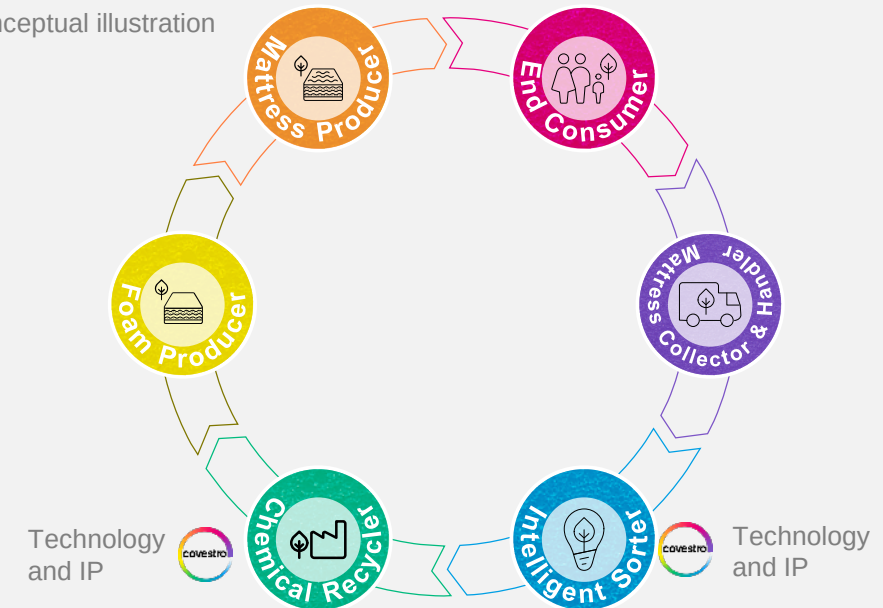
COVESTRO TECHNOLOGY

- Chemical recycling of polyurethane (PU) mattress foams, turning waste into valuable resources
- Proprietary process for recycling *both* PU components polyol and TDA (precursor for TDI), enabling 100% recycling of these components for soft foam
- New brand label to support our customers to quickly identify circular solutions
Evocycle® CQ Mattress - the straight path to circular
- Significant improvement of CO2 footprint compared to fossil route (LCA), meeting high customer and consumer demand
- Intelligent sorting solution to efficiently separate different PU foams from post-consumer mattresses



FUTURE PU SOFT FOAM LOOP

Conceptual illustration

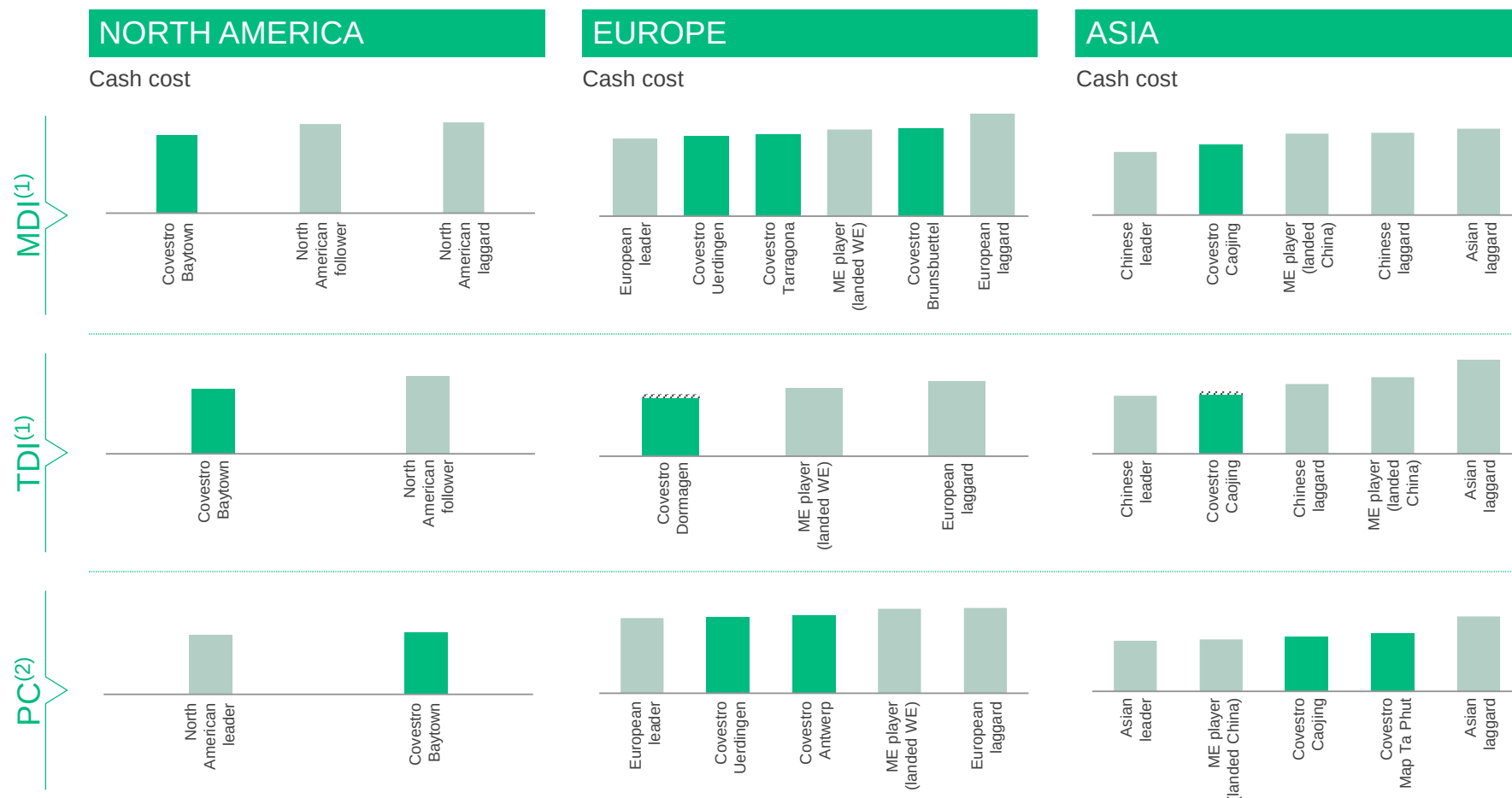


Timeline:



Leading cost positions across markets and regions

Covestro cash cost positions



/// Cash cost improvements based on investment projects

HIGHLIGHTS

- **Covestro MDI** is one of the low-cost producers with cost advantage of ~20% versus the average of 5 least competitive plants. Investment in Tarragona plant significantly improved cost position.
- **Covestro TDI** is one of the low-cost producers with cost advantage of ~30% versus the average of 5 least competitive plants
- **Covestro Polycarbonates** is one of the cost leaders with cost advantage of ~20% versus the average of 5 least competitive plants

GDP outlook for 2025 reflecting economical challenges

Global demand development



KEY CUSTOMER INDUSTRIES		2024 Y/Y ⁽¹⁾	2025 Y/Y ⁽²⁾	2025e ⁽³⁾ UPDATE
Global GDP		+2.9%	+2.8%	+2.7%
Automotive EV / BEV		-0.6% +8.2%	+2.7% +22.4%	+1.9% +25.7%
Construction Residential		-2.4% -5.4%	+0.2% -1.5%	+0.6% -1.8%
Furniture Soft furniture		-0.5% -0.2%	+1.5% +2.4%	+0.2% +0.1%
Electrical, electronics and household appliances Appliances		+3.7% +5.2%	+5.2% +1.2%	+2.9% +3.1%

FY 2025 guidance narrowed as usual towards year end

Full year guidance 2025



	FY 2024	Guidance FY 2025			
		as of Feb. 26	as of May 6	as of July 11	as of October 30
EBITDA	€1,071m	€1,000 to 1,600m	€1,000 to 1,400m	€700 to 1,100m	€700 to 800m
FOCF	€89m	€0 to 300m	€0 to 300m	€-400 to +100m	€-400 to -200m
ROCE above WACC ⁽¹⁾	-7.4pp	-6 to -2pp	-6 to -3pp	-9 to -5pp	-9 to -8pp
GHG emissions ⁽²⁾	4.9m tons	4.2 to 4.8m tons	4.2 to 4.8m tons	4.2 to 4.8m tons	4.2 to 4.4m tons
Additional financial expectations					
Sales	€14.2bn	€14.5 to 15.5bn	€14.2 to 15.2bn	€13.0 to 14.0bn	around €13.0 bn
D&A	€984m	~€850m	~€900m	~€900m	~€900m
Financial result	€-114m	€-120 to -160m	€-120 to -160m	€-140 to -180m	€-140 to -180m
Income tax	€245m	€150 to 250m	€150 to 250m	€150 to 250m	€150 to 250m
Capex ⁽²⁾	€781m	€700 to 800m	€700 to 800m	€700 to 800m	€700 to 800m

HIGHLIGHTS

Mark-to-market (M2M):

- Mark-to-market (M2M) EBITDA for FY 2025 of €0.75bn; theoretical calculation based on September 2025 margins flat forward and forecast assumptions for 2025

2025 FX sensitivity

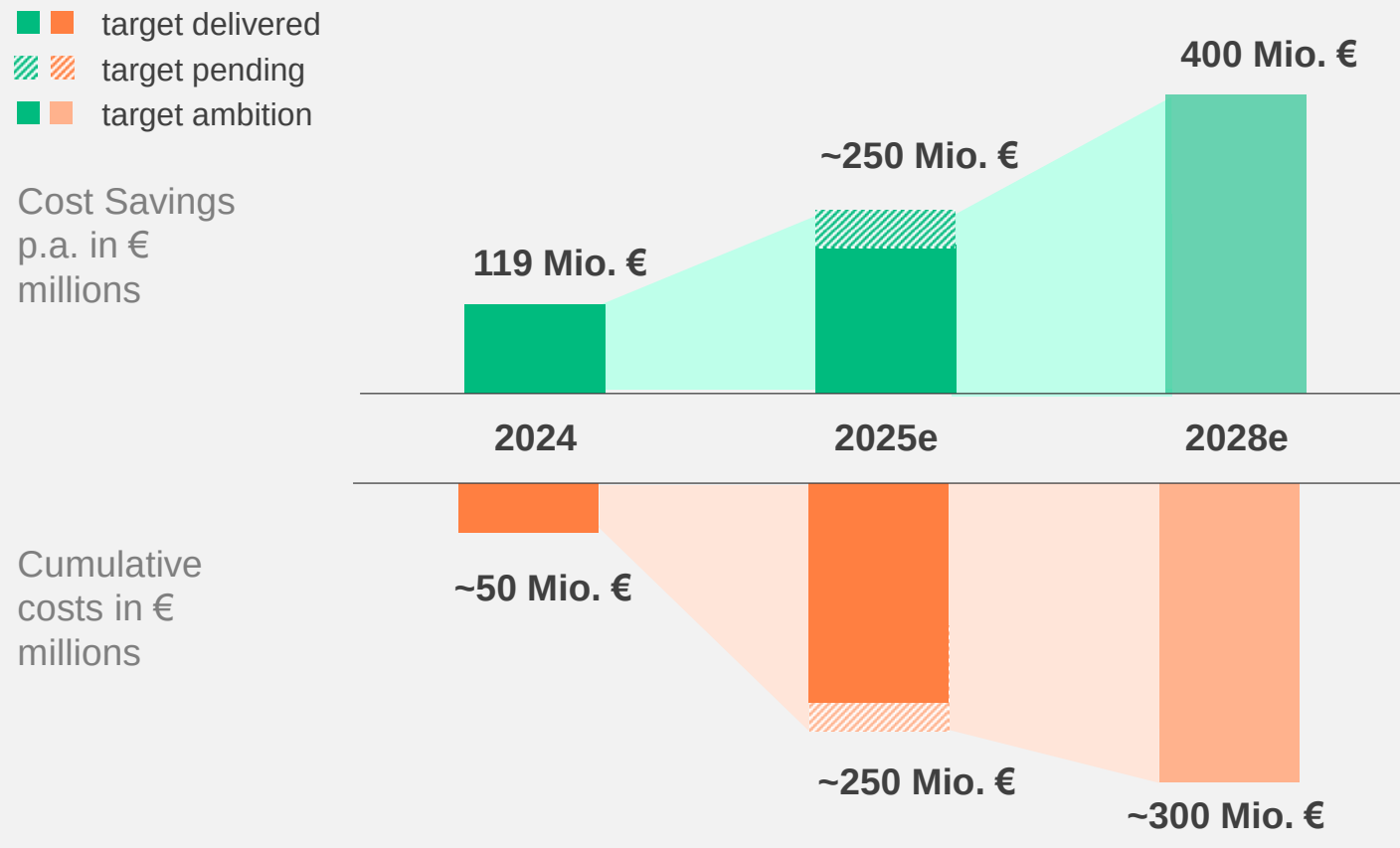
- 1pp change equals +/- €6m for CNY/EUR (basis 8.10)
+/- €2m for USD/EUR (basis 1.10)

