Innovative prowess as success factor for specialty chemicals

Harald Schwager | June 27, 2019, Düsseldorf
Innovation is critical to profitable growth in specialty chemicals

- Leading in innovation
- Open & performance-oriented culture
- Portfolio: more balanced and more specialty
Our foundation is good: how much we spend

R&D expenditures and R&D rate

<table>
<thead>
<tr>
<th>Year</th>
<th>R&amp;D expenditures [millions of €]</th>
<th>R&amp;D/sales [%]</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>451</td>
<td>3.3</td>
</tr>
<tr>
<td>2016</td>
<td>456</td>
<td>3.6</td>
</tr>
<tr>
<td>2017</td>
<td>476</td>
<td>3.3</td>
</tr>
<tr>
<td>2018</td>
<td>459</td>
<td>3.1</td>
</tr>
</tbody>
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+1.8%

Starting in 2018, includes costs for Corporate Innovation; adjusted values for 2015 – 2017
Innovation strategy: how we’re thinking ahead

Our mission

Leading in innovation

### Linking innovation with customer proximity
- Efficient, global
- Targeted and fast
- Close to the customer
- Working with the customer

### Focusing on innovation growth fields
- Integrated within Evonik’s growth engines
- Targets for issues and markets that are new to Evonik
- Nucleus for medium- and long-term sales growth

### One step ahead of social developments
- Open, sustainable, digital
- Anticipating long-term customer expectations
- Venture capital
- Corporate Foresight
Innovation growth fields:
what we emphasize

Growth engines
- Health & Care
- Smart Materials
- Animal Nutrition
- Specialty Additives

Innovation growth fields
- Advanced Food Ingredients
- Additive Manufacturing
- Sustainable Nutrition
  - Cosmetic Solutions
  - Membranes
  - Healthcare Solutions

Over €1 billion by 2025
Additional sales from all six innovation growth fields
High-quality algae oil for salmon farming

- Veramaris is a joint venture between Evonik and DSM
- Makes sustainable growth possible in the aquaculture industry
- Biotechnology route to omega-3 fatty acids EPA and DHA based on renewable raw materials
- New facilities dedicated with production to begin mid-2019
SEPURAN®

Hollow-fiber membranes for efficient gas separation

- Highly efficient, innovative gas separation solutions
- Became a global provider in less than 10 years with more than 300 references
- Strategic partnerships with leading system integrators such as The Linde Group