A close-up, low-angle shot of a car's headlight, showing the intricate lens and internal components. The car's body is white and highly reflective, with bright highlights from overhead lights. The headlight is positioned on the left side of the frame, angled towards the viewer.

How we're bringing innovation to the streets

Ulrich Küsthardt
March 26, 2015, Wesseling



EVONIK
INDUSTRIES

Our target destination: Excellence in innovation



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

Explore new horizons
Push radical innovations
Cross-organizational collaboration

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

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

>4

Billion euros for R&D over the
next 10 years

3.2

% R&D rate

>25,000

Patents and patent
applications
(new applications ~250)

2,600

Employees at 35 sites

What drives us: Megatrends



Health



Nutrition



Resource efficiency



Globalization

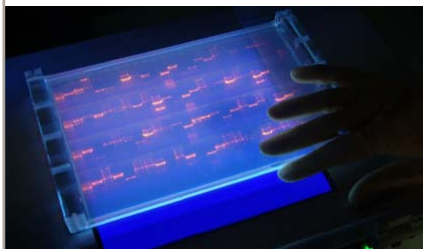


What we drive: Our areas of innovation



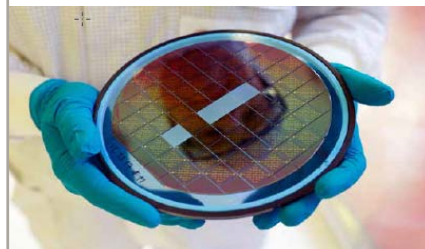
Technologies

Biotechnology



Growth areas

Materials for electronics



Food and feed additives



Medical technology



Catalysis



Membranes



Composites



Cosmetics ingredients



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

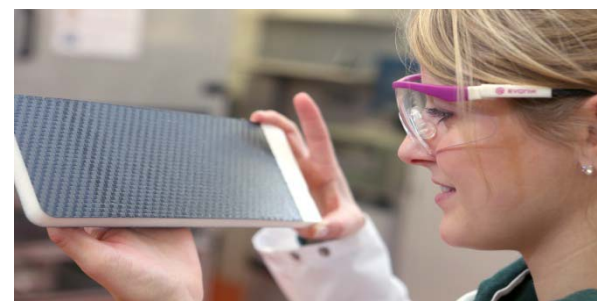
Hybrid polymer systems

for making composites more suitable for
mass production

Direct investments

Nanocomp, Biosynthetic Technologies,
Algal Scientific

Venture capital
(€100 million over the
medium term)



The road we're taking to explore new territory



Establishing competence platforms

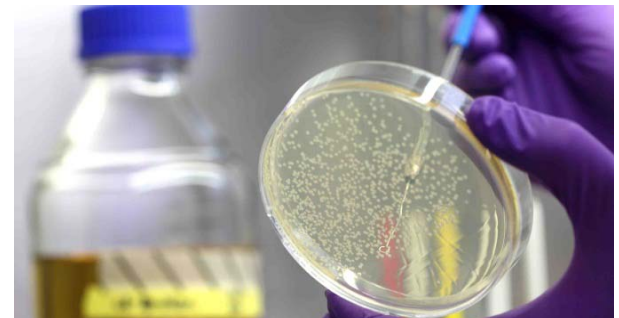
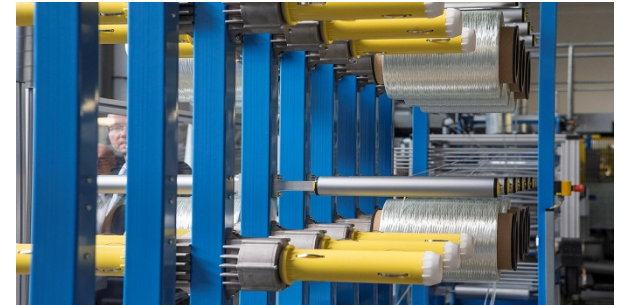
- Medical Devices Project House launched in the US
- Pilot plant operations began at the Composites Project House
- Light & Electronics Project House successfully established in Taiwan

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)





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