How we’re bringing innovation to the streets

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Our target destination: Excellence in innovation

Evonik is one of the most innovative companies in the world.

Increase the value of the innovation pipeline
New products, applications, and processes must make a substantial contribution to sales and profit

Explore new horizons
Push radical innovations
Cross-organizational collaboration

Enhance risk-taking
Trust, openness, transparency
Improve knowledge sharing
How we roll:
Our 2014 figures

- 8% Increase in R&D expenditures/year since 2009
- ~500 Innovation projects
- >25,000 Patents and patent applications (new applications ~250)
- >4 Billion euros for R&D over the next 10 years
- 3.2% R&D rate
- 2,600 Employees at 35 sites
What drives us: Megatrends

Health

Nutrition

Resource efficiency

Globalization
## What we drive: Our areas of innovation

<table>
<thead>
<tr>
<th>Technologies</th>
<th>Growth areas</th>
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<tbody>
<tr>
<td>Biotechnology</td>
<td>Materials for electronics</td>
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<td></td>
<td>Food and feed additives</td>
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<tr>
<td>Catalysis</td>
<td>Medical technology</td>
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<td>Membranes</td>
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<td>Composites</td>
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<td>Cosmetics ingredients</td>
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What we brought to the streets in 2014

€413 million

Expansion of existing businesses
~90%

Establishment of new businesses, competence platforms
~10%

Examples

AQUAVI® Met-Met
for sustainable shrimp farming

Oxophos 64i
for efficient production of plasticizer alcohols

VESTANAT® EP-M
for scratch-resistant coatings

VARISOFT® EQ 100
for making hair easier to comb

iXsenic®
for high-resolution displays

Hybrid polymer systems
for making composites more suitable for mass production

Direct investments
Nanocomp, Biosynthetic Technologies, Algal Scientific

iXsenic®
for high-resolution displays
The road we’re taking to explore new territory

Establishing competence platforms
- Medical Devices Project House launched in the US
- Pilot plant operations began at the Composites Project House
- Light & Electronics Project House successfully established in Taiwan

Speeding up disruptive innovations
- Creavis: over 90 percent of its projects are geared toward growth areas
- Venture capital: 2015 evaluation of 500 start-ups

Expanding our innovation culture
- Leading Innovation Conference
- Evonik Innovation Award
- Guiding Principles on Innovation
Where we want to go

Value-oriented development at Evonik through

• Expanding our leading market and technology positions
  > €4 billion for R&D over the next 10 years

• Innovation close to customers and markets
  Expanding international competence centers

• Striking a good balance in our innovation portfolio
  Innovation pipeline guided by strategic innovation management

• Strengthening open innovation
  New approaches for new ideas and joint projects:
  crowdsourcing, cross-industry innovations, university competitions (Evonik’s Call For Research Proposals)