



# PRESS CONFERENCE IN-COSMETICS GLOBAL 2024

Paris, 16<sup>th</sup> April 2024

Your Host:  
**Carolin Wolf**

# Agenda

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Topic	Host
<b>EVONIK CARE SOLUTIONS' STRATEGY AND VISION</b> Growing our portfolio of biosolutions to become the preferred sustainable specialties partner to the cosmetic and personal care industry	Yann d'Hervé
<b>GLYCOLIPID BIOSURFACTANTS</b> Pioneering biosurfactants for next-generation personal hygiene products	Joaquín Pérez Sánchez
<b>ECOHANCE® PROGRAM</b> Bringing a new dimension to consumer products	Dr. Achim Friedrich
<b>VEGAN COLLAGEN</b> Vecollage™ Fortify L: The true face of collagen	Anne Mu
<b>30 YEARS DECODING CERAMIDES</b> Embracing the power of the 30's for beautiful skin, scalp and hair	Magdalena Kowalski
<b>BOOSTING OUR BIOTECH ACTIVES BUSINESS</b> A new segment for Botanicals & Natural Actives	Dr. Kai-Steffen Krannig
<b>GOOD CHOICES AGAINST BAD ODOR</b> Natural yet effective deodorant solutions	Daniela Peters
<b>Q&amp;A session</b>	Carolin Wolf

# EVONIK CARE SOLUTIONS' STRATEGY AND VISION

Growing our portfolio of biosolutions to become the preferred sustainable specialties partner to the cosmetic and personal care industry

**Yann D'Herve**  
Head of Business Line  
Care Solutions



# Next Generation Evonik

Embarking on the next phase of our transformation

Three major strategic levers...

... with sustainability fully integrated ...

... delivering on ambitious targets

## Next Generation Portfolio

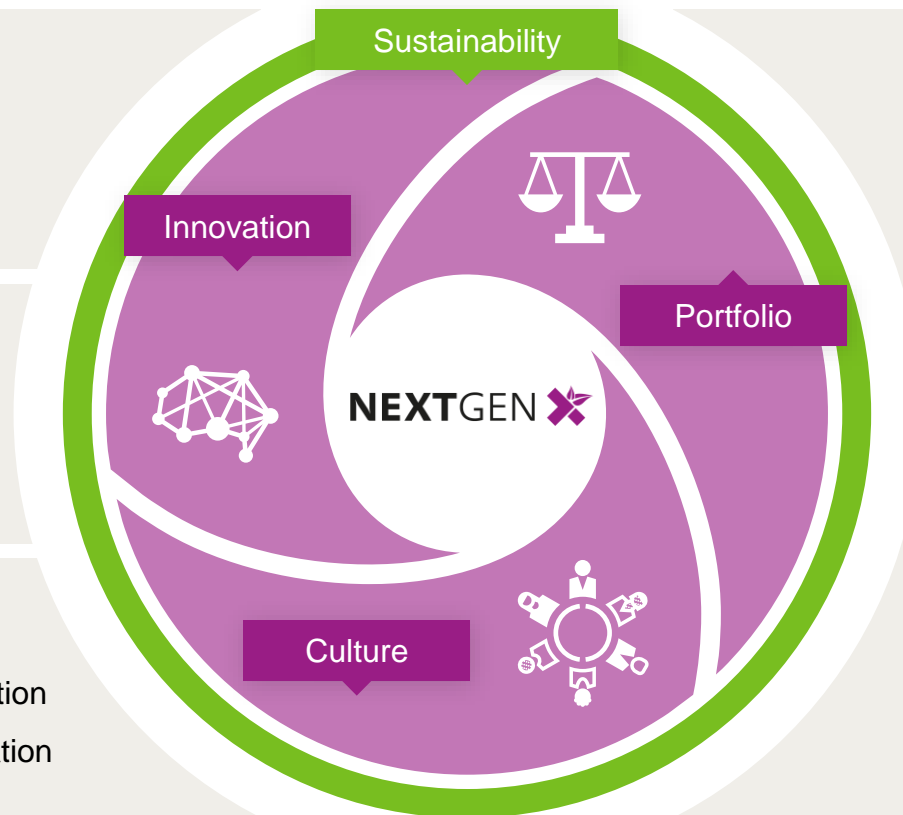
- + Exit Performance Materials
- + Full focus on three attractive growth divisions

## Next Generation Innovation

- + €1 bn new sales well on track
- + Growth areas beyond 2025 already launched

## Next Generation Culture

- + Diversity as key to successful strategy execution
- + ESG targets integrated into mgmt. compensation



## ESG Targets

- + >50% sales share of **NEXTGEN** Solutions ✨
- + -25% CO<sub>2</sub> emission reduction, e.g. via **NEXTGEN** Technologies ✨

## Financial Targets

- + Organic growth >4%
- + EBITDA margin 18-20%
- + ROCE ~11%
- + FCF Conversion >40%

# Evonik with sustainability full integrated

Sustainability as part of portfolio and strategic management processes

## Excellent Rankings



### Sector leading rankings

Evonik leading in most relevant ratings – “AA” MSCI ESG, “Top 5%” Sustainalytics, EcoVadis “Gold”, “B-” ISS Oekom and “A-” CDP

## Environmental Targets

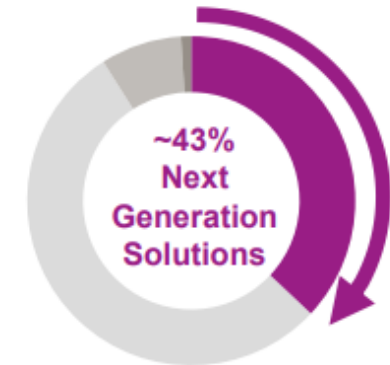


reduction of scope 1 and scope 2 emission until 2030 (vs. 2021)

### Ambitious environmental targets

- Evonik’s sustainability strategy with ambitious targets
- Evonik will be climate neutral by 2050

## Portfolio Management



### Portfolio aligned to sustainability

Sales share with solutions with a clearly positive sustainability profile; target of > 50% by 2030



# Evonik Nutrition & Care Vision 2032

LIFE AT HEART

SYSTEMS IN MIND

PARTNERS AT HAND

## B4B-partner in and for life sciences

Human life is at the  
center of everything  
we do



## Sustainability drives us

Sustainability as the  
guiding business  
principle for all  
decisions



## Collaboration defines us

Entrepreneurial thinking  
pioneers co-creating  
with strategic partners



## Customer-centric System Solutions for complex challenges

Leading beyond  
chemistry with  
knowledge-based  
business models



## Innovation inspires us

Combining shared  
technologies with core  
competencies



# Collaboration defines us

Entrepreneurial thinking pioneers co-creating with strategic partners

## Co-creation of value

**Joint solution design process** with customer, supplier or peer: value proposition inherently part of development

**Technology platform** as access point for collaboration

Evonik identified three key co-creation **success factors**:

