



BOREALIS
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Press Release

Leverkusen/Vienna/
Espoo,
October 20, 2020

Covestro AG
51365 Leverkusen
Germany

Contact
Dr. Frank Rothbarth
Telephone
+49 214 6009 2536
E-mail
frank.rothbarth
@covestro.com

Borealis AG
1220 Vienna
Austria
Contact
Virginia Mesicek
Telephone
+43 1 22 400 772
E-mail
virginia.mesicek@borealisgroup.com

Neste Corporation
02150 Espoo
Finland
Contact
Neste's media service
Telephone
+358 50 458 5076
(weekdays between
8.30 a.m. and 4.00 p.m.
EET)
E-mail
media
@neste.com

Next milestone in the strategic cooperation of Neste, Borealis and Covestro for the use of alternative raw materials

Covestro receives first supply of certified renewable phenol for polycarbonates from Borealis

- **Neste produces ISCC Plus certified 100 percent bio-based hydrocarbons from renewable raw materials**
- **Borealis uses hydrocarbons from Neste for manufacture of ISCC Plus certified phenol**
- **Covestro receives supply of 1,000 tons of renewable phenol from Borealis**

As part of a strategic collaboration, [Covestro](#) received a first delivery of 1,000 tons of renewable phenol from [Borealis](#), produced with renewable hydrocarbons from [Neste](#). Neste produces these ISCC Plus certified hydrocarbons (ISCC: International Sustainability and Carbon Certification) entirely from renewable raw materials. The hydrocarbons are then converted into ISCC Plus mass balance certified phenol by Borealis and finally used by Covestro to produce the high-performance plastic [polycarbonate](#) – as a replacement for part of the phenol previously manufactured from purely fossil resources. Polycarbonate is used in car headlights, automotive glazing, LED lights, electronic devices as well as other applications.

"With this first supply, we are once again underlining our commitment to the increased use of alternative raw materials. In this way, we are recycling carbon and are driving the circularity forward, which must become the new global guiding principle," says Covestro's CEO Dr. Markus Steilemann. "By cooperating with upstream partners such as Neste and Borealis, we are showing how a sustainable value chain can work."



“We are delighted to see our renewable feedstock helping Covestro to achieve this new milestone. It highlights the drop-in nature of our product replacing fossil crude and its fit for a continuously increasing number of demanding applications,” says Peter Vanacker, President and CEO of Neste.

“Furthermore, it clearly demonstrates how sustainability-focused collaboration among frontrunner companies – Neste, Borealis and Covestro – can make a positive impact even within a complex value chain.”

“Life demands progress. We are proud to be pioneers to deliver renewable phenol to our strategic customer Covestro. Together with our innovative value chain partner Neste we are at the forefront of driving the circular economy,” says Alfred Stern, CEO of Borealis. “This is how we re-invent for more sustainable living.”

Neste produces its renewable hydrocarbons entirely from renewable raw materials, such as waste and residual oils and fats. These hydrocarbons can be used in existing production infrastructures and help replace fossil feedstocks that are used in the polymers and chemicals production. This makes it possible for companies such as Borealis and Covestro to produce more sustainable products with consistently high quality on the basis of their existing processes.

With the planned transformation of raw materials used in the company’s production, Covestro aims at helping key industries such as the automotive and electronics industries to achieve greater sustainability and reduce their dependence on materials from fossil resources. The project is part of a comprehensive program with which Covestro, together with its partners, is seeking to propel the transformation to a circular economy and become fully circular itself.

About Neste:

Neste (NESTE, Nasdaq Helsinki) creates solutions for combating climate change and accelerating a shift to a circular economy. We refine waste, residues and innovative raw materials into renewable fuels and sustainable feedstock for plastics and other materials. We are the world’s leading producer of renewable diesel and sustainable aviation fuel, developing chemical recycling to combat the plastic waste challenge. We aim at helping customers to reduce greenhouse gas emissions with our renewable and circular solutions by at least 20 million tons annually by 2030. As a technologically advanced refiner of high-quality oil products with a commitment to reach carbon-neutral production by 2035, we are also introducing renewable and recycled raw materials such as waste plastic as refinery raw materials. We have consistently been included in the Dow Jones Sustainability Indices and the Global 100 list of the world’s most sustainable



companies. In 2019, Neste's revenue stood at EUR 15.8 billion, with 82% of the company's comparable operating profit coming from renewable products. Read more: www.neste.com and www.neste.com/companies/products/plastics

About Borealis:

Borealis is a leading provider of innovative solutions in the fields of polyolefins, base chemicals and fertilizers. With its head office in Vienna, Austria, the company currently has more than 6,900 employees and operates in over 120 countries. Borealis generated EUR 8.1 billion in sales revenue and a net profit of EUR 872 million in 2019. Mubadala, through its holding company, owns 64% of the company, with the remaining 36% belonging to Austria-based OMV, an integrated, international oil and gas company. Borealis provides services and products to customers globally, in collaboration with Borouge, a joint venture with the Abu Dhabi National Oil Company (ADNOC) and with Baystar™, a joint venture with Total in Texas, USA. www.borealisgroup.com | www.borealiseverminds.com

About Covestro:

With sales of EUR 12.4 billion in 2019, 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 solutions for products used in many areas of daily life. The main industries served are the automotive, construction, wood processing and furniture, and electrical and electronics industries. Other sectors include sports and leisure, cosmetics, healthcare and the chemical industry itself. Covestro has 30 production sites worldwide and employs approximately 17,200 people (calculated as full-time equivalents) as of the end of 2019. Further information: www.covestro.com

Forward-looking statements

This press 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. 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.