

Press Release



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Growing portfolio based on alternative resources for regional markets

Covestro to start offering mass-balanced TPU in Asia Pacific in second half of 2022

- **Production of mass-balanced thermoplastic polyurethanes with reduced carbon footprint**
- **Products start to be available in Asia Pacific after European launch**
- **Taiwan site expected to be ISCC Plus certified in first half of 2022**

As part of efforts to foster the circular economy, [Covestro](#) is continuing to forge ahead with the expansion of its product portfolio based on alternative resources. As such, the company's product range in Asia Pacific will be expanded to include mass-balanced thermoplastic polyurethanes (TPU) in the second half of 2022, following the launch in the European markets.

The new products are produced using bioattributed or bio-circular attributed (e.g. used cooking oil) raw materials and have a reduced carbon footprint compared with their fossil-based counterparts. At the same time, the mass-balanced products boast the same impressive quality and properties and can be integrated directly into manufacturing processes in downstream industries without technical modifications. In this context, the products are to be certified according to the ISCC Plus standard.

"Asia Pacific is the most dynamic and fastest-growing region for our TPU products used in industries including IT, electronics, footwear, films and sheets and many others. We are looking forward to creating value for our customers here with more sustainable products including the mass-balanced TPU, directly from our production sites in the region," said Dr. Andrea Maier-Richter, global head of the TPU business at Covestro.



"I am thrilled that we will soon be able to help our customers in Asia Pacific reduce their carbon footprint with this drop-in solution on the heels of our global footprint," said Lisa Ketelsen, head of Sales and Market Development and regional head for Covestro's TPU business in Asia Pacific. "With the ISCC Plus certification, we aim to achieve more transparency from raw material purchasing to our production and distribution to customer use. This is an important step in achieving our vision of becoming fully circular."

Extensive range of more sustainable TPU plastics

Covestro has already launched various TPU products based on alternative resources over the past few years, as more and more consumers prefer more sustainable products. Outdoor outfitter VAUDE, for example, uses a foam midsole made partly from bio-based TPU in its new Lavik Eco hiking boot. Other product types contain a component that is manufactured proportionately using CO₂ instead of fossil raw materials. Covestro's range of Desmopan® brand TPU plastics also includes a range of fully recycled products. They are used, for example, in smartphone cases from the Dutch manufacturer Fairphone.

Thermoplastic polyurethanes are very versatile plastics. They come in a variety of hardness ranges, are flexible yet impact resistant, and are therefore highly suitable for a wide range of applications.

Mass balancing creates transparency

Supplying mass-balanced products is part of Covestro's comprehensive global program designed to fully align itself with the circular economy. In doing so, the company is focusing on increasing the use of alternative resources such as bio-based materials, plastic waste and CO₂, as well as renewable energies. The company is also collaborating with partners to develop innovative recycling technologies.

In mass balancing, fossil and alternative raw materials are mixed in production but treated separately in accounting. The chain-of-custody method enables materials to be tracked along the entire value chain and allows alternative resources, such as bioattributed components, to be allocated to selected end products. To date, three Covestro production sites in Europe and Asia-Pacific have been certified in compliance with the ISCC Plus standard, with more sites to follow. That would include the Changhua site in Taiwan, Covestro's largest TPU production site in Asia, expected to be certified in the first half of 2022.

ISCC ("International Sustainability and Carbon Certification") is an internationally recognized system for the sustainability certification of biomass and bioenergy. The standard applies to all stages of the value chain and is recognized worldwide.



About Covestro:

With sales of EUR 10.7 billion in 2020, Covestro is among the world's largest polymer companies. Business activities are focused on the manufacture of high-tech polymer materials and the development of innovative, sustainable solutions for products used in many areas of everyday life. In doing so, Covestro is becoming fully circular. Its main customers are the automotive and transport industries, the construction industry, the furniture and wood processing industries, and the electrical, electronics, and household appliance industries. Other sectors include sports and leisure, cosmetics, healthcare and the chemical industry itself. As of the end of 2020, Covestro produces at 33 sites worldwide and employs around 16,500 people (converted to full-time positions).

Forward-looking statements

This press release may contain forward-looking statements based on current assumptions and forecasts made by Covestro AG management. Various known and unknown risks, uncertainties, and other factors could lead to material differences between the actual future results, financial situation, development, or performance of the company and the estimates provided here. These factors include those discussed in Covestro's public reports. These reports are available at www.covestro.com. The company assumes no liability whatsoever to update these forward-looking statements or to make them conform to future events or developments.