- I. Shared vision
- II. Transparency
- III. Co-location

## Resulting in ...

Generation of significant **new intellectual property**

Builds stronger **customer relationships**

**Lock-in of ingredients** at customer and personalization

**Faster design** of solutions, reducing risk and time to market

## Evonik co-creation with strategic partners



Joint formulation development with biosurfactants for hand dishwash



Agile, joint lipids production process development for mRNA vaccine against COVID-19 led to strong partnership



Joint novel probiotics development to substitute antibiotic growth promoters in China and beyond

# Strategic orientation of Care Solutions

The pillars of organic and non-organic growth

THE  
Leading Sustainable Specialties Partner to  
our Industries

## Acquisitions



## Innovation



Examples: Skin Institute &  
leading innovator in biosurfactants

## Sustainability



Aim to transform product portfolio  
towards biodegradable products

## Service



Customer intimacy and  
formulation service

Digitalization

Business Processes

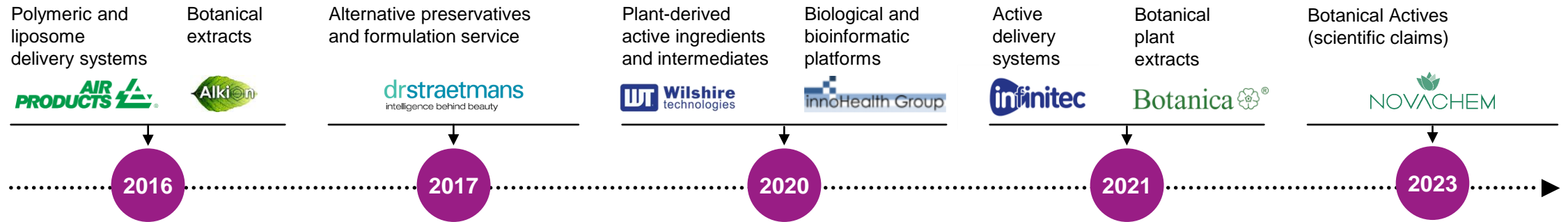
Empower Asia

Decades of experience as innovative partner to our industries

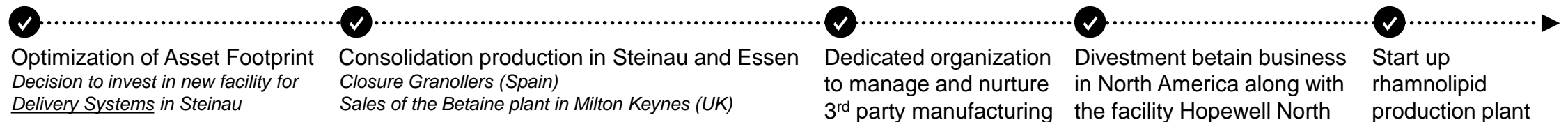


# Care Solutions portfolio: Acquisitions and asset restructuring have accelerated our transformation into the sustainable specialties partner

## Acquisitions



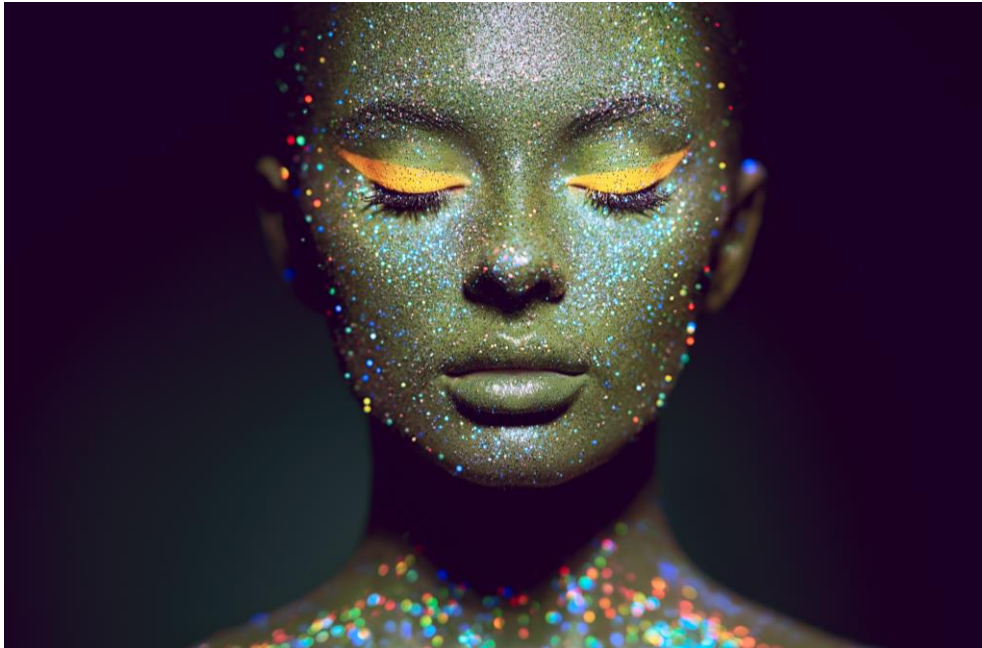
## Asset restructuring



# Evonik Skin Institute

Evonik establishes a new research institute dedicated to skin sciences

## Evonik Skin Institute



Global network of life science experts and R&D and application laboratories that provide customers with strong support for **claim-substantiated cosmetics**



Builds on a 30-year legacy in actives and 90+ years' experience in cosmetic ingredients to expand the portfolio of **biosolutions**



Opening ceremony took place in the Singapore hub on March 12<sup>th</sup>. Projects have started and **onboarding of customers** ongoing.