STRONG transformation in progress

Transformation program STRONG



TARGETS FOR COST MEASURES 2024-2028E



HIGHLIGHTS

- STRONG was launched in June 2024 to shape Covestro for sustainable competitiveness
 - Effective structures and efficient processes with a strong customer focus
 - Broad implementation of AI solutions
- STRONG to achieve €400 million annual savings by 2028 (slightly below 10% of fixed costs); achieved 2025 YTD ~€200m
- Benefits from propylene oxide site closure expected to contribute from 2026 onwards
- STRONG requires cumulative restructuring and implementation costs of around €300 million; 2024 and 2025 YTD ~€220 have been spent so far; expecting another ~€30m in 2025e and additional ~€50m until 2028e

Majority of cash allocated to growth

Balanced use of cash



CAPEX



- Covestro's industry and cost leadership make growth investment the most value-creating use of cash
- Maintenance capex to secure safe, reliable and efficient operations

€6.4bn invested in capex

DIVIDEND



- Policy: 35-55% payout of net income
- Dividend policy and payment suspended during XRG transaction

€2.3bn dividends

PORTFOLIO



- Acquisition of DSM's Resins and Functional Material (RFM) business for EV €1.55bn with attractive high margins (~€0.9bn sales)
- Less attractive low-margin businesses divested (~€0.6bn sales)
- Further pursue options of value enhancing bolt-on acquisition for Solutions & Specialties segment

€1.5bn net investments

SHARE CAPITAL



- Share buyback of €1.5bn executed in 2017-2018
- Capital increase of €447m executed in context of RFM acquisition in 2020
- Share buyback of €0.2bn executed in 2022-2023
- Authorization for share buy-back program for up to 10% of share capital valid until 2029, suspended during XRG transaction

€1.3bn share capital reduced

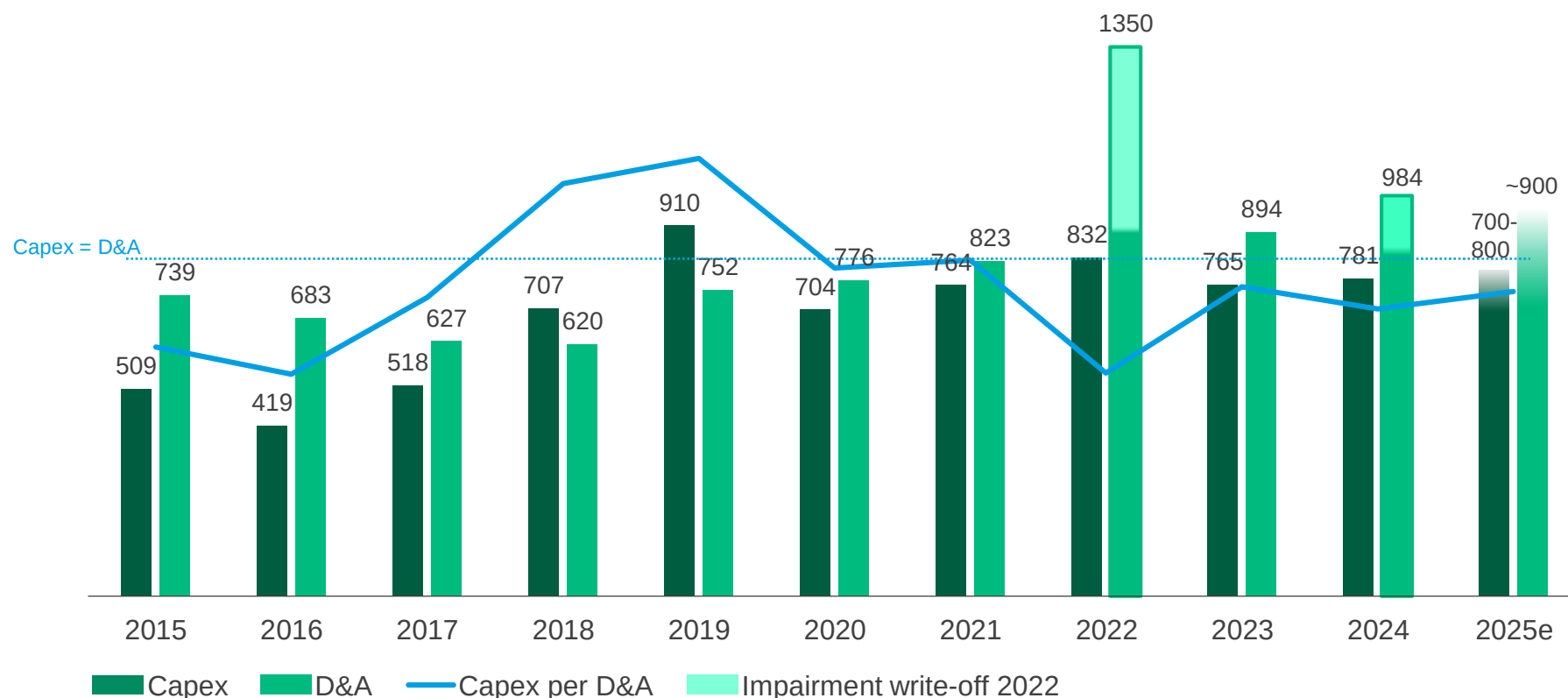
Significant investments into growth

Group capex and D&A



HISTORIC AND PROJECTION

in € million

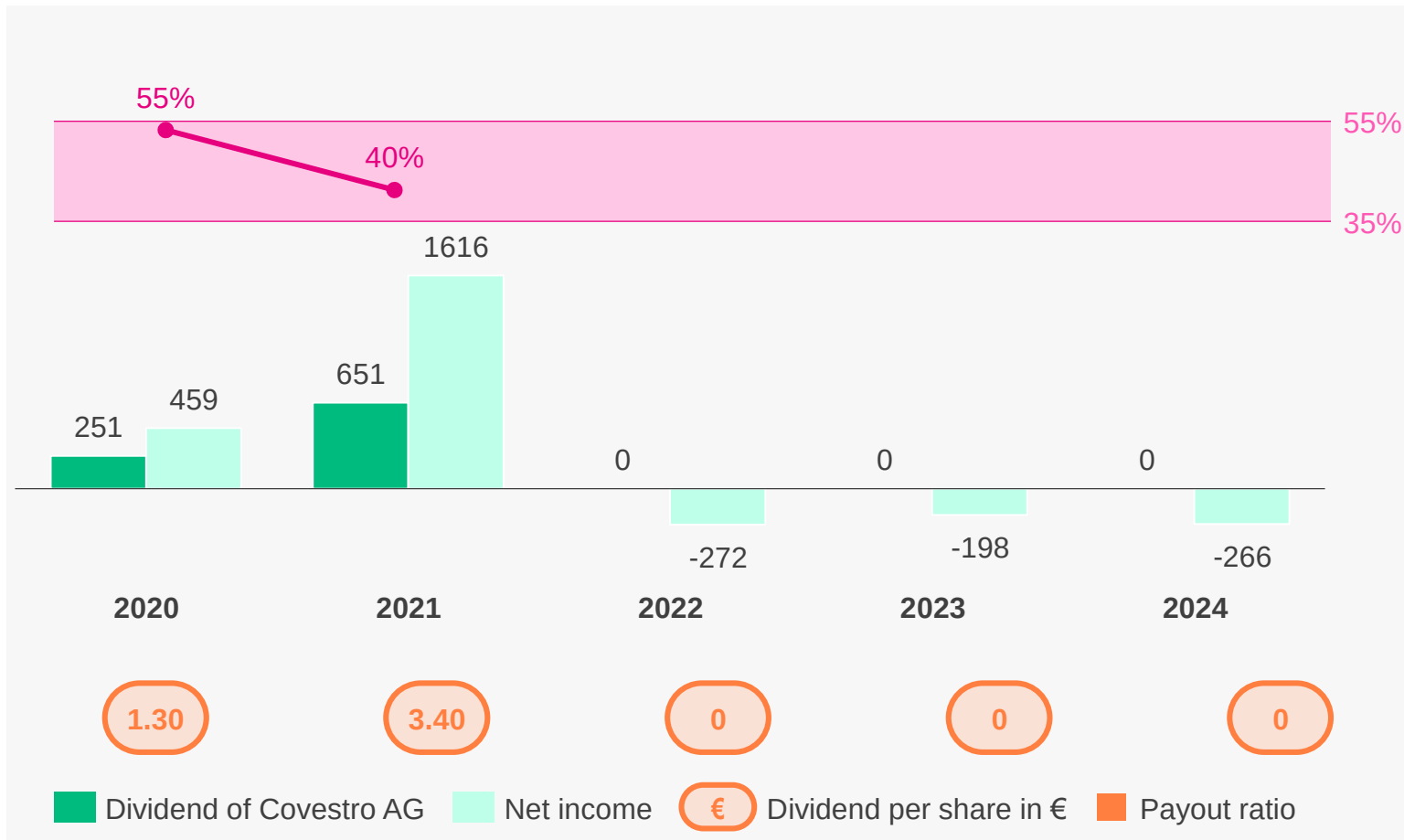


HIGHLIGHTS

- Growth capex of around €3.3bn from 2015 to 2024
- D&A 2024 included impairment write-off of €142m
- Planned investments in Circular Economy projects of almost €1bn between 2021 and 2030

Dividend based on net income payout ratio

Dividend development



HIGHLIGHTS

- Net income determining factor for the dividend
- Committed to a payout ratio of 35% to 55%, related to dividend over net income
 - Higher payout intended in years with peak earnings, while ratio towards lower end
 - Lower payout intended in years with trough earnings, while ratio towards upper end
- For FY 2022-2024, dividend suspension, in line with policy due to negative net income

Ongoing shift to high-margin business

Portfolio management



DIVESTMENTS

Additive Manufacturing business

✓ April 2023

Dubai system house⁽¹⁾

✓ July 2021

Europe Polycarbonates sheets business

✓ September 2019

Europe system houses

✓ June 2019

USA Polycarbonates sheets business

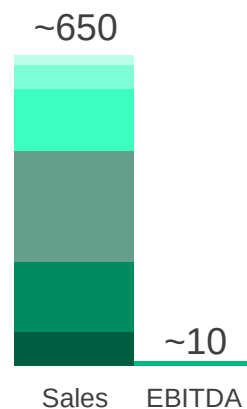
✓ August 2018

NA Polyurethanes spray foam business

✓ April 2017

✓ Closing

Cumulated, in € million



Business divested at average EV/EBITDA >20x

Portfolio analysis ongoing, further minor divestments possible

ACQUISITIONS

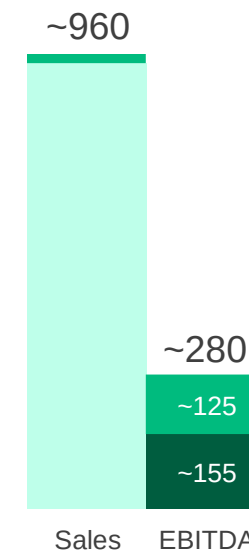
DSM Resins & Functional Materials business

✓ April 2021

Pontacol expansion in specialty films

✓ August 2025

in € million



Highly complementary business acquired at EV/EBITDA⁽²⁾ of 6x

Further pursue value-enhancing bolt-on acquisition options with attractive IRR for Solutions & Specialties segment

Delivering on cost savings

Q3 2025 Highlights



1

Negative volume development

burdened by Dormagen incident and ongoing challenging economic conditions

2

Sales lower at €3.2bn

mainly caused by lower prices and unfavorable FX

3

EBITDA of €242m towards upper end of guidance range

helped by delivering on our cost savings ambitions

4

FY 2025 guidance narrowed

with an expected EBITDA of €0.7 to 0.8bn

5

XRG transaction

on track for closing before December 2nd (long-stop-date)

