

DIRK Mitgliederversammlung Fall 2022

Consensus management

October 14, 2022

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Why do we need consensus management at all?

Consensus management

Constant monitoring and management of capital markets expectations as well as regular, proactive dialogue with sell- & buy-side is key task of IR

External

Consensus as main factor for share price reactions

- Always know capital market sentiment and estimates
- Control the narrative and avoid surprises (both positive and negative)
- Focus is regularly on the sell-side, but buy-side expectations might differ

Internal

Consensus as important internal benchmark

- Own company's and peer estimates as internal benchmark, e.g. for internal planning
- Both as short-term trend indicator (current trading) as well as long-term guideline
- Detailed estimates available for wide range of KPIs and divisions

How to best monitor capital markets expectations?

Two options to monitor consensus estimates

1

Do it yourself



- + Detailed knowledge of individual estimates
- + More direct contact to analysts
- Lots of (manual) work
- Not externally “certified”

2

Use a service provider – Examples:

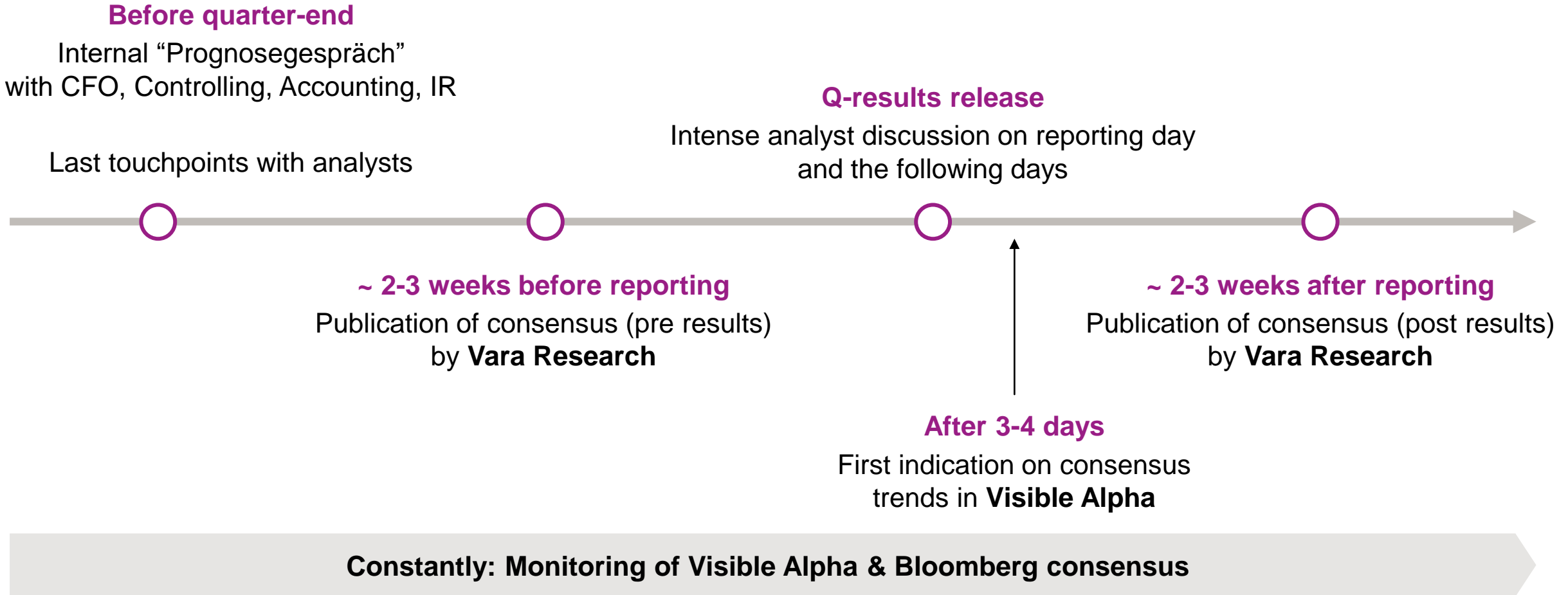


- + Fully customizable
- + Open to all brokers
- + Public website
- No “live” consensus

- + Always up-to-date
- + Great level of detail
- Pay for access
- Only limited number of brokers included

- + Still widely used by investors
- Often outdated
- Limited number of KPIs

How is the Evonik IR Team doing consensus management?