The new global network of skin experts skilled in cell biology, 3D tissue engineering, epigenetics, microbiome sciences, and clinical evaluation will enable more co-creation projects with our customers



# GLYCOLIPID BIOSURFACTANTS

Pioneering biosurfactants for next-generation  
personal hygiene products

**Joaquín Pérez Sánchez**  
Global Head of Segment  
Hair Care & Cleansing



# Biosurfactants

Entering a new era of sustainable solutions with Rhamnolipids

Grand Opening Ceremony  
May 29th in Slovenská Ľupča

**RHAMNOLIPIDS – Leading a new era with sustainable all-natural ingredients paired with excellent performance**

Nature-identical structure

Biotechnological process

100% sugar-based ingredient

Traceable and responsible sourcing

Pleasant and mild

Powerful performance

Low aquatox

100% Biodegradability

sugars → fermentation → Glycolipids → Consumer product

CO<sub>2</sub> → biodegradation

**RHAMNOLIPIDS – an Evonik technology platform to develop differentiated system solutions creating value for the consumer.**

**TOOLBOX OF BIOSURFACTANTS and other COMPONENTS**

**CUSTOMER VALUE CREATION**  
FORMULATION EXPERTISE

+ [diagram showing combinations of surfactants]

+ APPLICATION KNOW-HOW

**SYSTEM SOLUTIONS**

- LAUNDRY APPLICATIONS
- COSMETIC APPLICATIONS
- FUTURE EXAMPLES: BLENDS WITH BIOPOLYMERS

*Multiple applications & applications per Evonik's markets*

- CS
- AN
- HC
- OI
- CAD

## Rhamnolipid Plant – Mechanically completed in June



# Evonik glycolipid biosurfactants

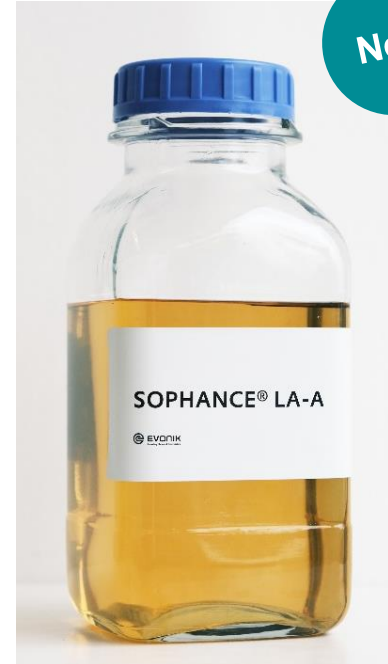
Building a platform of high-performing sustainable solutions – already at industrial scale

## RHEANCE® One



- INCI: Glycolipids
- Excellent foaming and cleansing properties
- Outstanding skin mildness
- Remarkable solubilization properties for perfumes and essential oils
- Non-bitter, more pleasant taste compared to traditional surfactants in oral care

## SOPHANCE® LA-A



- INCI: Glycolipids; Sodium Lactate
- Optimizes performance in conjunction with RHEANCE® One
- Easily incorporated in formulations for tailoring foaming and textures
- High cleansing performance
- COSMOS natural certified

Nominated  
Kenvue  
Trustet  
Science  
Award



# Evonik glycolipid biosurfactants

Continuous improvements in multiple dimensions

RESPONSIBLY  
SOURCED

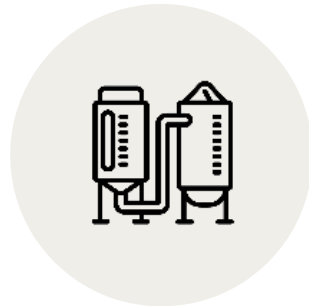
⋮



From primary feedstocks traceable to plantation level to next generation feedstocks

BIOTECHNOLOGY

⋮



State-of-the-art fermentation and downstream processes

IMPROVE CO<sub>2</sub>  
FOOTPRINT

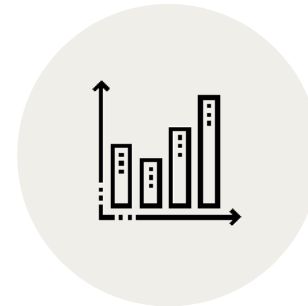
⋮



Optimization of CO<sub>2</sub> values

HIGH  
PERFORMANCE

⋮



No compromise with critical performance parameters in cleansing applications

PLANET  
FRIENDLY

⋮



Nature-identical structures / Readily biodegradable with exceptionally low aquatic toxicity

# ECOHANCE® PROGRAM

Bringing a new dimension  
to consumer products

**Dr. Achim Friedrich**  
Global Head of Applied Innovation  
Skin Care





# ECOHANCE® Program

Bringing a new dimension to consumer products

## Feedstock



- Sources **bio-mass based alternatives, production residues** and **side streams**
- Preserves valuable **nature reserves** and **carbon stocks**
- Drives **biodiversity** globally

## Supply Chain



- Enables **fair integration** of communities and **traceable** supply chains
- Upscales and enhances more diverse sources through **innovative processing**

## High Performance



- Achieves utmost **eco-application efficacy** during manufacturing and consumer application
- Designed for **cosmetic performance** and **modern formulation concepts**

# ECOHANCE® – new to the world in 2023

Our platform for cosmetic ingredients taking our sustainability ambition to the next level

Want to know more?  
Sustainability Zone Theatre  
Wednesday 1 p.m.



Nominated Innovation Zone Best Ingredient Award



## ECOHANCE® Care PS3

- Fully based on 2<sup>nd</sup> generation feedstock: a post-industrial residue from olive oil refinery
- Excellent emulsification performance
- Sourced landless and fully deforestation-free
- Allows sourcing without competition to food or feed
- CO<sub>2</sub> footprint reduction by 66% in comparison to palm oil

## ECOHANCE® Remo XP

- Part of a holistic supply chain that prioritizes responsible sourcing and ethical practices
- Produced using a low-energy enzymatic process that utilizes alternative feedstocks and post-industrial side streams
- Functions as a rheology modifier, hydrophilic emollient, and sensory enhancer
- COSMOS NATURAL-approved, ensuring that it meets strict standards for natural and organic cosmetics

## ECOHANCE® Soft Baobab

- Derived from the baobab tree, which grows in the Sahel region of West Africa
- Responsible sourcing in partnership with the United Nations Convention to Combat Desertification (UNCCD) and the Great Green Wall Initiative
- FairWild™ certified to guarantee full traceability in the supply chain