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- Covestro investment highlights
 - **Group financials Q3'25**
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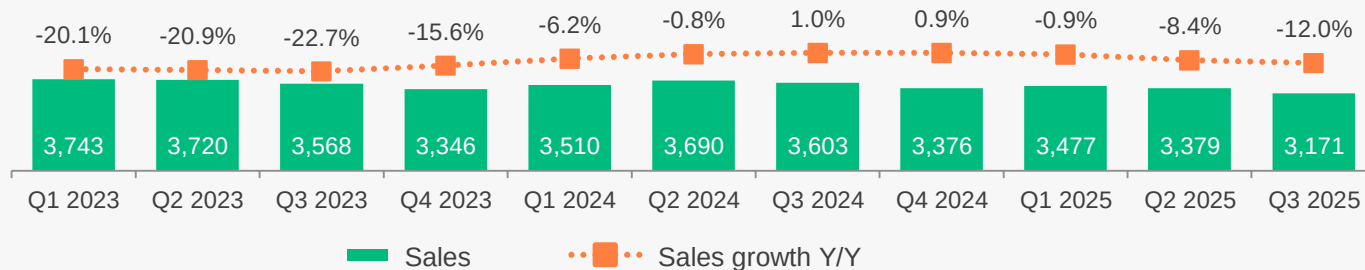
Self-help and special items softening EBITDA decline

Group results – Highlights Q3 2025



SALES

in € million / changes Y/Y

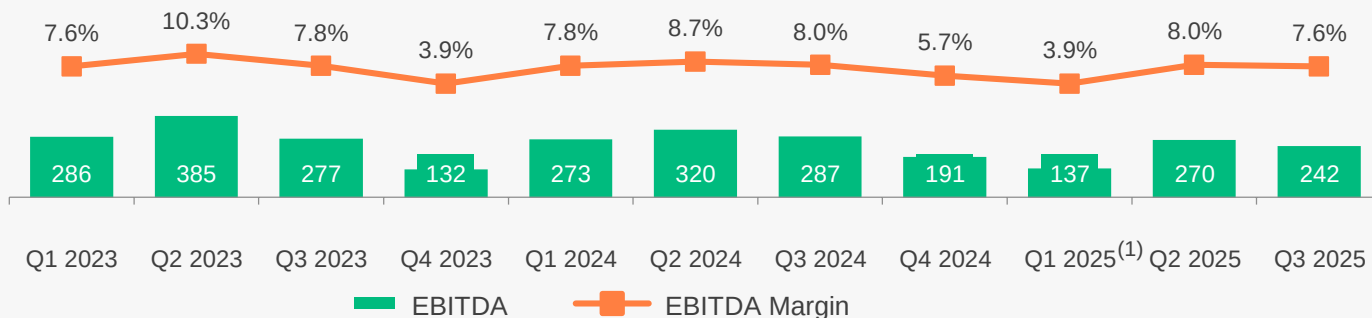


HIGHLIGHTS Q3 2025

- Year-over-year, declining sales (-12.0%) with negative pricing (-7.0%), FX (-3.5%) and also lower volumes (-1.5%)
- Quarter-over-quarter, sales globally declined driven by lower pricing, volumes and FX; volumes increased in APAC, while NA and EMLA with volume decreases; higher prices in APAC while stable in NA but decline in EMLA

EBITDA AND MARGIN

in € million



HIGHLIGHTS Q3 2025

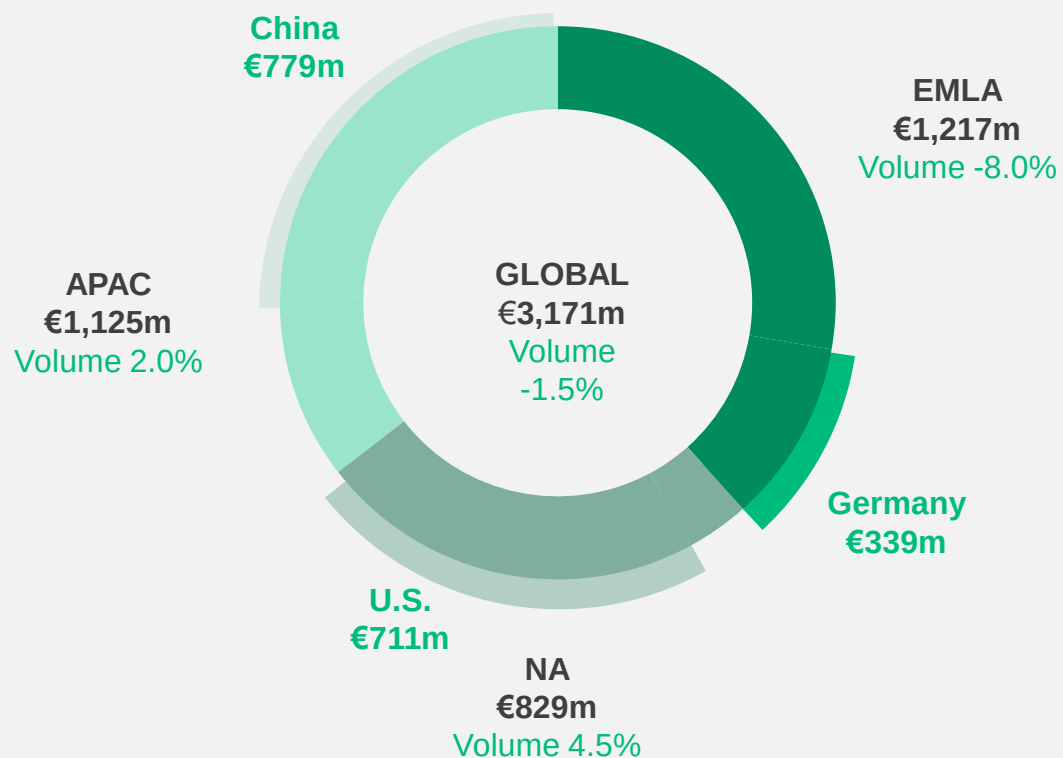
- Year-over-year, lower EBITDA due to negative contributions from pricing delta, volumes and FX while positive other items
- Sequentially, earnings decreased driven by negative volumes and FX while pricing delta only slightly negative and positive others
- EBITDA margin decreased slightly to 7.6% in Q3 2025

EMLA with lower volumes and persistent economic weakness



Q3 2025 – Regional split

Sales volume Y/Y



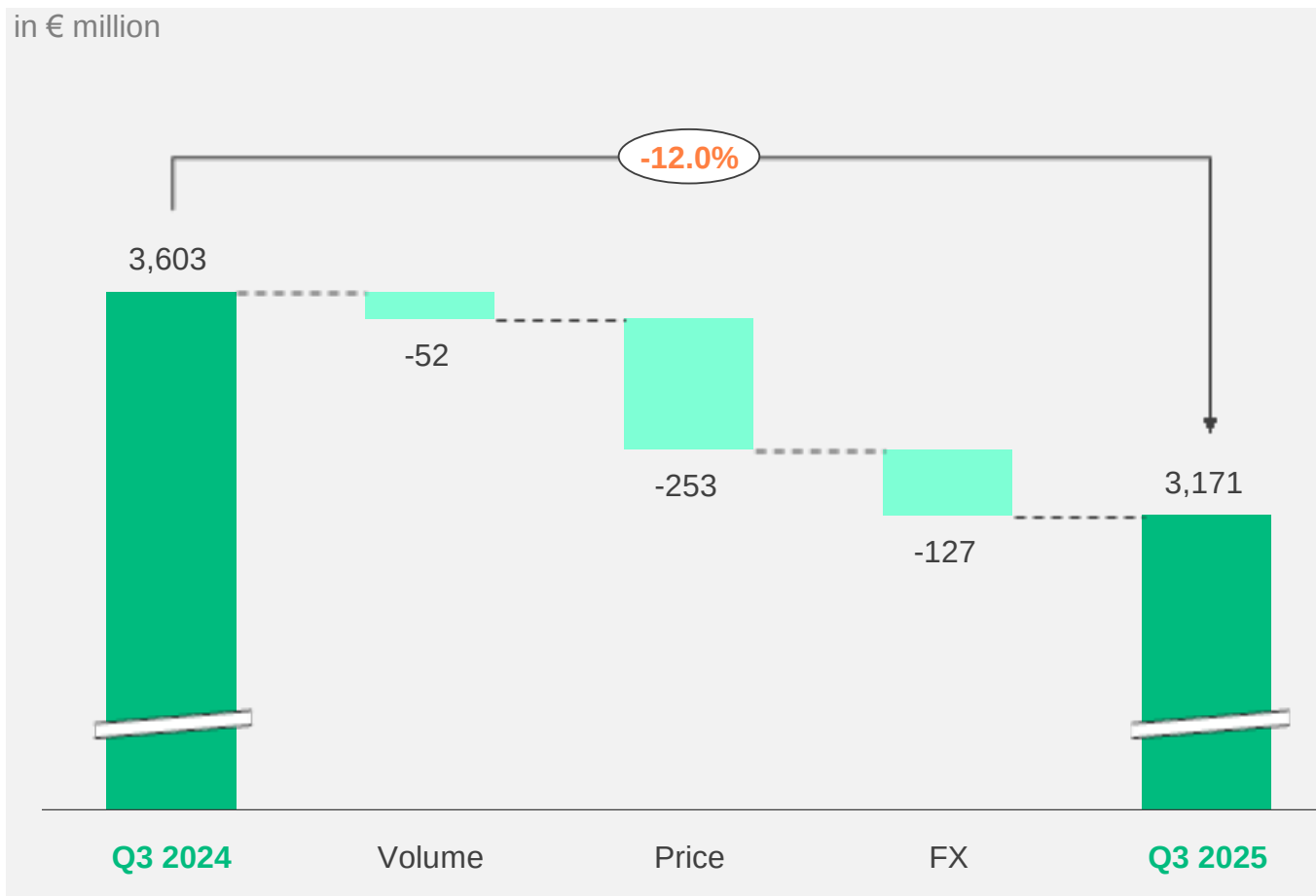
HIGHLIGHTS

- Mostly declining volume development across the key industries:
 - **Auto** low single-digit % increase
 - **Construction** low single-digit % decline
 - **Electro** mid-single-digit % decline
 - **Furniture/wood** low teens % decline
- **EMLA:** Auto flattish, strong decline in electro, construction and furniture
- **NA:** Furniture with significant growth, electro and auto flat while construction with significant decline
- **APAC:** Construction and auto with significant growth while electro and furniture/wood with significant decline

Sales decline mainly due to negative pricing and adverse FX



Q3 2025 – Sales bridge



HIGHLIGHTS

Volume negative

- Volumes lower at -1.5% Y/Y
- Performance Materials with 3.1% Y/Y decline and Solutions & Specialties flat (+0.4% Y/Y)

Pricing negative

- Pricing affected sales by -7.0%
- Performance Materials with -9.8% Y/Y and Solutions & Specialties with -4.3% Y/Y development

FX negative

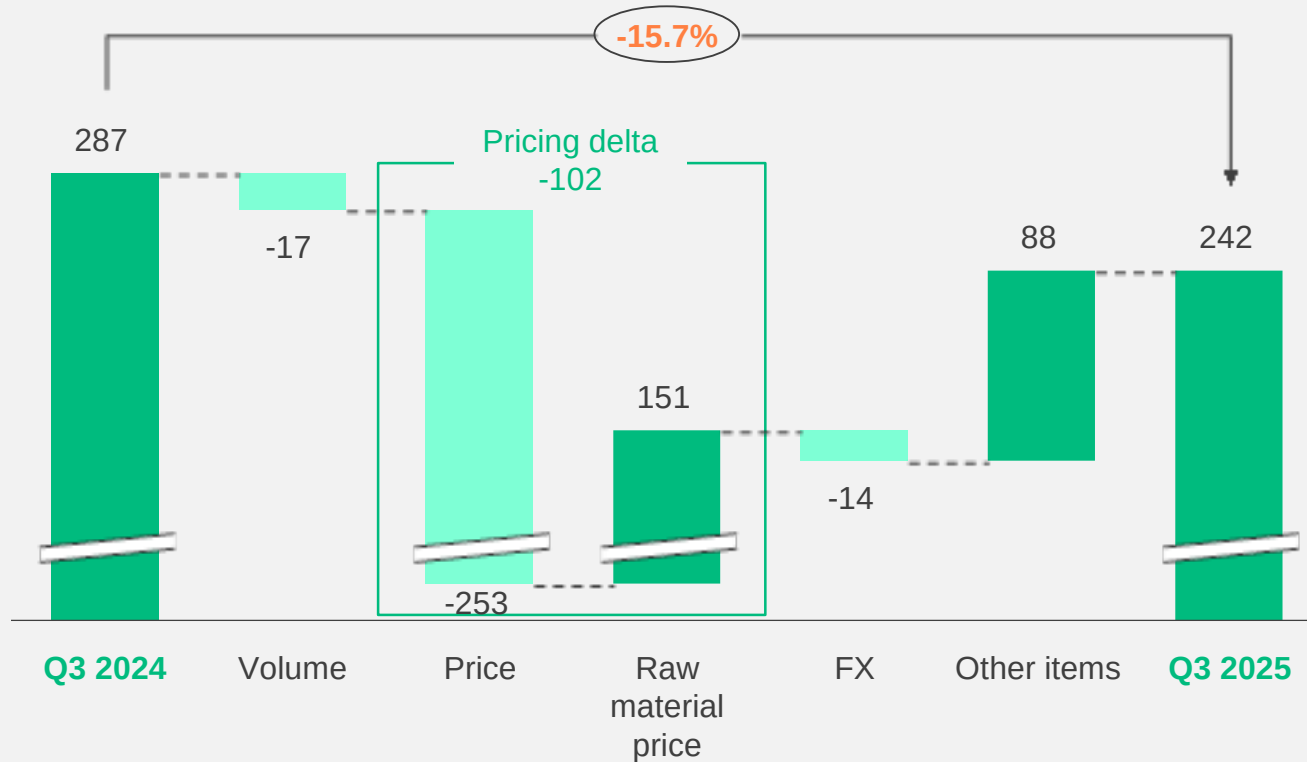
- FX strongly affected sales by -3.5% Y/Y mainly driven by weaker Chinese Renminbi, US Dollar and Indian Rupee