What do we do with the collected consensus estimates at Evonik?

External use

Rating Overview: Detailed Consensus

Recommendations: Negative: 2, Neutral: 7, Positive: 8 (Total: 17)

Banker	Current	Previous	Change	Up-Downside	Current	Previous	Change	Last Update
All Bankers	40.00	36.00	11.1%	100.0%	Outperform	Outperform	No	2022-09-17
Banqueparibas	35.00	36.00	-2.8%	83.3%	Buy	Buy	No	2022-08-11
Barclays	29.00	28.00	3.6%	51.0%	Equal Weight	Equal Weight	No	2022-08-11
Berenberg Bank	25.00	26.00	-10.7%	31.0%	Hold	Hold	No	2022-09-15
DZ Bank	22.00	26.00	-15.4%	15.2%	Hold	Hold	No	2022-09-10
Deutsche Bank	30.00	36.00	-2.9%	83.3%	Buy	Buy	No	2022-09-24

Analyst & Investor Fact Sheet Q2 2022

Key Financials Q2 2022

In € million	Q2 2021		yoy Δ%	Q1 2022		Q2 2022	qoq Δ%	Q2 2022 Consensus*
	Q2 2021	Q2 2022		Q1 2022	Q2 2022			
External sales	3,636	4,772	31%	4,498	4,772	6%	4,445	
Volumes (%)			-2%				1%	
Prices (%)			24%				16%	
Exchange Rates (%)			6%				5%	
Other (incl. M&A, %)			4%				0%	
Adjusted EBITDA	649	728	12%	735	728	-1%	700	
Adjusted EBITDA Margin (%)	17.8%	15.2%	-2.6 pp	16.3%	15.2%	-1.1 pp	15.8%	
Adjusted EBIT	368	456	15%	472	456	-3%	428	
Adjustments	-19	-35	-18	-35				
EBIT	380	421	11%	456	421	-8%		
Adjusted net income	253	351	39%	356	351	-1%	300	
Adjusted earnings per share in €	0.54	0.75	39%	0.76	0.75	-1%	0.66	
Capex (cash-out)	171	165	-4%	176	165	-6%		
Net financial position (as of March 31)	-3,170	-3,836	-2,794	-3,836				
Cash flow from operating activities, cont. ops.	272	-74	-127%	309	-74	-124%		
Free cash flow, cont. ops.	101	-239	-337%	133	-239	>200%		

- Publication on external Vara Research website – with link from IR website; email from IR on updates
- Use in reporting factsheet for direct comparison with actual results

➤ Provide high level of transparency
 Ensure analysts use the “right consensus”

Internal use

2. Hochrechnung 2022

Aktueller Stand

01.07.2022 | Group Controlling

Ergebniskonferenz
 Juni 2022
 Evonik Konzern

Freitag, 15. Juli 2022

- Shared internally via “Teams” channel
- Part of every monthly performance review
- Benchmark for quarterly & mid-term planning
- Regular requests for peer data

➤ Consensus is widely available internally

Summary: The Evonik perspective

Consensus management is **THE** key task of Investor Relations

Use an **external service provider** – but also keep an eye on other sources

Be as **transparent** as possible

Make sure that consensus data are **on the agenda** of management board and relevant internal functions

Despite all the consensus data: Don't forget about your **equity story!**

The international perspective on consensus management

Panel discussion with:

- Laura Hayter, IR Society
- Yvette Lokker, CIRI
- Matt Bruschi, NIRI
- Ian Matheson, AIRA



EVONIK

Leading Beyond Chemistry