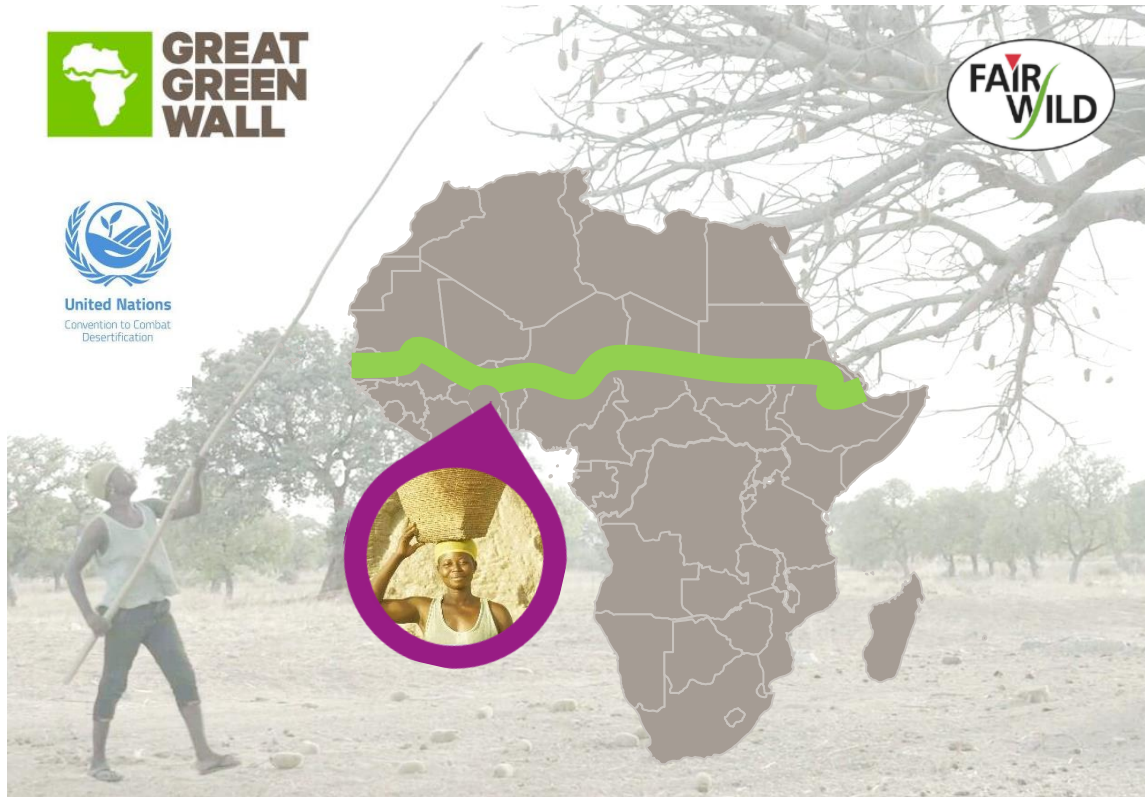




# Take baobab oil for beauty

Empower women for a better life

## Origin & Source



By sourcing and supplying baobab oil, our focus is not only the beauty industry, what we want to contribute is much more...

- We are sourcing the baobab seeds from Africa: Northern Ghana and Burkina Faso, close to the **Sahel**.
- All baobab fruits are **wild harvest** and **traceable to collectors' level**.
- Utilization of seeds **left over from food**.
- **Create sustainable income** for locals
- **Improve quality life** for women in Ghana
- Various **social and eco-projects** set up

## We are committed

To contribute a positive impact in Africa for both the land & the people



- **90%** of the population in upper east Ghana live in extreme poverty.
- **2000+** women from local community get employed by new baobab value chain buildup.
- Household income increased up to **10x**, supporting children to go to school.

**10%** of profit from baobab seed oil is reinvested in social projects:

- Training for local women
- Sponsorship of community funds etc.

**3%** will go to various Eco projects:

- Reforestation, parklands restoration
- New agroforestry systems



# ECOHANCE® Soft Baobab

INCI: Adansonia Digitata Seed Oil (IECIC-listed)

## Excellent Quality

- Rich in triglycerides with unsaturated fatty acids
- High amount of tocopherol
- Low in CPFA triglycerides
- Clear color & neutral odor