EBITDA stabilized by self-help

Q3 2025 – EBITDA bridge



in € million



HIGHLIGHTS

Negative volumes

- Mainly caused by Dormagen fire event leading to volume losses in TDI and basic chemicals

Negative pricing delta

- Negative pricing delta due to overall unfavorable supply-demand balance, esp. in APAC and EMLA

Other items

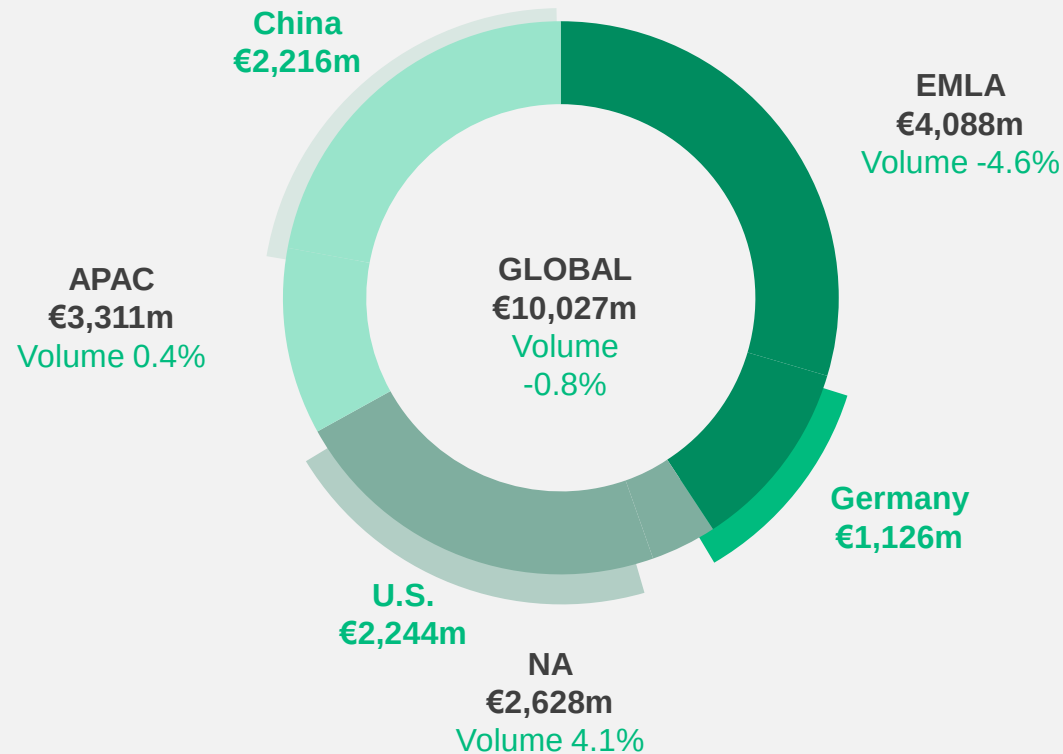
- Mainly driven by cost contingencies and structural cost savings (STRONG)
- Q3 2025 restructuring cost related to STRONG of €26m

Negative global volume trend persists

9M 2025 – Regional split



Sales volume Y/Y



HIGHLIGHTS

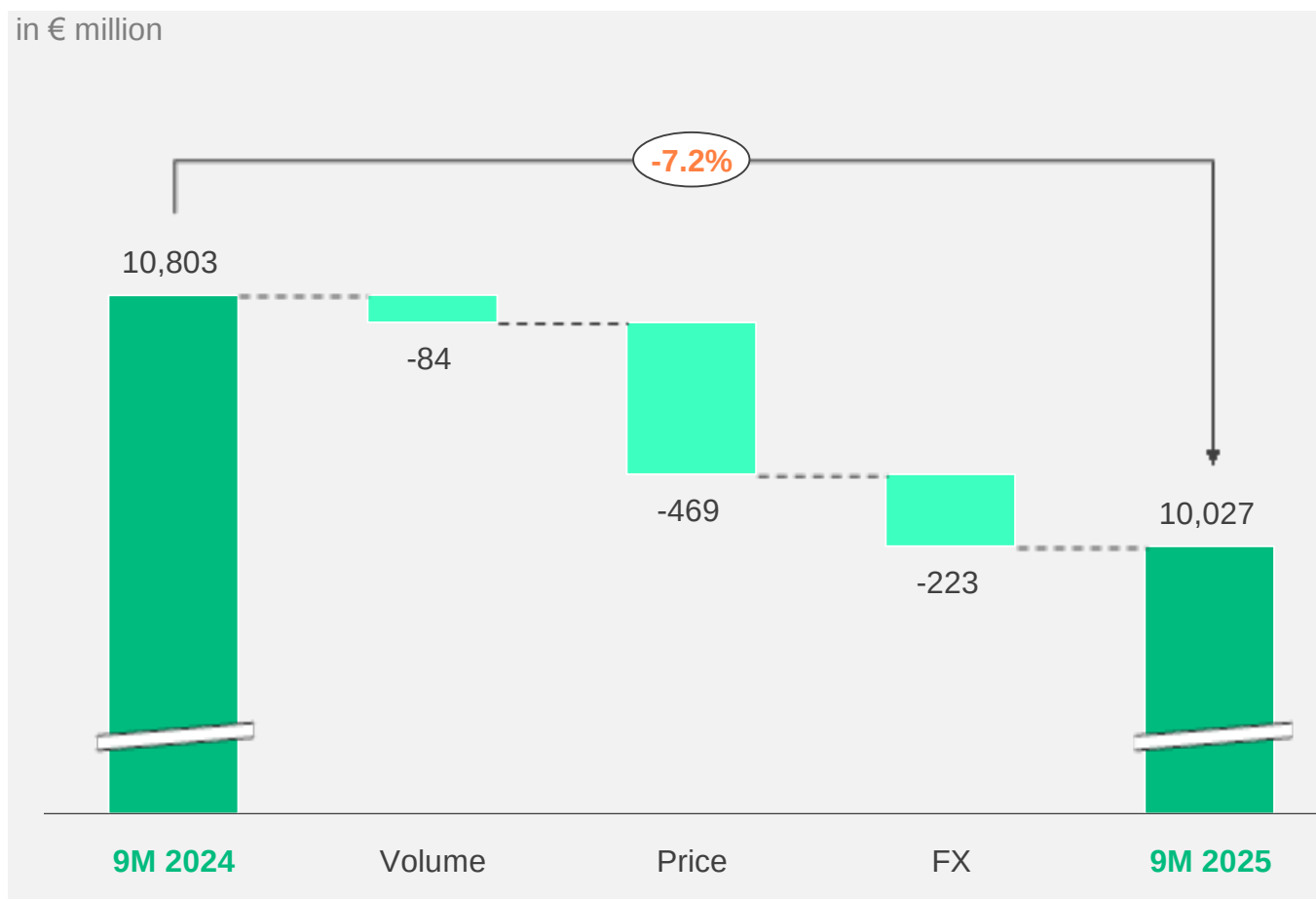
- Rather negative volume development year-over-year across the key industries:
 - Construction flat
 - Furniture/wood mid-single-digit % decline
 - Electro mid-single-digit % decline
 - Auto flat
- **EMLA:** Slight growth in furniture, flattish development in furniture/wood, while auto and construction with slight decline, electro with significant decline
- **NA:** Furniture/wood with significant increase, construction and electro with slight increase, auto with significant decline
- **APAC:** Construction with significant growth, auto with slight increase, while electro and furniture/wood exhibiting significant decline

Sales hit by negative pricing and unfavorable FX



9M 2025 – Sales bridge

in € million



HIGHLIGHTS

Volume flat

- Volume flattish with -0.8% Y/Y
- Performance Materials with 2.3 Y/Y decline while Solutions & Specialties with 0.8% Y/Y increase

Pricing negative

- Pricing affected sales by -4.3% Y/Y
- Performance Materials with -5.4% Y/Y whereas Solutions & Specialties with -3.4% Y/Y

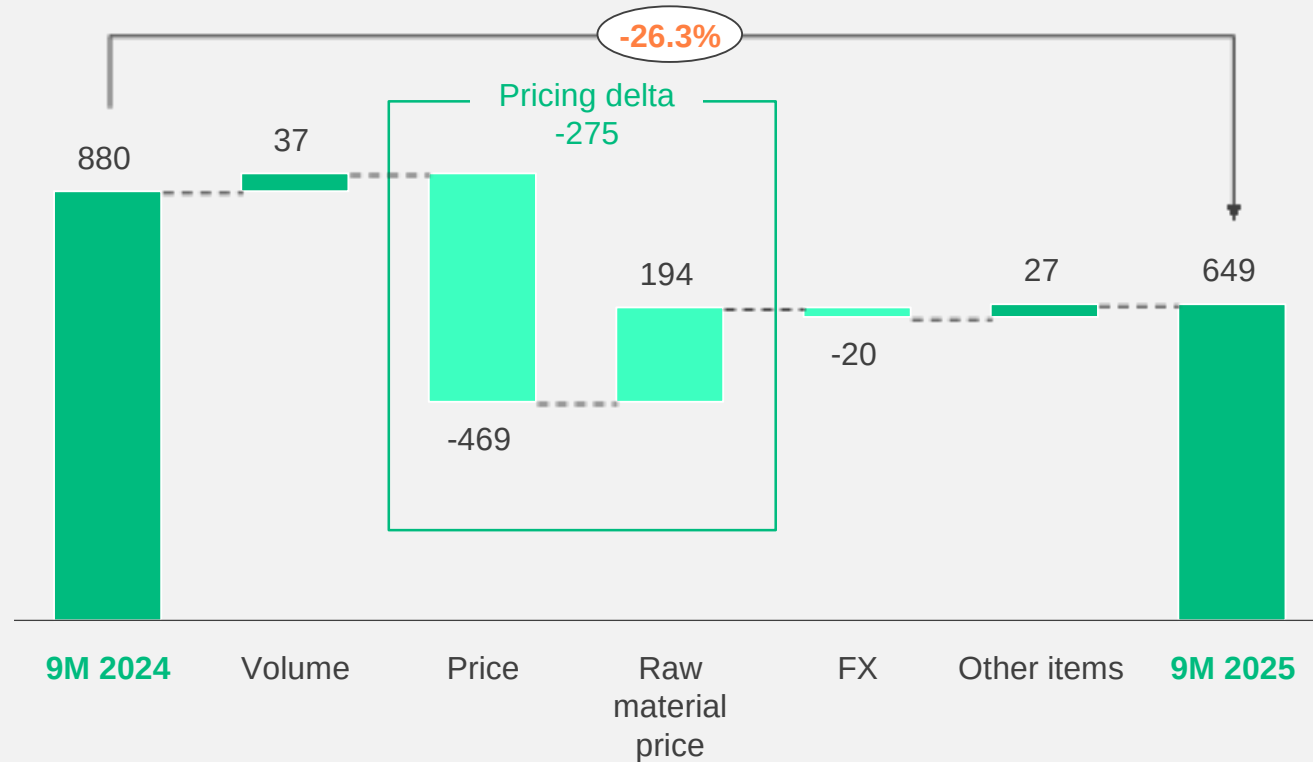
FX negative

- FX affected sales by -2.1% Y/Y mainly driven by the weaker Chinese Renminbi, US Dollar and Mexican Peso

