Alternative resources

**Covestro expands portfolio of circular TPU products**

* **Growing product portfolio based on alternative resources**
* **Production of mass-balanced thermoplastic polyurethanes with reduced carbon footprint planned**
* **Availability in Europe expected from early 2022, later also in Asia**

As part of its program aimed at realizing 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 Europe is to be expanded to include mass-balanced thermoplastic polyurethanes (TPU) from as early as the beginning of 2022, and in Asia at a later date.

The new products are produced using bioattributed raw materials and have a reduced carbon footprint in comparison to 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.

"I am thrilled that we will soon be able to help our customers in the electronics, footwear, automotive and other industries reduce their carbon footprint with this drop-in solution," said Dr. Andrea Maier-Richter, global head of the TPU business at Covestro. "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. Covestro is offering a [webinar](https://us02web.zoom.us/webinar/register/WN_-018JjuSQauq1ZsUNm7JRg) on this topic on October 28 as part of its CE Days event series. Outdoor outfitter VAUDE, for example, plans to use a foam midsole made partly from bio-based TPU in its new Lavik Eco hiking boot. Other product types contain a component that has been 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 hardnesses, 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, a total of three Covestro production sites in Europe and Asia-Pacific have been certified in compliance with the ISCC Plus standard, with further sites to follow.

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.