## Proven Dermatological Effects

- Non-irritant
- Non-comedogenic
- Moisturizing
- Soothing

## Premium Soft and Caring Skin Feel



## Good Oxidation Stability



## Certificates

- FAIR WILD
- UNCCD GGW
- COSMOS Organic
- Vegan
- HALAL
- CFI







# ECOHANCE® Soft Baobab

Your holistic choice for  
Sustainabeauty

100% natural based  
from the GGW

Support & income for  
local communities

Against  
desertification

No competition  
with food  
feedstocks

Traceable to  
collectors' level



Premium sensory  
profile

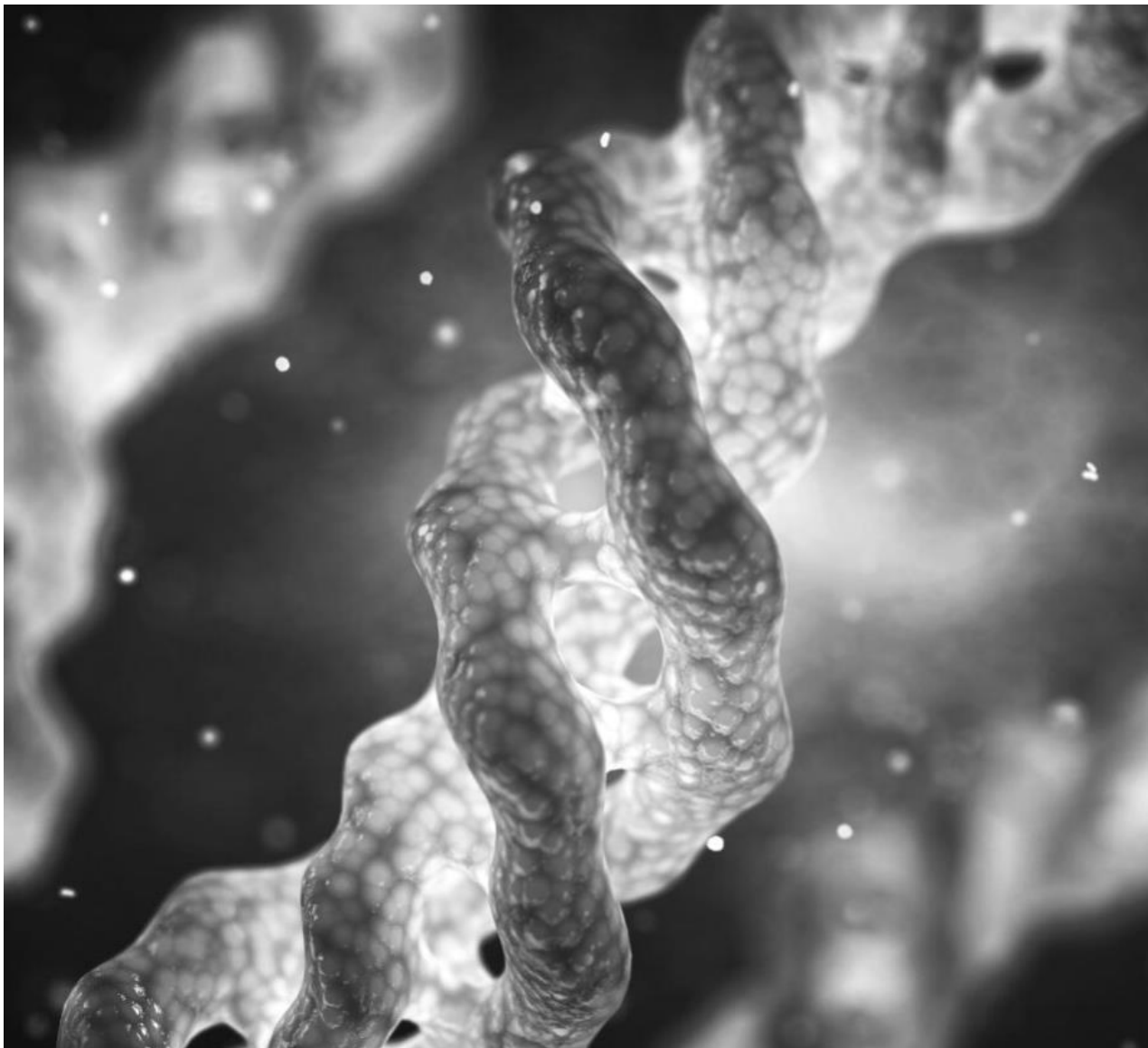
Non-  
comedogenic

Non-irritant

Soothing and  
moisturizing

Best-in-class  
quality





# VEGAN COLLAGEN

Vecollage™ Fortify L  
The true face of collagen

**Anne Mu**  
Global Head of Applied Innovation  
BioActives



# Revolutionary vegan collagen

Needs of ethical beauty consumers meet advancements in precision fermentation

## MARKET PULL Ethical consumerism



- Consumer demand for **animal-free supply chains** boosts alternative ingredient sources.
- Increased focus on **sustainable production and decarbonization** opens the door for production methods with reduced environmental impact.

## VEGAN COLLAGEN

## TECHNOLOGY PUSH Precision fermentation



- Revolutionizing the production of cosmetic & food ingredients using **synthetic biology** methods.
- Significant momentum in recent years thanks to **massive VC funding** as well as **governmental grants** and subsidies.

# The science of Vecollage™ Fortify L

## A skin-identical vegan collagen polypeptide



### COMPOSITION

Composed of a skin-identical collagen polypeptide, 100% identical to the N-terminus of the human type III collagen  
50 kD MW



### NOMENCLATURE

INCI (proposed): water, glycerin, sh-polypeptide 69 / in China: Collagen (IECOC#: 03417)

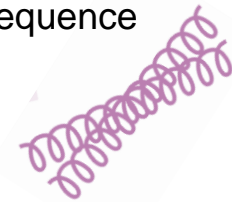


### PROPERTIES

Specific sequence includes many **binding motifs** that potentially regulate **cell proliferation and metabolism**

## Vegan collagen by fermentation

Carefully chosen human collagen type III sequence



Host organism (*Pichia pastoris*)



Downstream process



Fermentation



Nominated  
Kenvue  
Trustet  
Science  
Award

# Vecollage™ Fortify L

The true face of collagen



**Skin-identical collagen polypeptide**  
Identical to a section of human collagen type III



**Efficacious active**  
Dual benefits to protect & fortify collagen in the skin



**Ethical & sustainable**  
Fermentation-based process using sustainable feedstock



**Safe & biocompatible**  
Scalable and reproducible process ensures consistent quality & high purity

# Vecollage™ Fortify L

## Summary of *in vitro*, *ex vivo* and *in vivo* results

### *in vitro* / *ex vivo* support

<b>Protection from ECM degradation</b>	Inhibition of collagenase (cell-free assay) <i>Ex vivo</i> protein expression of MMP-3 <i>Ex vivo</i> gene expression of TIMP-1
<b>Procollagen I stimulation</b>	<i>In vitro</i> protein expression <i>Ex vivo</i> protein expression in papillary dermis
<b>Collagen type III stimulation</b>	<i>Ex vivo</i> gene expression <i>Ex vivo</i> protein expression in papillary dermis
<b>Strengthening of the DEJ</b>	<i>Ex vivo</i> gene expression of collagen type IV <i>Ex vivo</i> interdigitation index of the DEJ
<b>Supporting collagen assembly</b>	<i>Ex vivo</i> gene expression of: <ul style="list-style-type: none"><li>• P4HA1, P4HA2</li><li>• Decorin (DCN)</li></ul>
<b>Supporting the ECM</b>	<i>Ex vivo</i> gene expression of: <ul style="list-style-type: none"><li>• Elastin (ELN)</li><li>• Elastin cross linker (LOX)</li><li>• Fibronectin (FN1)</li></ul>

### Vecollage™ Fortify L



#### Fortifies the skin matrix

- Protects from ECM degradation
- Stimulates collagen synthesis of the most abundant collagen types, esp. in the papillary dermis
- Strengthens the DEJ

### *in vivo* support

Instrumental measurement of dermis collagen content

**Skin collagen content**

Confirmation of improved efficacy of Vecollage™ Fortify L formulation versus control

**Perceived efficacy by panel**

Instrumental measurement of TEWL and SC hydration

**Barrier function and skin hydration**

# 30 YEARS DECODING CERAMIDES

Embracing the power of 30  
for beautiful skin, scalp and hair

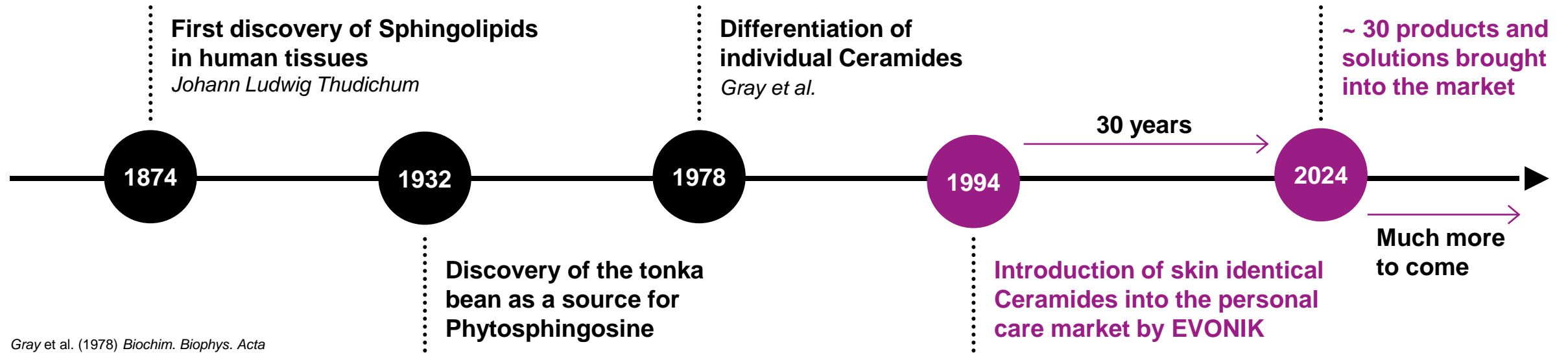
**Magdalena Kowalski**  
Global Head of Segment  
Ceramides & Sphingolipids