EBITDA burdened by negative pricing delta and FX

9M 2025 – EBITDA bridge

in € million



HIGHLIGHTS

Positive volume

- Focus on profitable business with above average growth whereas loss making business was reduced

Negative pricing delta

- Negative pricing delta due to persistent unfavorable supply-demand balance

Other items

- Benefitted from lower LTI/STI provisions of €63m
- Positive impact from STRONG and short-term cost contingencies
- Restructuring cost related to STRONG of €170m in 9M 2024

Negative FOCF due to lower EBITDA and higher capex



Historical FOCF development

in € million

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2024	9M 2025
	530	1,429	138	232	89	-370
EBITDA	+1,472	+3,085	+1,617	+1,080	+1,071	+649
Changes in working capital⁽¹⁾	-100 ⁽³⁾	-727	+312	+250	+43	-166
Capex⁽²⁾	-704	-764	-832	-765	-781	-556
Income tax paid	-155	-546	-538	-383	-219	-145
Other effects⁽³⁾	+17 ⁽³⁾	+381	-421	+50	-25	-152

HIGHLIGHTS

- FOCF 9M 2025 decreased Y/Y to €370m (9M 2024: €-164m)
- Working capital to sales ratio⁽³⁾ decreased to 18.5% (9M 2024: 18.6%), driven by lower absolute working capital despite declining sales
- Capex increased in 9M 2025 (Y/Y) due to higher expenditures for investment projects in PM
- Other effects: FY 2024 with bonus payout from 2023; Y/Y lower target achievement in FY 2024 paid out in Q2 2025
- Income taxes impacted by geographical earnings mix

Total net debt increase caused by negative FOCF

September 30, 2025 – Total net debt



HIGHLIGHTS

- Total net debt to EBITDA ratio⁽²⁾ of 3.8x at the end of 9M 2025 compared to 3.0x at the end of 9M 2024
- No financial covenants in place
- Committed to a solid investment grade rating; Baa2 with stable outlook confirmed by Moody's on April 28, 2025

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- A large, stylized graphic on the left side of the slide. It features a cityscape at the base, overlaid with a complex network of glowing white lines and various icons representing technology, nature, and industry. A large, solid green curved shape frames the right side of this graphic.
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Differentiation based on customer proximity and innovation

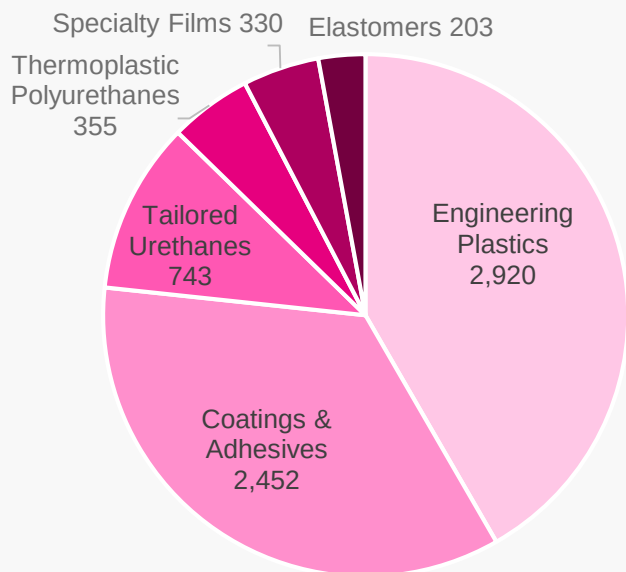


Solutions & Specialties

PRODUCTS

Differentiated polymer products

SALES 2024 (in € million)



SUCCESS FACTORS

Implement a pull supply chain

Use deep customer understanding to deliver unique value to customers



Lead in innovation

Continuously innovate products and applications in order to maximize value proposition to customers



Manage complexity

Efficiently steer customers and products at a small scale and balance cost of each solution against value for the customer



**Customer
centricity
for
solutions
and
specialty
products**

BENEFITS FOR GROUP

- Maintain leadership in differentiated niche applications
- Implement growth strategy while building on vision of full circularity
- Improve earnings margin

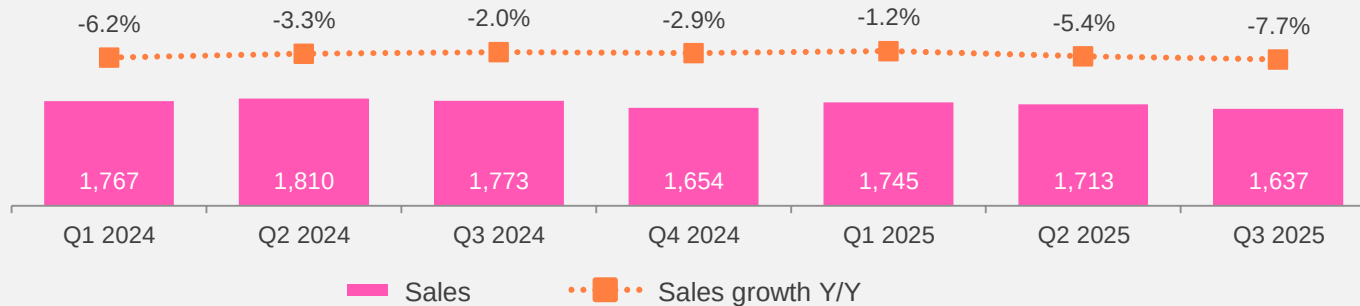
Solutions & Specialties – Sales affected by FX and lower prices



Segment results – Highlights Q3 2025

SALES

in € million / changes Y/Y

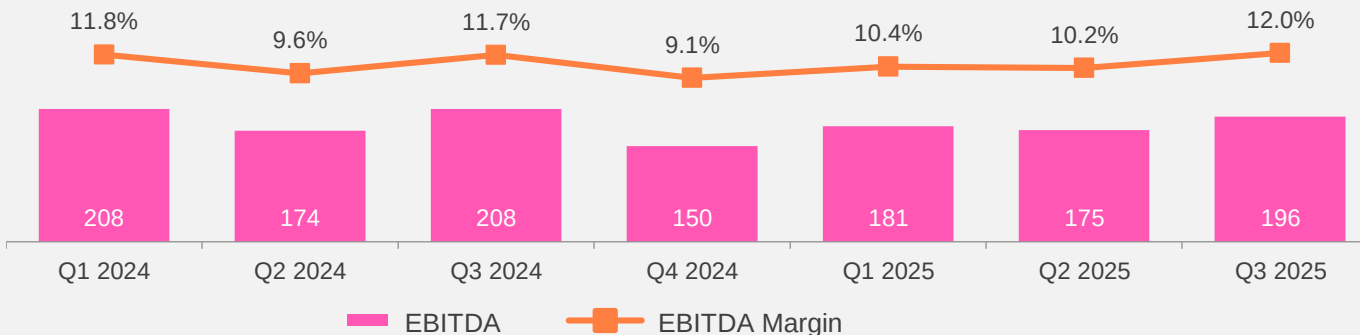


HIGHLIGHTS Q3 2025

- Sales declined by 7.7% Y/Y, driven by prices (-4.3%) and FX (-3.8%) with flat volumes (+0.4%)
- Quarter-over-quarter sales globally declined; volume decline in NA and EMLA while increase in APAC, pricing was stable in APAC and NA while negative in EMLA

EBITDA AND MARGIN

in € million / margin in percent



HIGHLIGHTS Q3 2025

- Compared to prior year, EBITDA slightly declined due to negative pricing delta and FX despite positive volume effect
- Quarter-over-quarter, higher EBITDA due to positive pricing and cost savings despite negative volumes and FX
- EBITDA margin increased to 12.0% in Q3 2025

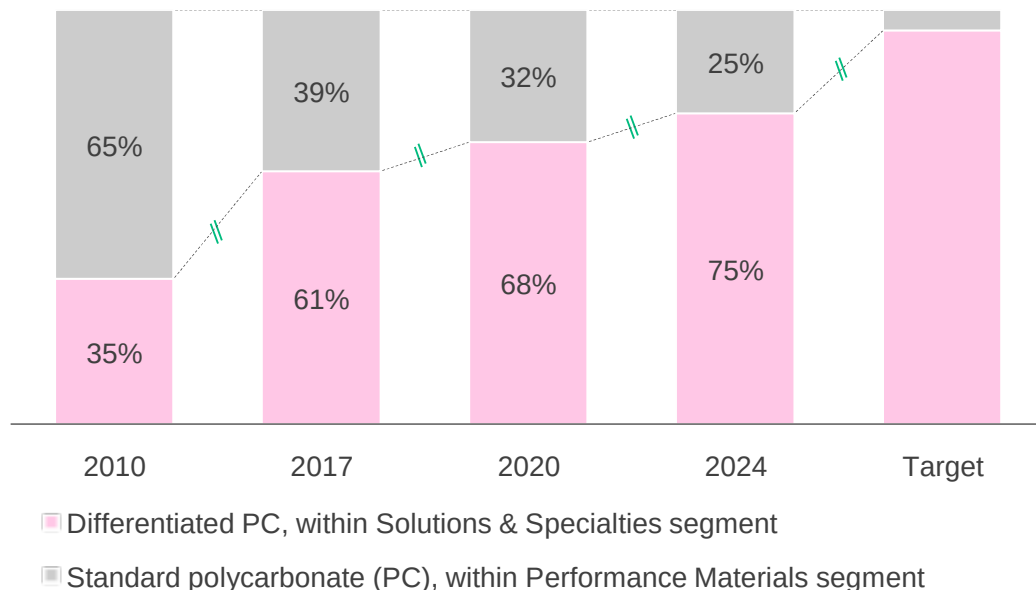
Continuing shift to differentiated polycarbonate

Solutions & Specialties: high-growth contributor Engineering Plastics



POLYCARBONATE 2024 SALES €2.9bn

Covestro polycarbonate volume split by segment



Refining standard polycarbonate from Performance Materials into differentiated grades in Solutions & Specialties

ENGINEERING PLASTICS (EP) INDUSTRY +4% CAGR 2024-2029e

CUSTOMER INDUSTRIES



Auto & transport

EP sales share 2024: 44%
CAGR 2024-2029e: 4%



Electro

EP sales share 2024: 44%
CAGR 2024-2029e: 4%



Healthcare

EP sales share 2024: 9%
CAGR 2024-2029e: 9%

GROWTH DRIVERS

- Global trends towards BEV boost total LV production
- Number of produced BEV expected to grow strongly, with higher PC content per unit compared to conventional LV
- Strong demand in communication infrastructure, audio, LED, power supply and small appliances
- New opportunities from 5G, intelligent connectivity and electrical integration
- Aging population with increasing healthcare access in emerging markets
- Trend towards home healthcare devices and wearable monitor devices

Continuously strong demand for differentiated polycarbonate grades across several customer industries

