

Launch-Event**Evonik European Science-to-Business Award****Dr. Alfred Oberholz, October 17th 2007**

October 17, 2007

- The spoken word shall prevail -

Evonik Industries is looking for superstars! We are all familiar with the superstars of the music world, from Beethoven and Mozart to the Beatles and Madonna. This evening, however, we are not looking for music superstars, but for science superstars. You might be wondering what the superstar Madonna and the new science superstar have in common. Both have an impact on society, both have courage, and both are a little bit ahead of their time.

Ladies and gentlemen,

I would like to warmly welcome you all here this evening at the Sheraton Hotel for the launch of the second Evonik European Science-to-Business Award. The award will be presented in 2008 and is directed this time at young and talented researchers in the field of white biotechnology.

Allow me, if you will, to say a few brief words about our company's new name, Evonik Industries: Out of the three operational units – Degussa, STEAG, and RAG Real Estate – and the RAG Group Holding, we have created a new industrial group. Over the past three years we have followed our strategy with decisiveness and great commitment, completely overhauling our company and giving it a modern, efficient structure in which 14 business units are directly managed by corporate. Our new name, Evonik, signifies the birth of a new and modern industrial group with a bright future. We have excellent positions in our three business areas -- chemicals, energy, and real estate -- and are active in attractive growth markets and clearly oriented toward creating value. And we are now ready for the next step, which is to go to the capital markets in the first half of 2008.

The chemicals industry has a great responsibility not only to business and to science, but also to young talent. I can assure you that Evonik Industries takes this responsibility seriously and we want to do our part to motivate young talent and build bridges between research and business. One individual who has already built bridges between research

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and business is the President of the “Donors’ Association for the Promotion of Sciences and Humanities in Germany”, Dr. Arend Oetker. We are happy he has agreed to become the patron for the Evonik European Science-to-Business-Award. As Dr. Oetker is not able to take part in today’s festivities, we will be showing you a videotaped message later that was recorded earlier.

Ladies and gentlemen,

Why does Evonik think it is important to sponsor such an award? If research is the power to create knowledge from money, then innovation is the power to create money from knowledge. As we see it, one of our jobs is to make money available for research, in order to transform money into knowledge. But we have really only achieved our aim when research results in innovation, in other words, when knowledge is successfully transformed into money.

The European Science-to-Business Award is an initiative of Evonik Industries. The prize we are announcing today combines €100,000 in prize money with a management coaching program. The award gives young scientists in Europe the chance to transform €100,000 into knowledge – and the knowledge gained back into money.

The contest Evonik is sponsoring is open to top researchers up to 38 years of age, working alone or in a team with up to three participants, who can demonstrate excellent results at a European research facility in the area of white biotechnology. The deadline for submissions is March 31st, 2008.

With the announcement of the Lisbon Strategy, the EU committed itself to becoming the most competitive and dynamic knowledge-based region in the world. There remains much to be done if we wish to achieve this goal. The dialogue we are promoting between science and business is just one of the ways we are striving for this goal. Whether this dialogue is successful will also depend on the support of government and society.

Government has already done much to demonstrate their support. In the first half year of 2007, Germany held the EU presidency and was thus in a good position to support efforts recognizing the importance of innovation. Innovation requires a legal framework which allows sufficient latitude and does not stifle it by over-regulation. Progress *is* being made,

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and European politicians are picking up the pace. An excellent example is the 7th Framework Program for European research, launched earlier this year. This is the largest framework program ever to be established with a budget of € 54 billion over seven years. A significant contribution was made to the program content by the “SusChem” technology platform in which Evonik is also active. In this connection, I would also like to extend a friendly welcome to those of you in the audience who are taking part in the “Renewable Raw Materials” symposium next door.

In Germany the Federal Ministry for Education and Research also makes funding available that creates incentives for science and business to work together. Working together with CLIB, the “Industrial Biotechnology Cluster 2021” we developed a winning concept that enabled us to bring a share of that federal funding to North-Rhine Westphalia. CLIB, for which Evonik has the coordinator role, brings together 32 well-known companies, universities, and research institutes in the search for cost- and energy-saving processes.

A wonderful example of how business, science and government need to work together in order to achieve success, is our “Bio” Science-to-Business Center in Marl/NRW, which receives state and federal funding here in Germany and is co-financed by the European Union. Research is currently being conducted on bio-products such as drug delivery systems to deliver active ingredients in medicines, and gentle ingredients for lotions and creams. Other research focuses on bioprocesses to produce pharmaceutical-grade amino acids for intravenous solutions, amino acids for animal feeds, as well as special building blocks for medicines.

But the triangle of science, business and government can only work its magic if it is supported by society. And society often reacts to innovation with skepticism. You know as well as I do that innovation requires courage. We must reward that courage. This is an area where we see a lot of room for improvement. And now I would like to describe briefly to you some examples that show that courage can bring rewards – especially in the field of white biotechnology.

Why does white biotechnology in particular have the potential to ensure the competitiveness of the European chemicals industry?

Experts predict that by the year 2010 between 10 and 20 percent of all chemical products will be produced using biotechnology processes. In

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the year 2000 it was just five percent. Especially high growth rates are expected in biotechnology as a part of specialty chemistry. There, the portion of products produced using bioprocesses was 15 percent at the beginning of this century and is expected to reach 30 percent by the year 2010. As you can see, the potential is breathtaking.

Ladies and Gentlemen, the subject of white biotechnology is indeed highly technical and complex. We feel it is important to communicate on this topic in ways that everyone can understand, not only the obscure technical language of experts among themselves.

Our goal in giving this award in 2008 is to come together in Europe to make use of the unique opportunities of white biotechnology and to make its overall potential clearer to the broader public. And for that we need an interactive dialogue between science, business, government and society.

Ladies and gentlemen,
We don't want to give an award without a jury, particularly as the members of our jury are passionate about science and chemistry. We are happy to have a member of the jury here this evening: Professor Wim Soetaert from the Gent University here in Belgium. I would like to extend a warm welcome to you, Professor Soetaert.

And if you would like to know if courage is rewarded, then you can ask the winner of our last award, Prof. Russel Cowburn, whom I am also delighted to welcome here this evening.

We are pleased to announce that three prestigious partners are joining us here tonight: The Financial Times Deutschland, acatech – the German Academy of Technical Sciences and the University of Sankt Gallen. All three of them will support the spirit of the Evonik Science-to-Business Award 2008.

Ladies and Gentlemen, I would like to conclude by returning to my opening remarks: Evonik is looking for superstars! We have come together this evening to search for the brave superstars of science—with an eye to the business potential of innovation. Our superstars have great potential, for white biotechnology is one of the great key technologies for the chemical industry.

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So now, I would like to declare the call for submissions for the European Science-to-Business Award officially open.
Let's be a little bit ahead of our time and create first knowledge from money, and then money from knowledge.

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