Press release

Renewable Carbon Initiative (RCI) <u>www.renewable-carbon-initiative.com</u> Hürth, 8 April 2021



Renewable Carbon Initiative (RCI) draws worldwide attention

From international brands to leading chemical and bioeconomy companies to innovative start-ups for CO₂ utilisation, companies are collaborating to guide a smart transition from fossil carbon to renewable carbon

For the first time since the industrial revolution, technology allows us to decouple the chemical, plastics, fibre and other material industries from the use of fossil carbon. This describes a fundamental game changer, which inherits the potential for significant impact on climate protection, since most of the embedded carbon in global commodities and consumer goods finds its way into the atmosphere.

The last few decades have given rise to multiple technological pathways to completely replace fossil carbon with sources of renewable carbon: biomass, direct CO₂ utilisation (from industrial flue gases or the atmosphere), and recycling. The renewable carbon strategy provides companies a framework for future investments by creating sufficient space to operate. It also provides a strategic direction to be freed from fossil carbon dependency, ultimately eliminating fossil carbon utilisation altogether. This material transformation is driven by international brands and start-ups, initiated and conducted by German nova-Institute.

While for decades the focus in climate protection has been predominantly placed on the energy sector, a more holistic approach including the renewable carbon strategy has also been positively received outside of the chemical and material industries. In December 2020, the Bioenergy International Journal pointed out, that the International Energy Agency recently highlighted 'blind spots' of the global energy system. The journal highlights the importance of petrochemicals, their prevalence in everyday products and their required use to manufacture many parts of the modern energy system [...]. The Renewable Carbon Initiative (RCI) addresses the core problem of climate change, which is largely related to extracting and using additional carbon from the ground." The more we extract from under the ground, the more we are adding to the problem above the ground.

Hence, the growing interest from various key sectors is hardly surprising with an increasing number of companies and partner associations joining the RCI, which was only recently founded in September 2020. Together with nova-Institute, the board members of eleven pioneer companies set the path of the initiative, keeping decision-making processes lean and management efficient. The RCI is jointly directed by all members, for example through participation in thematic working groups. This facilitates the exchange of knowledge and experiences and allows members to bring their own proposals to the table, to address matters that concern them the most, and discuss them in the community. Currently, RCI is aiming at

fostering networks among its members and building new value chains to replace fossil carbon by biomass, CO₂ utilisation and recycling.

Since its launch, the initiative has been busy raising awareness and reaching out to industry, policy and the public. Besides creating a webpage with comprehensive information and press releases on current policy issues such as the European Green Deal, the RCI regularly holds public webinars to address questions around renewable carbon. (www.renewable-carbon-initiative.com/events/).

More background and position papers to promote and push for the renewable carbon strategy will be published soon as well as a cartoon as a playful option for sharing and understanding the renewable carbon message. Moreover, the development of a label for products that use renewable carbons is on its way, as is the establishment of an online renewable carbon community. A growing number of working partnerships with other stakeholder organisations like CO₂ Value Europe or Textile Exchange as well as participation in events such as the "Renewable Materials Conference" have already been established and further joint activities are under development. In summary, the RCI's activities reflect the needs of its members: awareness raising for renewable carbon, lobbying for the strategy, networking and building new value chains to replace fossil carbon by biomass, direct CO₂ utilisation and recycling.

Michael Carus, CEO and the "renewable carbon head" at nova-Institute, commented on the rapid success of the initiative: "Nothing is more powerful than an idea whose time has come. I can't explain the success any other way. It was obvious that the embedded fossil carbon had to come into focus in the world of chemistry and materials now that there are far-reaching strategies for the energy sector. For two reasons: with the increasing decarbonisation of the energy sector, the GHG emissions of material use are becoming increasingly visible and relevant. Moreover, the chemical and plastics industry in particular needs a sustainable strategy that gives it enough leeway to become an accepted part of the future again. The time is right and new companies are joining the Renewable Carbon Initiative every month, so we see a strong momentum and are happy that the members seem to be very satisfied with our leadership."

Don't just take our word for it, here are some statements from the board members:

Olaf van Baal from Cosun Beet Company (NL) agrees that it is the right time for such a strategy: "We should use the existing momentum of the RCI to push forward" and "It really supports our vision that biomass and more specifically sugar beets are a great source of renewable carbon to make the chemicals and materials of the future more sustainable. Working together on this we can really contribute to the challenge of climate change."

Christian Hässler from Covestro (DE) finds the RCI "very creative and refreshing, the RCI stands out from other initiatives!". He especially appreciates the open discussion culture and the advocacy for a faster transition towards utilisation of carbon from renewable sources in the industry.

Sean Simpson from US start-up LanzaTech underlines this point: "RCI is the first outcome focused industry group ever".

Josef Innerlohinger from the Lenzing Group also fully supports the strategy: "Renewable carbon is a broadly applicable concept that shows many options. It is gaining awareness, spreading. Biomass cannot do everything. We need an overarching carbon management".

Michael Costello from the company Stahl (NL) says, "the RC concept is well received by customers, it is easy to communicate. And the mix of members is fantastic from big brands, SMEs to start-ups".

And Lars Börger from NESTE (FI) hopes to achieve decarbonisation in the chemical and material industries with the initiative: "We hope to achieve that the term "renewable carbon" will be used more broadly, like the success story of "renewable energy". But of course, we need to address which source of renewable carbon is right for each local need. It is absolutely correct to stop using fossil carbon, but at the same time we have to find the best solution from within the set of feasible technologies that allow us to stop using fossil carbon. So, we always need to consider all the pieces to find the best solution for each purpose."

Finally, Christopher vom Berg from nova-Institute states his ambitious goal for the initiative: "The medium-term goal is to enlarge the initiative to more than 100 members from all business areas to drive transformational change across value chains and develop strategy, raise awareness, implement specific projects, increase networking, and push towards the creation of new value chains. So far, most members come from Europe. But we see this evolving, with several companies from the US already on board and first companies from Asia inquiring. The need for comprehensive reforms is universal, the chemical industry is changing worldwide."

For all companies interested in embarking on the journey to renewable carbon, the door is wide open to become a member of the RCI and participate in shaping the future direction and upcoming activities of the initiative. Interested parties are invited to request a video chat with Michael Carus or Christopher vom Berg from nova-Institute, who are leading the initiative together, to discuss any questions, issues and details on how to become a member. Join us in forming the future of the chemicals and materials sector!

More information at www.renewable-carbon-initiative.com

Previous press releases <u>www.renewable-carbon-initiative.com/media/press</u>:

- Renewable Carbon Initiative (RCI) supports the European Green Deal, but calls for an extension to the material sector through a comprehensive renewable carbon strategy (November 2020)
- World market leaders take climate protection seriously: New initiative to replace fossil
 with renewable carbon wants to change the foundation of the chemical industry
 (September 2020)

Disclaimer

RCI members are a diverse group of companies, institutions and associations addressing the challenges of the transition to renewable carbon with different approaches. The opinions expressed in this press release may not necessarily reflect the policies and views of all RCI members. The RCI is not responsible for any use that may be made of the information it contains.

The Renewable Carbon Initiative (RCI) was founded in September 2020 by eleven leading companies from six countries under the leadership of nova-Institute (Germany). The aim of the initiative is to support and speed up the transition from fossil carbon to renewable carbon for all organic chemicals and materials. www.renewable-carbon-initiative.com

Find all press releases of the Renewable Carbon Initiative (RCI), visuals and more free-for-press purposes at www.renewable-carbon-initiative.com/media/press

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