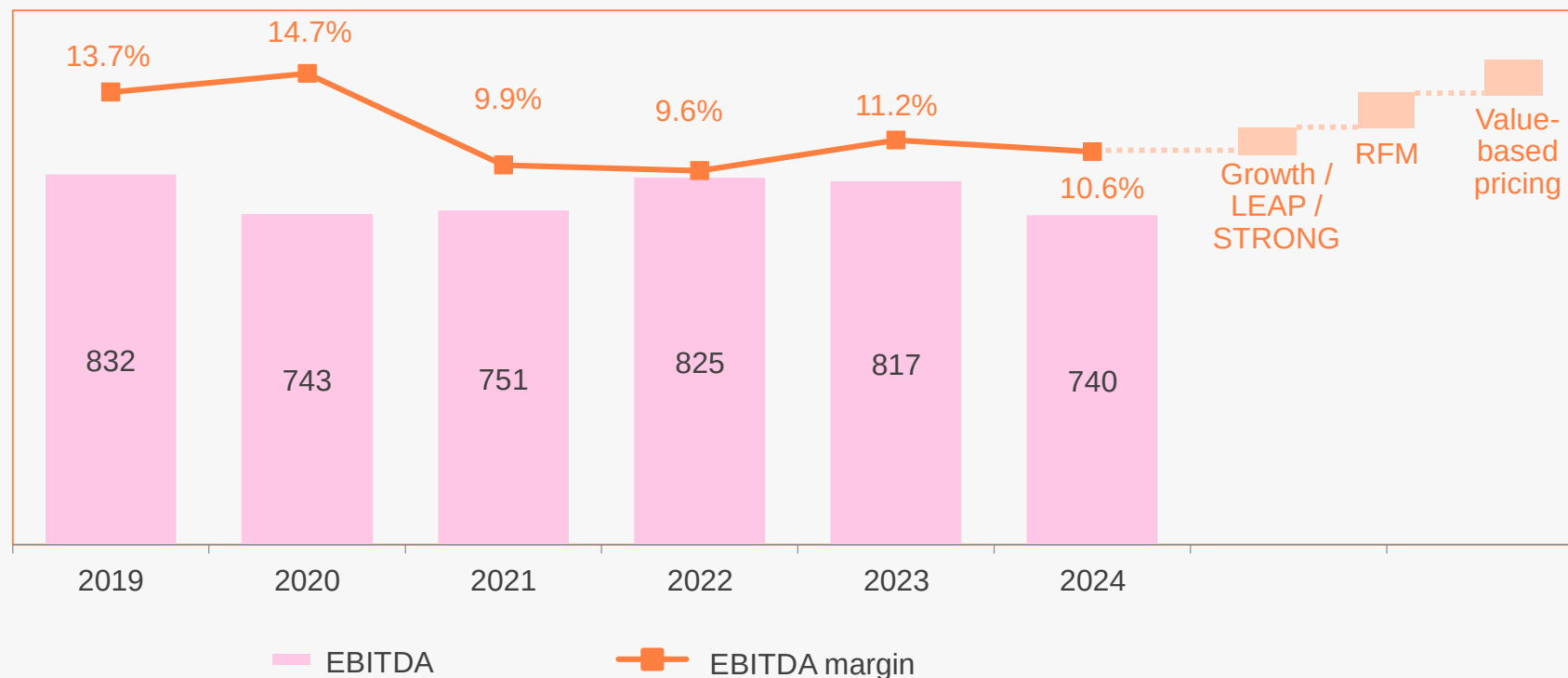
EBITDA margin to grow

Solutions & Specialties segment target



EBITDA AND MARGIN – SOLUTIONS & SPECIALTIES

in € million



TARGET MARGIN

- EBITDA margin 2024 decreased Y/Y due to restructuring efforts and cyclical demand weakness
- EBITDA margin growth driven by:
 - fixed cost dilution due to strong sales growth and limited cost increases
 - RFM synergies
 - Focus on value-based pricing
 - Transformation program STRONG

Standard products with reliable supply and lowest cost

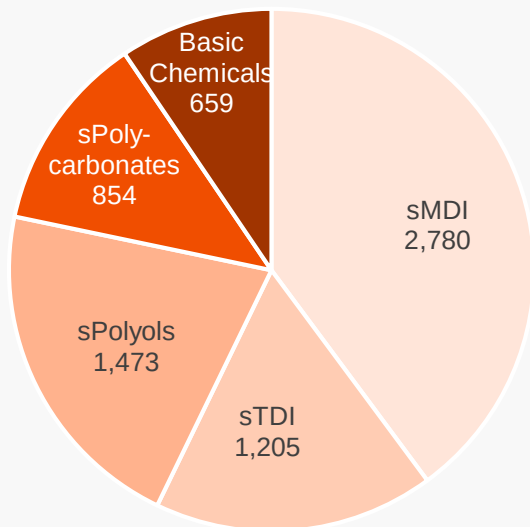
Performance Materials



PRODUCTS

Polyurethane and polycarbonate standard products as well as basic chemicals

SALES 2024 (in € million)



SUCCESS FACTORS

Ensure high asset utilization

Integrated end-2-end planning and steering of entire supply chain and large-scale production to optimize output



Supply customers reliably to be customers' preferred supplier



Strengthen superior cost position

Standardized offerings and lean order management for focused customer and product portfolio



**Customer
centricity
for
standard
products**

BENEFITS FOR GROUP

- Maintain leadership in Covestro core industries
- Implement growth strategy while building on vision of full circularity
- Create critical mass for Covestro in standard product offerings
- Supply downstream Business Entities at market-based prices

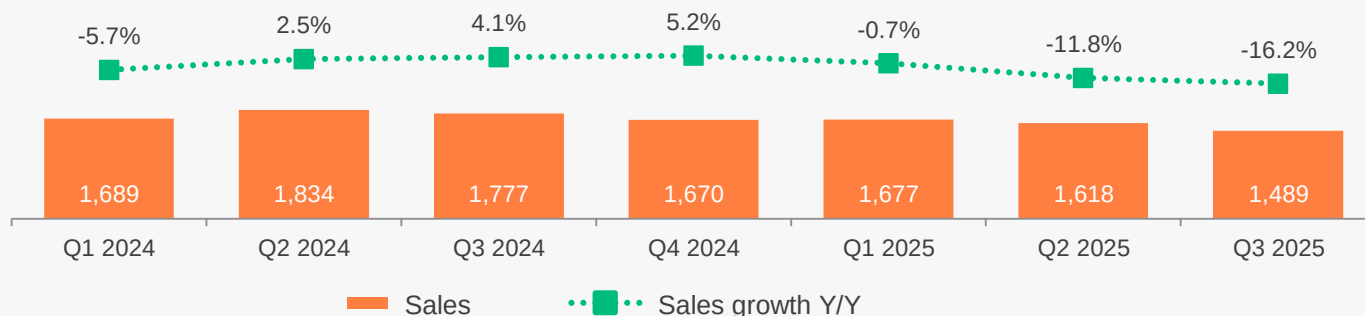
Performance Materials – EBITDA helped by insurance booking



Segment results – Highlights Q3 2025

SALES

in € million / changes Y/Y

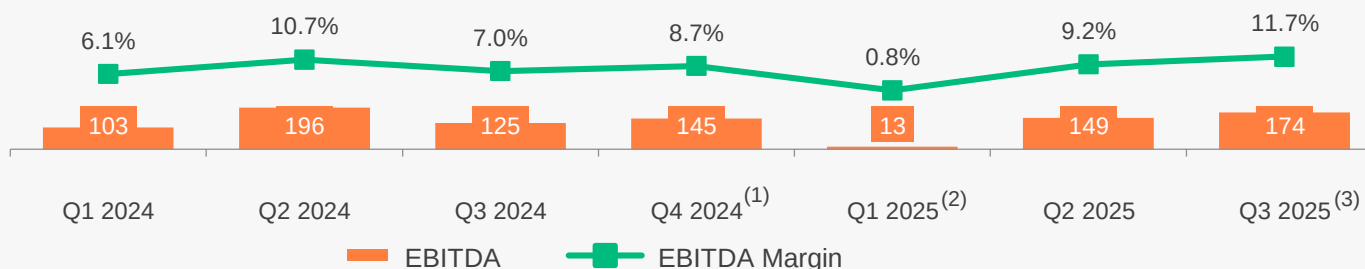


HIGHLIGHTS Q3 2025

- Sales declined (-16.2%) Y/Y, driven by lower prices (-9.8%), FX (-3.3%) and volumes (-3.1%)
- Quarter-over-quarter sales globally declined, higher volumes in APAC while NA and EMLA with volume decline; lower prices in EMLA while NA stable and APAC with price increases

EBITDA AND MARGIN

in € million / margin in percent



HIGHLIGHTS Q3 2025

- Compared to prior year, EBITDA burdened by negative pricing delta, lower volumes and FX; internal insurance booking of €75m⁽³⁾ due to Dormagen incident
- Quarter-over-quarter higher EBITDA driven by the insurance payment, positive impact of others, while negative volumes and pricing delta
- EBITDA margin increased to 11.7% in Q3 2025

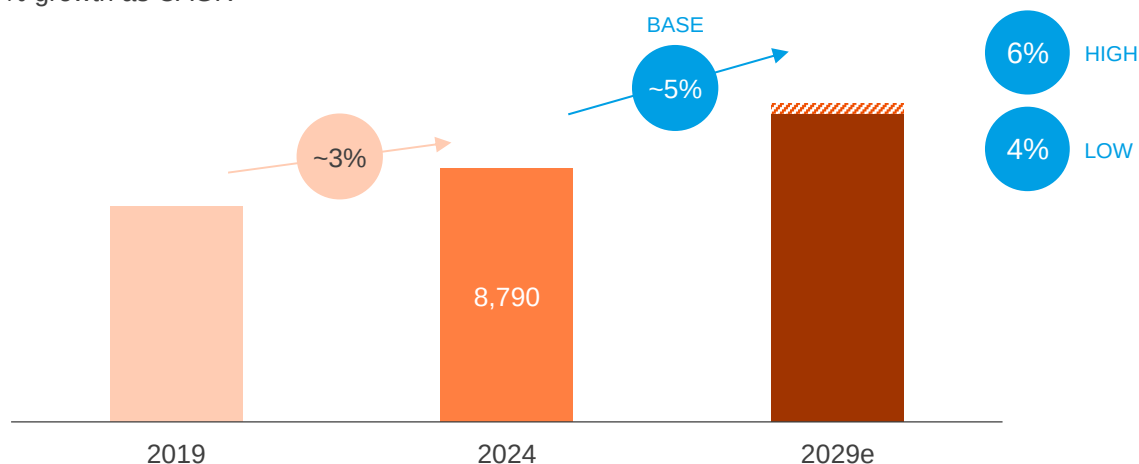
MDI market moving to balance

Performance Materials: MDI industry demand and supply



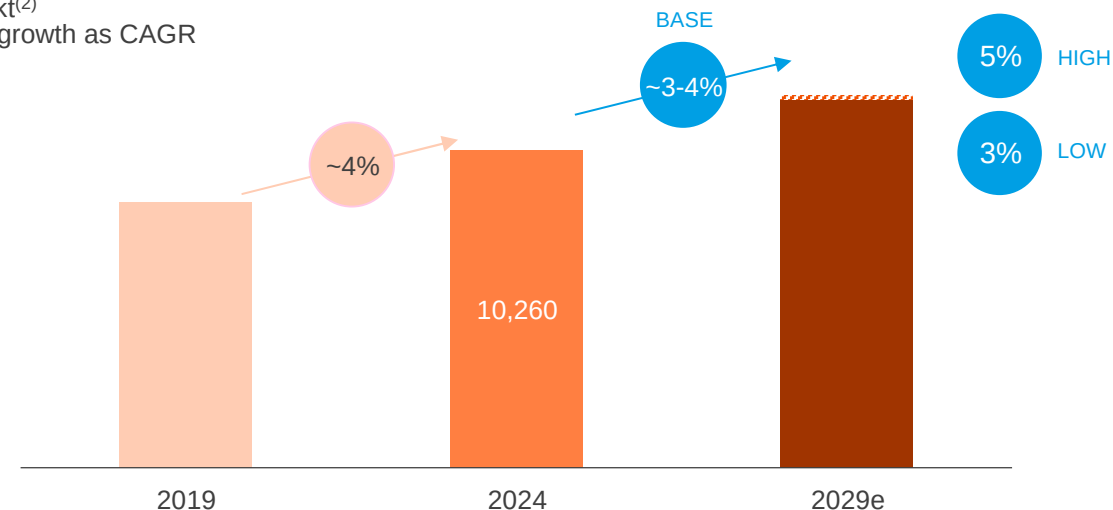
MDI DEMAND DEVELOPMENT (2019 - 2029e)

in kt⁽¹⁾
% growth as CAGR



MDI SUPPLY DEVELOPMENT (2019 - 2029e)

in kt⁽²⁾
% growth as CAGR



HIGHLIGHTS

- In 2024, Industry Utilization Rate of 86%, burdened by weak Construction demand; industry usually fully utilized in the low nineties
- Demand CAGR of 5% between 2024 and 2029e along with construction recovery path

