Mass-balanced low-carbon materials

**Press Release**

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Covestro and Silan help Xtep to create its first low-carbon running shoe concept

* Covestro is exploring low-carbon solutions for sports shoes using mass-balanced MDI, TDI, TPU, and other functional materials
* Each concept running shoe can reduce carbon emissions by more than 80 percent, with plans to officially launch next year

At the fifth China International Import Expo (CIIE), [Covestro](http://www.covestro.com) signed a letter of intent with leading sports brand, [Xtep](https://en.xtep.com/), and its strategic partner, [Silan Group](http://www.silangroup.com/), to jointly explore the development of mass-balanced products for the production of low-carbon and running shoes. Following the successful development of Xtep’s first low-carbon concept running shoe, the three parties will continue to explore sustainable solutions for mass-balanced materials in sports shoes, further promoting a circular economy.

The innovative low-carbon running shoe is produced using Covestro’s ISCC PLUS certified Desmodur® CQ MDI and TDI – both key polyurethane precursors – and Desmopan® CQ thermoplastic polyurethane (TPU). Compared to products using traditional fossil-based raw materials, each concept running shoe can reduce carbon emissions by more than 80 percent. The running shoe concept will be mass-produced and launched in 2023, and Xtep is further planning to apply Covestro mass-balanced materials to additional categories and products in 2024.

In the mass balance approach, raw materials derived from biomass or biogenic wastes or residues are introduced at an early stage of raw material extraction and mathematically attributed to the finished products. This process reduces the use of fossil-based raw materials, thereby reducing greenhouse gas emissions.

John Dou, Vice President of MDI sales for Asia Pacific at Covestro’s Performance Materials segment, said: “Mass-balanced polyurethane materials such as MDI, TDI, and TPU offer broad prospects for application. Covestro is committed to working with partners across all parts of the industry chain to explore applications in various fields and scenarios, while actively providing customers with low-carbon solutions that create value and promote the sustainable development of the industry.”

Edwin Wu, Head of Sales and Market Development of Covestro’s Thermoplastic Polyurethanes segment in Greater China, said: “The successful development of Xtep’s low-carbon running shoe demonstrates the excellent performance of mass-balanced Desmopan® CQ TPU products when it comes to multifilament mesh fabrics, shoe uppers, midsoles, and supporting pieces. Covestro looks forward to working with more value chain partners to develop more sustainable TPU solutions.”

As one of the primary sports brand sponsors of marathon events in China, Xtep is dedicated to operating at “China Speed” in terms of its environmental protection strategy. Its low-carbon concept running shoes are lighter, more wear-resistant, and more breathable than competitors therefore ensuring comfort and performance, thanks to the use of Covestro’s ISCC PLUS verified TPU in the upper and midsole structure. This material application helps Xtep create its very first low-carbon marathon shoes and achieve goals towards sustainability.

“I am incredibly pleased to see that Xtep is working with Covestro and Silan to explore the field of low-carbon, and high-performance materials, which is consistent with the sustainable development goals of all parties involved,” said Tian Zhong, CEO of Xtep brand. “Xtep will continue to work on solutions that promote its carbon neutral ambitions and address consumers’ rising environmental awareness. The signing of this project agreement highlights our expectations for a brighter and more sustainable future.”

“Silan is proud to join hands with Covestro and Xtep Group to explore the innovative development and application of mass-balanced materials in the field of sports shoes,” said Ding Zongyin, Chairman of Silan Group. “This agreement has further deepened our 20-year strategic partnership with Covestro, and is significant in both promoting the development of a circular economy and achieving China’s carbon neutral ambitions.”

With the theme of “Together for a climate-neutral future”, Covestro’s exhibition at CIIE 2022 will demonstrate the company’s leadership in the circular economy through its advanced materials, solutions, technologies, and partnerships, as well as its commitment to promoting sustainability across multiple key industries.

**About Silan:**

Silan Group is located in Jinjiang, Fujian Povince, China, the hub of the world's sports shoe industry. It is a large-scale enterprise composed of Xiamen Silan Investment Co., Ltd., Jinjiang Import and Export Co., Ltd., and Silan Financial Holdings Co., Ltd. with diverse operations covering domestic and foreign trade, shoe material, finance, logistics and manufacturing. It has established a comprehensive industrial park of nearly 600 acres in Jinjiang, dedicated to providing many well-known Chinese brands and SMEs with efficient supply chain services.

**About Xtep:**

Xtep Group Co., Ltd., a leading sportswear company in China, was founded in 1987 and established the Xtep brand in 2001. The company was listed on the Main Board of the Hong Kong Stock Exchange on June 3, 2008 (1368.HK). In 2019, Xtep acquired several international brands overseas to become a multi-brand and multinational company. In about 30 years, Xtep has become China’s leading sportswear company with a diversified portfolio including internationally acclaimed brands such as Saucony, Merrell, K-Swiss and Palladium.

**About Covestro:**

Covestro is one of the world’s leading manufacturers of high-quality polymer materials and their components. With its innovative products, processes and methods, the company helps enhance sustainability and the quality of life in many areas. Covestro supplies customers around the world in key industries such as mobility, building and living, as well as the electrical and electronics sector. In addition, polymers from Covestro are also used in sectors such as sports and leisure, cosmetics and health, as well as in the chemical industry itself.

The company is committed to becoming fully circular and is striving to become climate neutral by 2035 (scope 1 and 2). Covestro generated sales of EUR 15.9 billion in fiscal 2021. At the end of 2021, the company had 50 production sites worldwide and employed approximately 17,900 people (calculated as full-time equivalents).

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