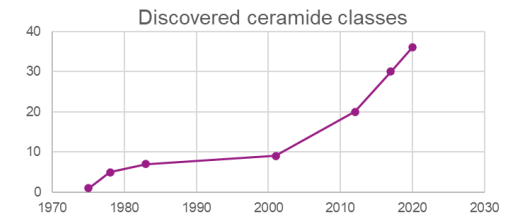
# A trip down memory lane and the 30 reasons to celebrate

## 30 years of scientific Evonik legacy with a bright future



Gray et al. (1978) *Biochim. Biophys. Acta*

- In recent years, thanks to advanced analytical methods over **1000** individual Ceramide molecules and precursors have been identified in the skin
- In hair, sphinganine-based Ceramides are the most predominant
- This **biological diversity** and the manifold of biological activities provides a wide space to **innovate**



# 30 years of Ceramide development at Evonik

Our expertise: diversity in molecules and claims

## Maximizing Ceramide benefits based on scientific developments and the beauty of combinations

- 3 Sphingoid bases
- Countless fatty acids and molecules
- A manifold of mode of actions leading to diversified claims
- Synergistic effects with other actives
- Unlimited possible combinations

~ 26

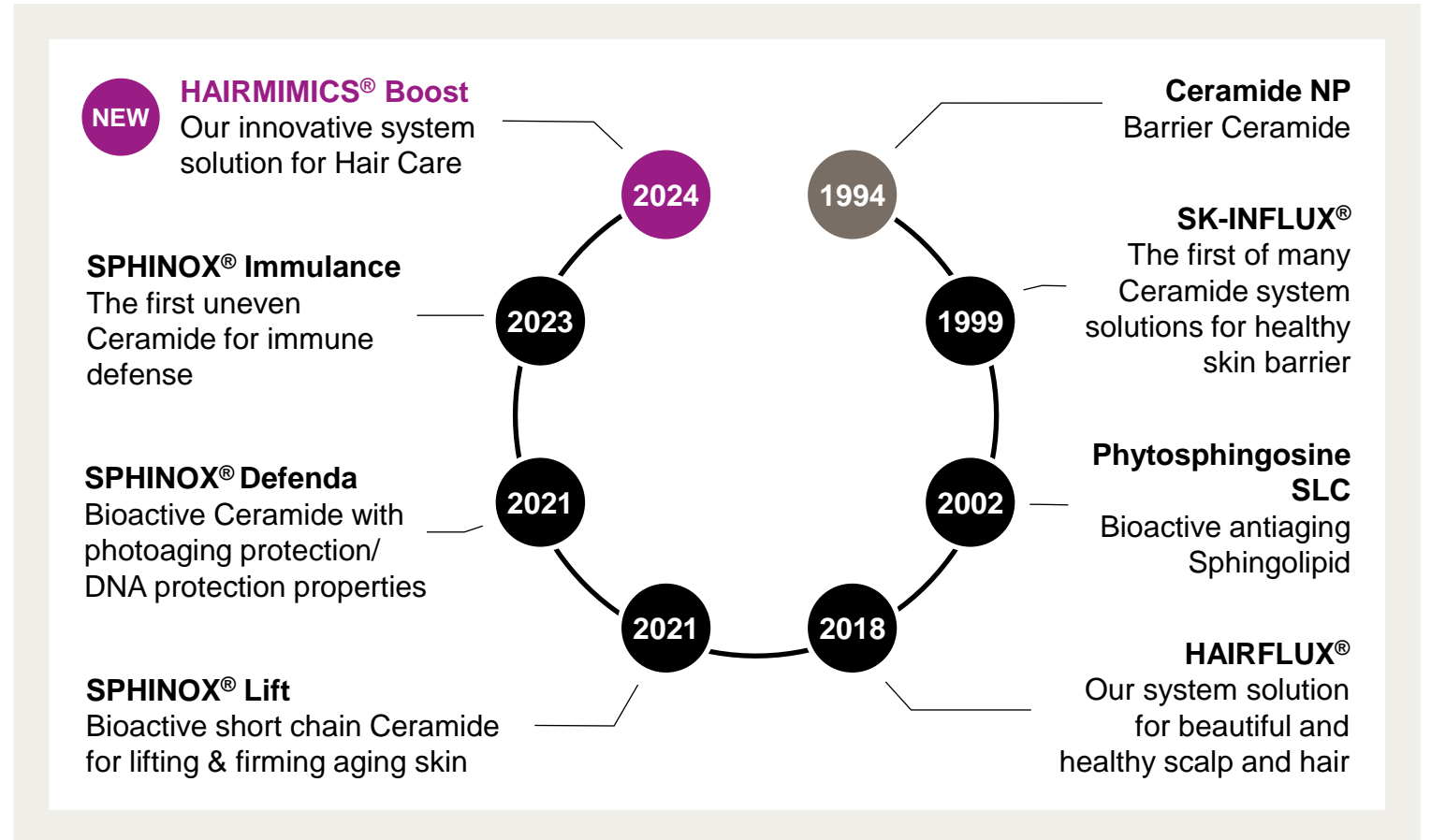
Products

~ 5

Product forms

~ 16

Claims



# HAIRMIMICS® Boost: our innovative Ceramide system solution for Hair Care



*Leveraging the synergy of Ceramides with plant oils from fair trade sources*



Supports healthy, strong, and resilient hair



Mimics the essential lipids in hair offering high efficacy



Increases hair's mechanical resistance for stronger, healthier strands

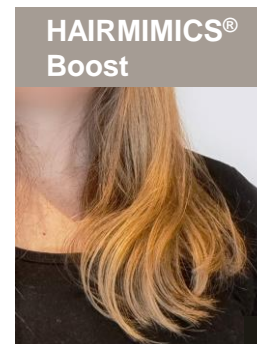
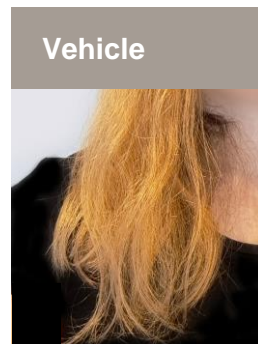