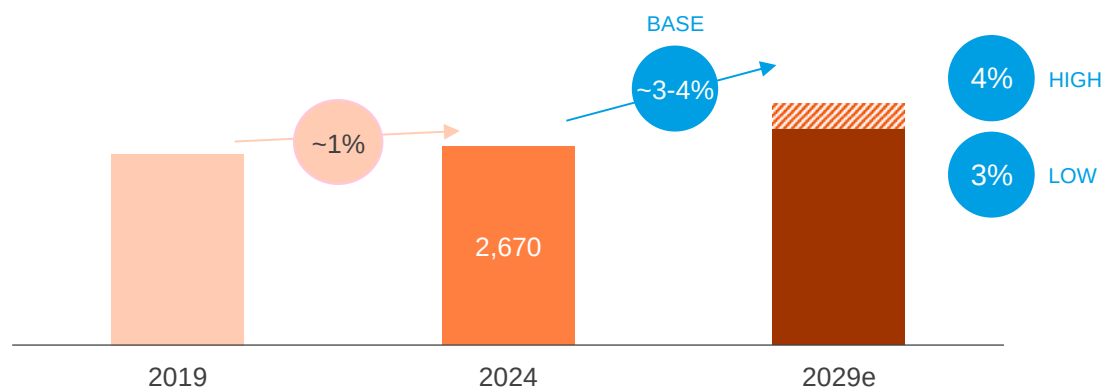
TDI market moving toward balance



Performance Materials: TDI industry demand and supply

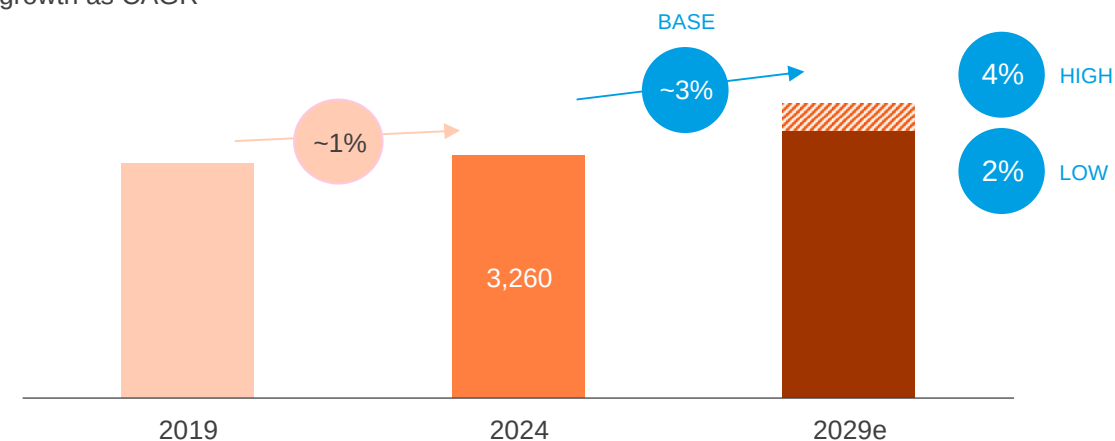
TDI DEMAND DEVELOPMENT (2019 - 2029e)

in kt⁽¹⁾
% growth as CAGR



TDI SUPPLY DEVELOPMENT (2019 - 2029e)

in kt⁽²⁾
% growth as CAGR



HIGHLIGHTS

- In 2024, industry utilization benefitted from 7% market growth while capacities flatish
- Leading to an increased industry utilization rate of 82% (2023: 77%)
- Industry usually fully utilized in the high eighties percent
- Favorable cash cost position puts Covestro into strong competitive position even under low cycle conditions

- 
- A large, abstract graphic on the left side of the slide. It features a cityscape at the bottom, overlaid with a complex network of glowing white lines and various icons representing technology, nature, and industry. A large, curved green shape frames the right side of this graphic.
- Covestro investment highlights
 - Group financials Q3'25
 - Segment overview
 - **Background information**

Led by a diverse, international management team

Covestro senior management



BOARD OF MANAGEMENT



Chief Executive Officer

Dr Markus Steilemann
Nationality: German



Chief Financial Officer

Christian Baier
Nationality: German



Chief Commercial Officer

Monique Buch
Nationality: Dutch



Chief Technology Officer

Dr Thorsten Dreier
Nationality: German

BUSINESS ENTITIES



Performance Materials

Hermann-Josef Dörholt
Nationality: German
Based in Leverkusen,
Germany



Tailored Urethanes

Julia Rubino
Nationality: US-American
Based in Pittsburgh,
USA



Coatings and Adhesives

Dr Thomas Römer
Nationality: German
Based in Leverkusen,
Germany



Engineering Plastics

Lily Wang
Nationality: Chinese
Based in Shanghai,
P.R. China



Specialty Films

Aukje Doornbos
Nationality: Dutch
Based in Dormagen,
Germany



Elastomers

Dr Thomas Braig
Nationality: German
Based in Romans-sur-Isère,
France

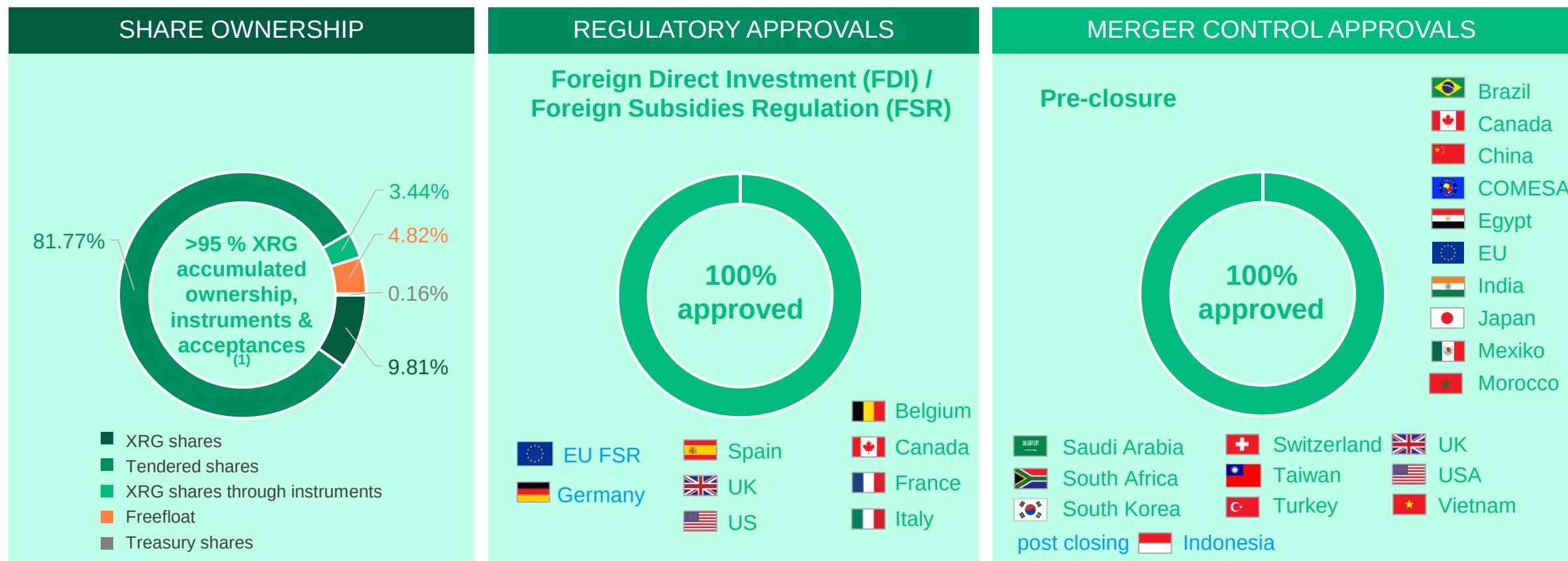


Thermoplastic Polyurethanes

Dr Andrea Maier-Richter
Nationality: German
Based in Dormagen, Germany

All regulatory approvals granted

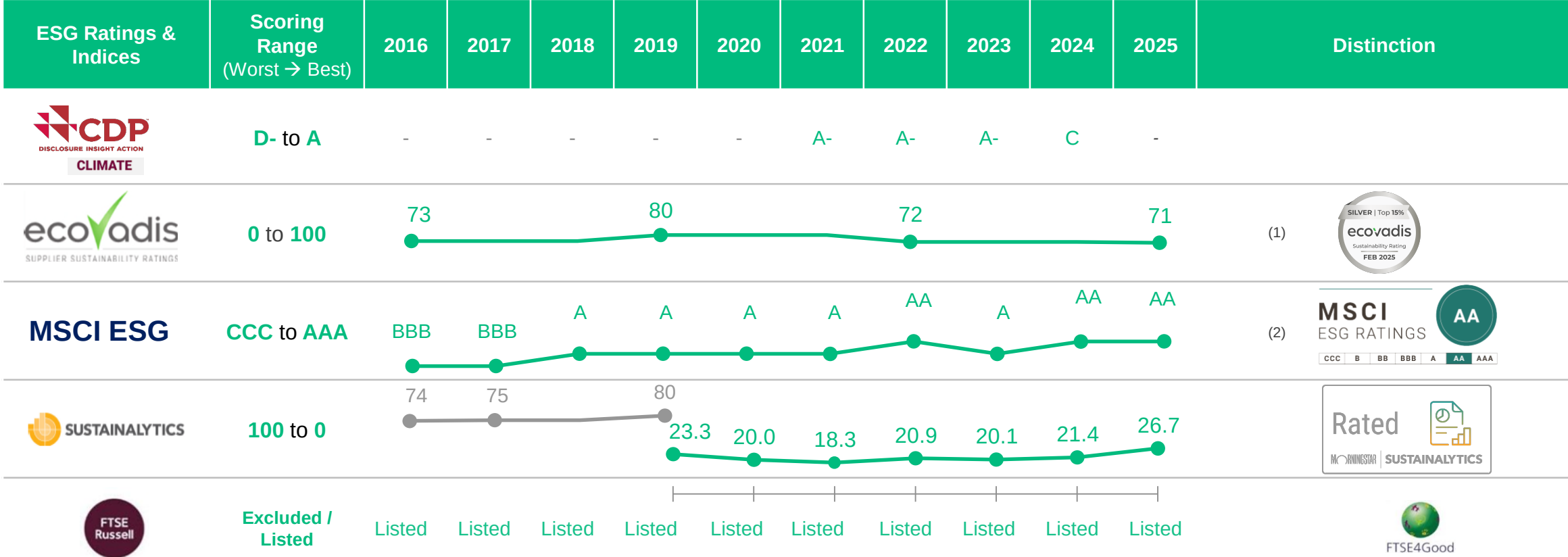
Progress on XRG transaction as of November 21, 2025



Closing expected early Dec 2025

Covestro ESG rating results and index membership

As of October 2025



Global energy spent projected to be stable at €1.0bn

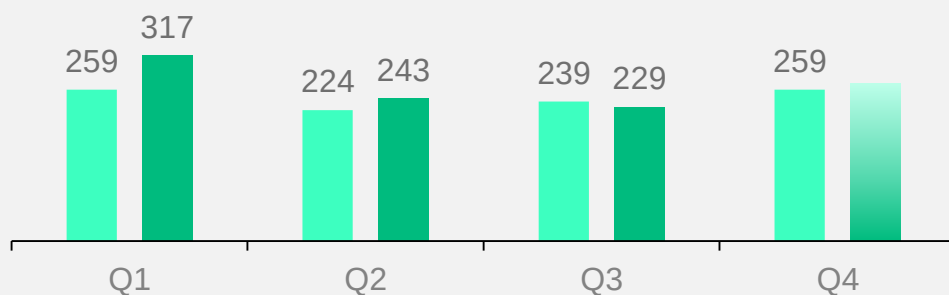
Energy cost development



QUARTERLY ENERGY COST DEVELOPMENT

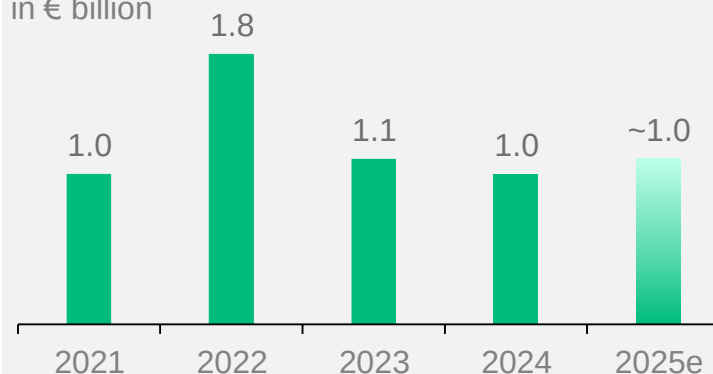
in € million

2024 2025



GLOBAL ENERGY COST

in € billion



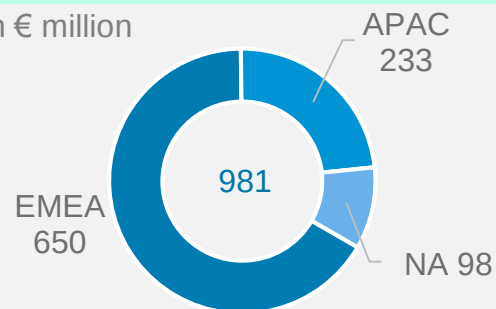
HIGHLIGHTS

- Global energy bill in FY 2024 of €1.0bn, energy demand increased by ~7% vs. FY 2023
- Global energy bill in FY 2025e expected around €1.0bn; flat vs. FY 2024 as higher prices are offset by lower volumes

