

Evonik Establishes Energy Efficiency Center

September 26, 2008

- S2B Eco² begins on October 1 with 21 projects
- Additional research funds of more than €50 million for the period up to 2013
- Alfred Oberholz, member of Evonik's Executive Board:
 "We have an idea of the future."

Essen/Marl. Evonik Industries is establishing a center for energy efficiency. The new Eco² Science-to-Business Center (S2B Eco²) opens at the Marl site on October 1. From now to 2013 alone, the Essen-based industrial group will invest an additional sum exceeding €50 million for this purpose. Together with the budgeted subsidies, the total investment will be in the high double-digit million-euro range. The initial portfolio of the new center comprises 21 attractive research projects focusing on energy efficiency and climate protection. "Evonik has already successfully developed intelligent solutions for resource conservation and climate protection. We have an idea of the future. Our new research center will be a catalyst for translating ideas into market-ready products and services," said Dr. Alfred Oberholz, member of the Executive Board of Evonik Industries AG.

The new research center pools the Group's energy efficiency and climate protection expertise, initiating development projects that extend across more than one business unit or business area. S2B Eco² covers five fields: CO₂ separation and utilization, energy generation, energy storage, solutions for improving energy efficiency for customers, and pools for increasing energy efficiency in Evonik processes.

"What we claim to do is translate the latest scientific knowledge rapidly and efficiently into successful products," said Oberholz, adding that Evonik's S2B concept satisfies this claim, thanks to the vertical integration of all research and development activities under a single roof. Under this concept, user industries as well as academic institutions are involved in development, and the focus lies more on the product in question, its application, and the underlying market. In the words of Oberholz, "Today, we have to see at the earliest stage of an innovation

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Registered Office: Essen Local Court: Essen Commercial Register B 19474

Press release



what business opportunities it will open." The new research center has created some 50 jobs at Evonik and additional jobs for its partners.

Evonik already occupies a leading market position in innovative energy supply and storage and in efficient utilization of energy. In Duisburg, Germany, the Essen-based industrial group is currently building Europe's most advanced coal-fired power plant. It is a leader in generating power from biomass and geothermal sources, too, and its Chemicals Business Area offers leading products and technologies; the portfolio includes the latest generation of large-volume lithium-ion batteries as well as components for low-rolling-resistance tires and processes for cost-effectively producing solar silicon for the photovoltaics industry.

"With our research center for energy efficiency, we're now going a step further and entering areas such as CO₂ separation and utilization," explained Dr. Stefan Nordhoff, head of the Science-to-Business Center Eco². "In close collaboration with the Group's business and service units, we will press ahead with commercially attractive projects with high potential for reducing CO₂ emissions, and bring these to market readiness." Following an intensive evaluation process, Evonik has selected 21 projects for the initial portfolio from a total of 230 project proposals. This includes projects in the following areas.

- CO₂ separation: use of customized absorbents for the partial absorption of CO₂ from flue gases, with the CO₂ reused as a raw material for chemical products;
- power generation: a cost-effective process that can be used decentrally for enriching methane from biogases and feeding it into the natural gas grid;
- power storage: regulation systems that take advantage of the strengths of innovative storage technologies such as the lithiumion battery as much as possible, allowing energy harnessed from the wind or the sun to be used more efficiently;
- solutions for improving energy efficiency for customers: development of systems for buildings that intelligently combine the functions of insulation and energy generation; and
- increasing energy efficiency in Evonik processes: 700 degree technology for coal-based power generation, with an efficiency exceeding 50 percent.

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"We will regularly monitor the prospects of success of this project portfolio, add new and attractive project ideas to the pipeline, and terminate projects whose chances of success turn out to be too low," explained Nordhoff. The introduction of a Group-wide standard for lifecycle assessments, which will make it possible to evaluate the CO₂ savings potential and resource efficiency of Evonik's current operations and its research and development projects over their entire lifetime, is also planned.

Creavis Technologies & Innovation, in which Evonik pools its strategic research and development efforts, manages the S2B centers. Having launched S2B Eco², Evonik now operates three S2B centers, all at the Marl site. The Nanotronics S2B Center develops system solutions based on nanomaterials for the electronics industry, while the Biotechnology S2B Center develops new biotechnological products and processes based on renewable raw materials.

Company information

Evonik Industries is the creative industrial group from Germany which operates in three business areas: Chemicals, Energy and Real Estate. Evonik is a global leader in specialty chemicals, an expert in power generation from hard coal and renewable energies, and one of the largest private residential real estate companies in Germany. Our strengths are creativity, specialization, continuous self-renewal, and reliability. Evonik is active in over 100 countries around the world. In its fiscal year 2007 about 43,000 employees generated sales of about €14.4 billion and an operating profit (EBITDA) of more than €2.2 billion.

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