Natural derived plant oils and biotechnologically produced Ceramide NG



Contains castor oil from traceable community projects in India

**Give your hair a boost of essential lipids, the Ceramide solution for your daily care.**



**HAIRMIMICS® Boost** visibly reduces dryness and strawyness of stressed hair tips leading to healthy looking hair.



# BOOSTING OUR BIOTECH ACTIVES

A new segment for  
Botanicals & Natural Actives

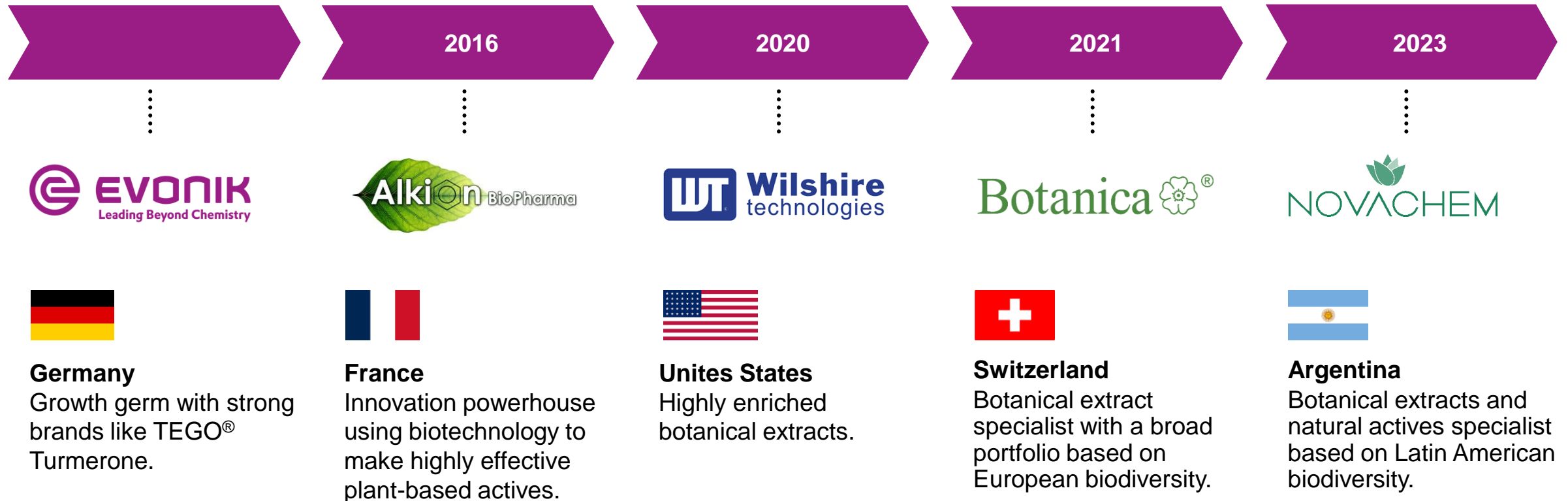
**Dr. Kai-Steffen Krannig**  
Head of Segment  
Botanicals & Natural Actives



# Evonik has invested continuously to create a powerful business segment

## Botanicals & Natural Actives

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# Complementing our Active Ingredients portfolio

## With plant-based solutions for the cosmetic market

Want to know more?  
Sustainability Zone Theatre  
Tuesday  
4 p.m.