ENERGY BREAKDOWN

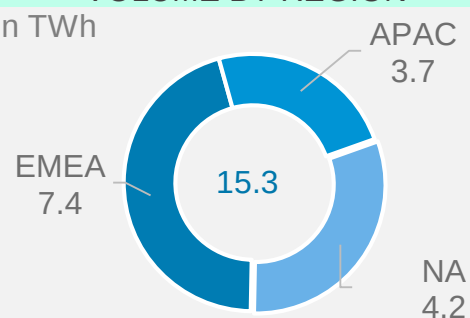
2024 ENERGY SPENT BY REGION

in € million



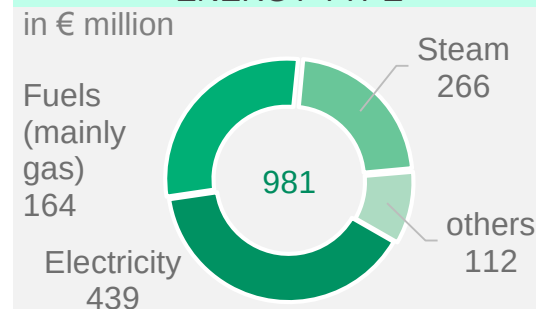
2024 PRIMARY ENERGY VOLUME BY REGION⁽¹⁾

in TWh



2024 SPENT BY ENERGY TYPE

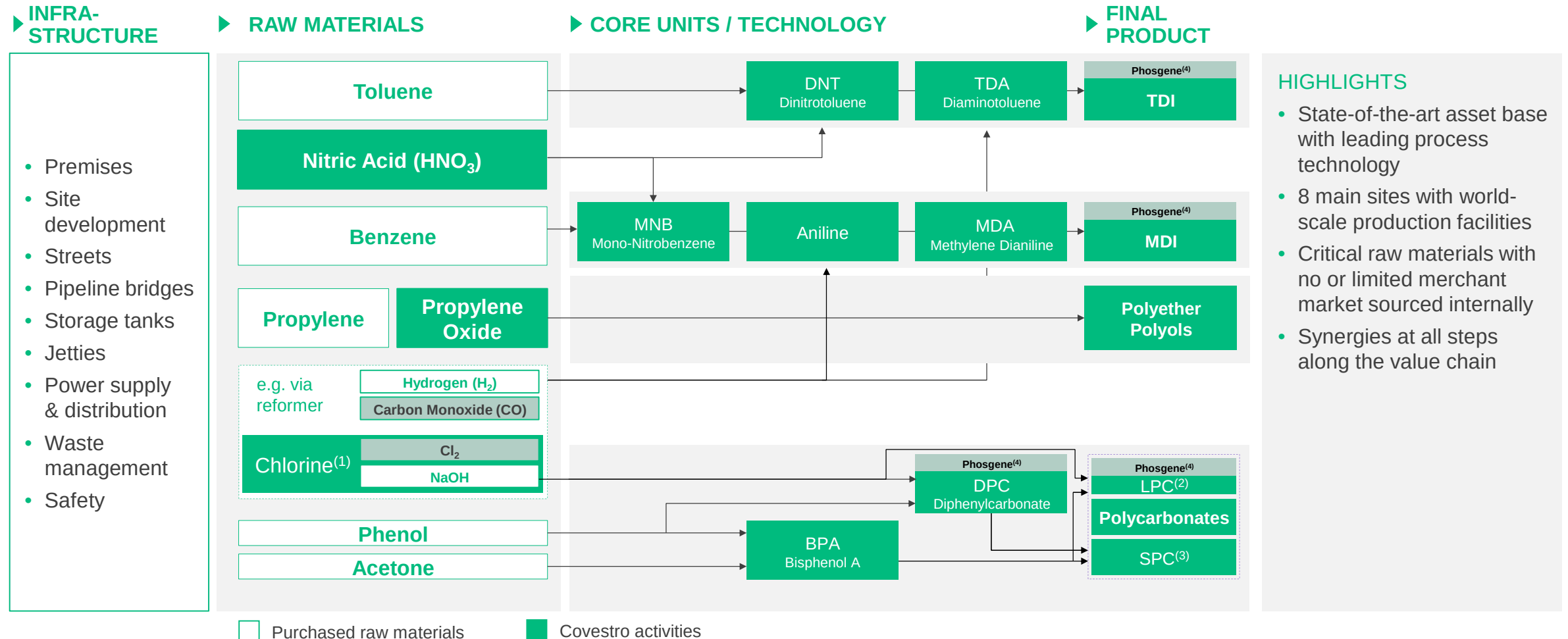
in € million



Synergies in scale, process technology and chemical know-how

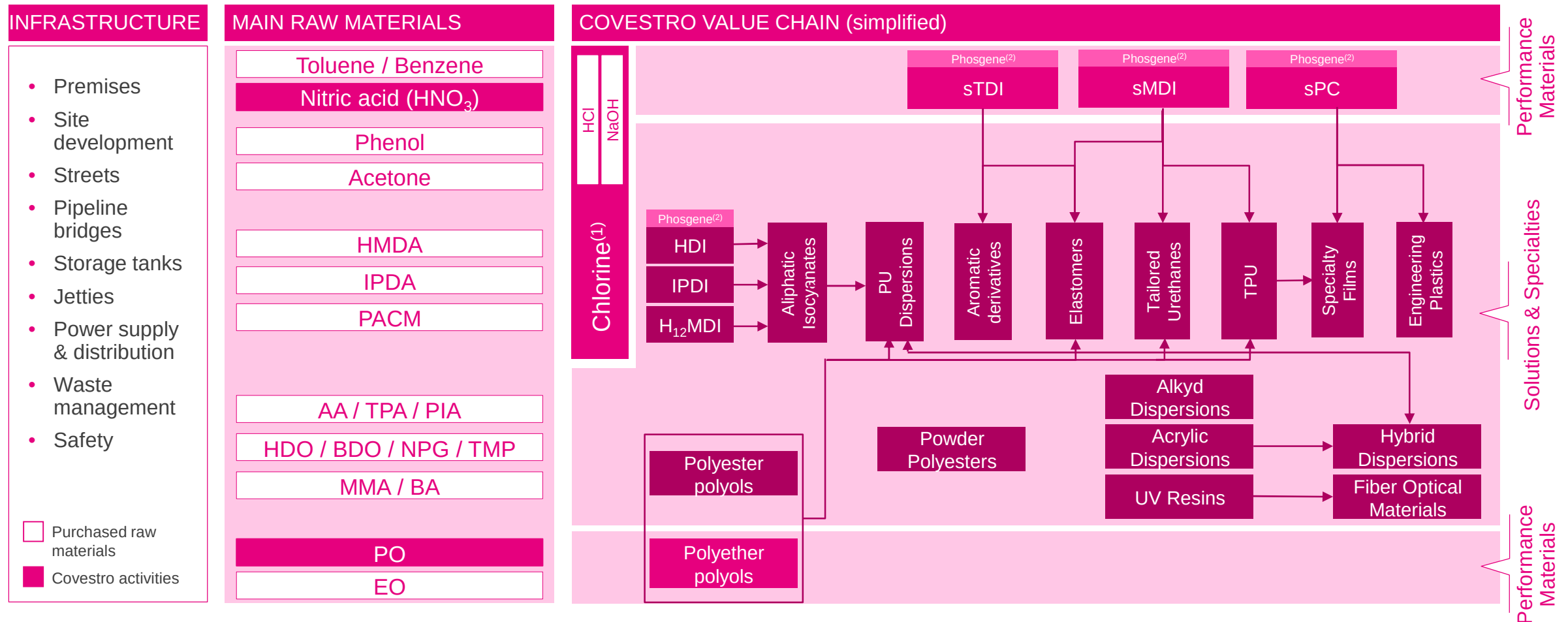


One chemical backbone across all segments



Synergies from chemical backbone and complementary technologies

Solutions & Specialties backward integration and value chain



Entire organization aligned for performance and sustainability

Group Profit Sharing Plan (PSP) proposed for 2025-2027



BOARD OF MANAGEMENT STI PROPOSAL

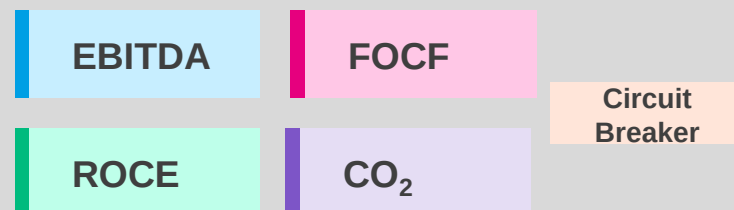
Old PSP system
2022-2024



Based on three-year business plan

Proposed PSP adjustment
2025-2027¹

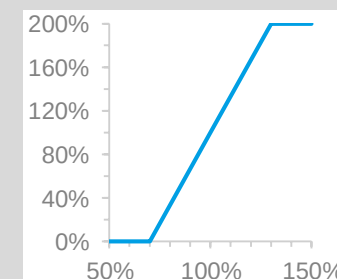
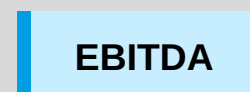
Mid-term component – 50% 1



Circuit Breaker

→ GRID: 100% on three-year Business Plan

One-year component – 50% 2



→ GRID: 100% on one-year target as approved by BoM and Supervisory Board

Negative net income due significantly lower EBIT

P&L statement 9M 2025

In € million	9M 2024	9M 2025	% of 9M'25 SALES	Δ Y/Y
Sales	10,803	10,027	100%	-7.2%
EBITDA	880	649	6.5%	-26.3%
D&A excl. impairments	-631	-654	-6.5%	3.6%
Impairments	-31	-18	-0.2%	-41.9%
EBIT	218	-23	-0.2%	-110.6%
Financial result	-83	-116	-1.2%	39.8%
EBT	135	-139	-1.4%	-203.0%
Income taxes excl. DTA adjustments	-27	67	0.7%	-348.1%
DTA adjustments	-188	-194	-1.9%	3.2%
Net income⁽¹⁾	-80	-266	-2.7%	232.5%
Earnings per share (in €) ⁽²⁾	-0.39	-1.41		261.5%

HIGHLIGHTS

Impairments

- Q1 2025 impairment loss of €15m due to closure of the PO11 JV with LYB⁽³⁾ in Maasvlakte (Netherlands), no major impairments in Q2 & Q3 2025

Deferred tax assets (DTA)

- Not recognized deferred tax assets on tax loss carryforwards and temporary differences
- DTA adjustments of €194m in 9M 2025 mainly due to negative earnings, mainly in Germany and the Netherlands

High accumulated free operating cash flow

Development of last five years

		2020	2021	2022	2023	2024
Sales	(€ million)	10,706	15,903	17,903	14,377	14,179
• Volume y/y	(%)	-5.1	+6.5	-5.0	-6.8	+7.4
• Price y/y	(%)	-5.7	+34.7	+10.1	-11.0	-8.0
• FX y/y	(%)	-1.6	-0.8	+5.9	-2.2	-0.8
• Portfolio y/y	(%)	-1.3	+8.1	+2.0	-	-
EBITDA	(€ million)	1,472	3,085	1,617	1,080	1,071
• Performance Materials		896	2,572	951	576	569
• Solutions & Specialties		743	751	825	817	740
Earnings per Share	(€)	2.48	8.37	-1.42	-1.05	-1.41
Capex	(€ million)	704	764	832	765	781
Free operating cash flow (FOCF)	(€ million)	530	1,429	138	232	89
ROCE above WACC	(%points)	-0.3	12.9	-5.0	-6.1	-7.4
Total net debt ⁽¹⁾	(€ million)	2,479	2,604	2,920	2,885	2,933
Employees ⁽²⁾	(FTE)	16,501	17,909	17,985	17,520	17,503

Upcoming IR events

Find more information on covestro.com/en/investors



REPORTING DATES

- | | |
|---------------------|-----------------------------|
| • February 26, 2026 | 2025 Annual Report |
| • May 5, 2026 | Q1 2026 Quarterly Statement |
| • July 31, 2026 | Q2 2026 Quarterly Statement |

ANNUAL GENERAL MEETING

- | | |
|------------------|------------------------|
| • April 15, 2026 | Annual General Meeting |
|------------------|------------------------|

Disclaimer

This presentation may contain forward-looking statements based on current assumptions and forecasts made by 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 on the Covestro website at www.covestro.com.

The company assumes no liability whatsoever to update these forward-looking statements or to adjust them to future events or developments.