



Press Release

Shanghai,
November 16, 2023

Covestro (Shanghai)
Investment Co., Ltd.
Communications
25/F, Bldg 5, Crystal Plaza
36 Pingjiaqiao Rd
Shanghai, China

Contact
Richard Fu
Telephone
+86 21 8020 8452
Email
Richard.Fu
@covestro.com

Coatings and Adhesives

Contact
Meilly Yang
Telephone
+86 21 8020 8073
Email
Meilly.Yang
@covestro.com

A further step towards circular economy future

Covestro to launch mass-balanced PUDs in the Asia Pacific market

- **Low-carbon-footprint PUDs with up to 80 percent alternative raw materials¹ based on solids**
- **Drop-in solution with identical technical properties from batch to batch**
- **Offering starts from Q1 2024**

Covestro is set to introduce low-carbon-footprint polyurethane dispersions (PUDs) into the Asia Pacific market, commencing in the first quarter of 2024. These PUDs, supplied from Covestro Integrated Site Shanghai (CISS) in China, boast up to 80 percent alternative raw materials based on solids. Target applications include automotive interior adhesives, shoe adhesives, consumer electronics coatings, and various emerging sectors. Because of their wide use, they contribute to reducing the carbon footprint across value chains, supporting a transition towards a circular economy.

The low-carbon-footprint PUDs contain alternative raw materials derived from bio waste and residues, and their attribution is achieved through the mass balance approach. Mass balance is a chain of custody method that allows for the mixing of fossil and alternative feedstock during production but separates them in bookkeeping. The materials are tracked through the value chain and are finally attributed to selected end products with an accounting process certified to ISCC PLUS. CISS received its ISCC PLUS certification in 2021.

As a seamless drop-in solution, mass-balanced PUDs facilitate a smooth transition from fossil-based to circular solutions without altering existing processes or technologies, thus ensuring consistent product quality and properties for customers.

“As our sustainable product portfolio grows, Covestro reinforces its capability to assist customers and partners in transitioning to a circular economy. We aim to address the rising demand for more sustainable PUDs in Asia while fortifying capabilities and innovating for a global customer base,” said Anand Khot, Senior Vice President of Coatings and Adhesives in Asia Pacific, Covestro.

With a proven track record in supplying mass-balanced products and bio-based products globally, Covestro is fully equipped to deliver more sustainable materials

¹ The percentage of alternative raw materials based on solids depends on the specific product and application and may vary significantly.



with the “CQ” label for coatings and adhesives, including PUDs, waterborne acrylics or polyesters, among others, to the Asia Pacific market. Products labelled as such consist of at least 25 percent alternative, non-fossil raw materials.

Moreover, Covestro is intensifying efforts to source more renewable energy to power its production sites. This will help expand its portfolio of sustainable coating and adhesive solutions. Notably and thanks to several Power Purchase Agreements, renewable power already accounts for about 45 percent of CISS’s electricity consumption.

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 18 billion in fiscal 2022. At the end of 2022, the company had 50 production sites worldwide and employed approximately 18,000 people (calculated as full-time equivalents).

Find more information at the [Covestro Homepage](#).

Read our [Corporate Blog](#).

Follow us on the Covestro Social Media Channels:    

Forward-looking statements

This news release may contain forward-looking statements based on current assumptions and forecasts made by Covestro AG. 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 given here. These factors include those discussed in Covestro’s public reports which are available at www.covestro.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.