### CERAMIDES & SPHINGOLIPIDS



### DELIVERY SYSTEMS



### BIOACTIVES



### BOTANICALS & NATURAL ACTIVES

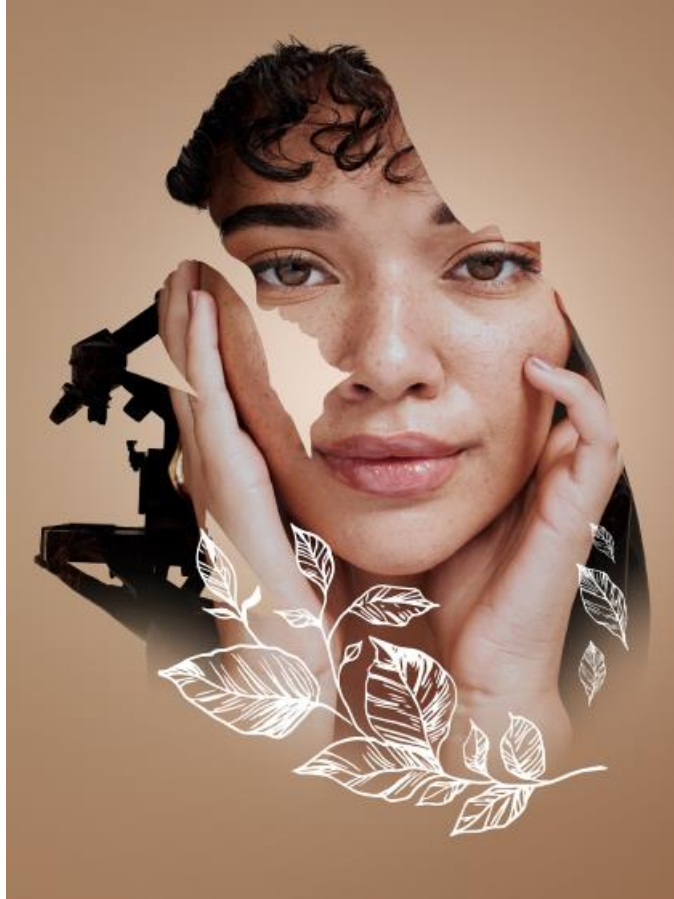


POWERED BY BIOTECHNOLOGY

# Our offering includes botanical extracts & claim substantiated natural actives

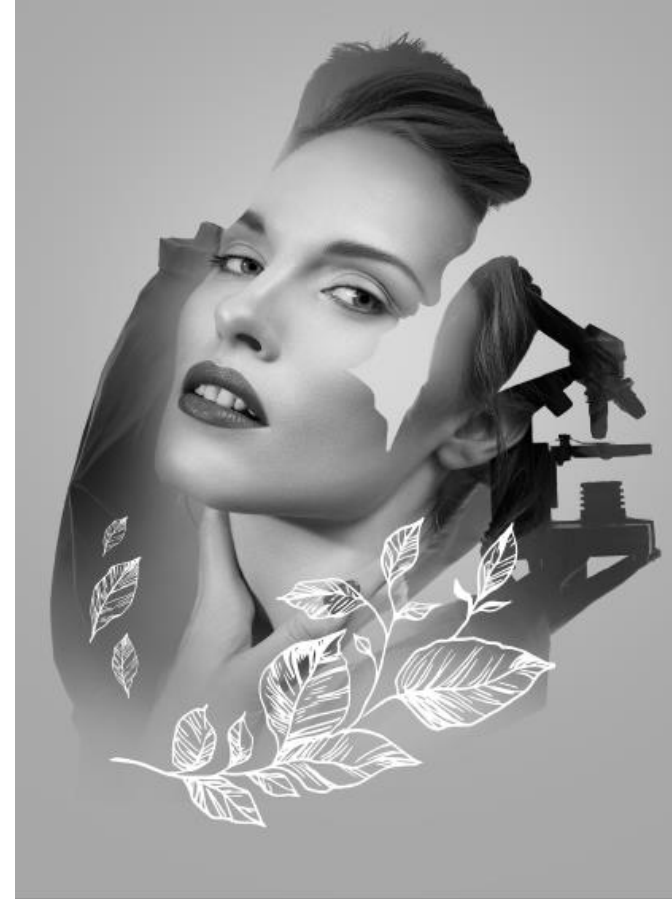
## BOTANICAL EXTRACTS

are the result of infusing an herb, or botanical, in a liquid to extract a desired ingredient. Beneficial effects are based on literature and ethno-botanical knowledge.



## NATURAL ACTIVES

are botanical extracts with a defined content of specific phytochemicals and a proven scientific claim with a promise for efficacy under defined conditions.



# Our Acquisitions

Contributions to an attractive portfolio of standardized & customized solutions



	STANDARDIZED	CUSTOMIZED
BOTANICAL EXTRACTS	<p>Novachem (2023)</p> <p>Botanica (2021)</p>	<p>Botanica (2021)</p>
NATURAL ACTIVES	<p>Novachem (2023)</p> <p>Evonik Legacy (2016)</p>	<p>Alkion Biopharma (2016)</p>

Let's create unique natural actives together



# Biotechnological & natural cosmetic active ingredients

## Novachem strengthens our portfolio of system solutions

### ABOUT

- Acquisition concluded in June 2023.
- Located in Buenos Aires, Argentina.
- Broad portfolio of botanical extracts and natural actives.
- Sustainable ingredients from Latin American biodiversity.
- Using technologies and practices with a positive impact on the planet



### Our 3 Pillars



#### Planet

Sustainability, care and good management of resources.



#### People

Meet their needs responsibly and consciously.



#### Products

Development of innovative and beneficial active ingredients.

### BETTER TOGETHER – NOVACHEM x EVONIK

- Novachem brings in a variety of botanicals and natural actives along with a strong power to innovate.
- Evonik brings in a global distribution network to scale the regional business of Novachem.
- Together, we scale the offering of Novachem and expand our offering in portfolio and customized solutions based on Latin American biodiversity.



Perfectly fits to Evonik philosophy of sustainability

# GOOD CHOICES AGAINST BAD ODOR

Natural yet effective deodorant solutions

**Daniela Peters**  
Global Marketing Manager  
Product Protection





## How to create a winning strategy against body odor



**Proven 48h efficacy**



**100% natural, COSMOS compliant**



**Microbiome modulation effect**



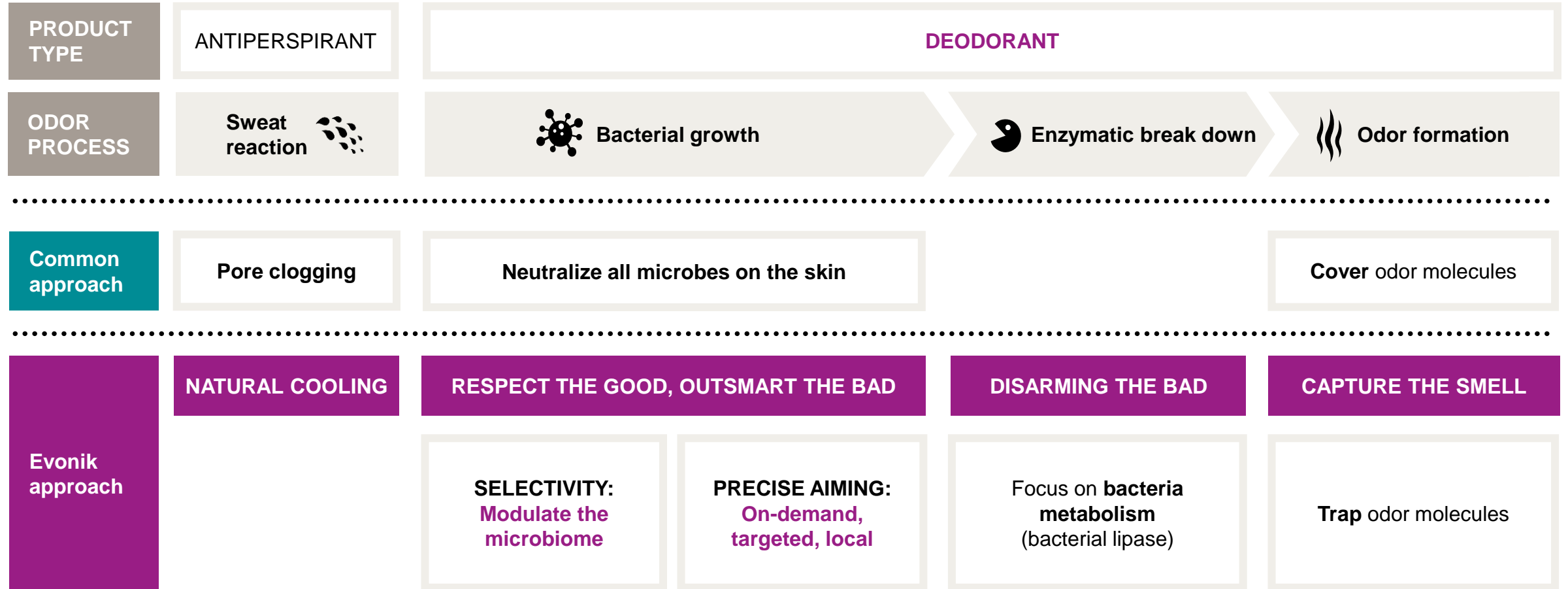
**Targeted, immediate & on-demand activity**



**No fabric staining**

# Play smart, not hard.

Taking the strategy against body odor to the next level









## The Evonik natural winning strategy against body odor

**Play smart, not hard!**

Natural, effective, and gentle products, based on science

# Q&A Session

Ask the experts...



**EVONIK**

**Leading Beyond Chemistry**