

Presidential Green Chemistry Awards:
Learning from the Champions
May 10, 2018





Presidential Green Chemistry Awards: Learning from the Champions

Dr. Myron Shaffer
Covestro

Who is Covestro?

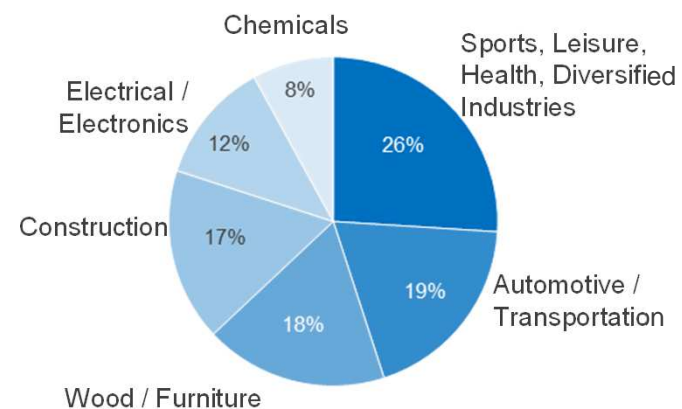
Key 2017 Financials: €14.1 B global net sales



Our Business Units:



Markets We Serve:



Presidential Green Chemistry Awards



2001 Greener Synthetic Pathways Award

Bayer Corporation Bayer AG (technology acquired by LANXESS)

Baypure™ CX (Sodium Iminodisuccinate): An Environmentally Friendly and Readily Biodegradable Chelating Agent

Problem: Solventborne products can have high VOCs

Green chemistry: safer solvents, reduction in VOC

2000 Greener Reaction Conditions Award:

Bayer Corporation

Two-Component Waterborne Polyurethane Coatings

Innovation and Benefits:

- Developed a series of high-performance, water-based, two-component polyurethane coatings
- Eliminate most or all of the organic solvents
- Water-based polyurethane coatings reduce volatile organic compound (VOC) and hazardous air pollutant (HAP) emissions by 50–90 percent.

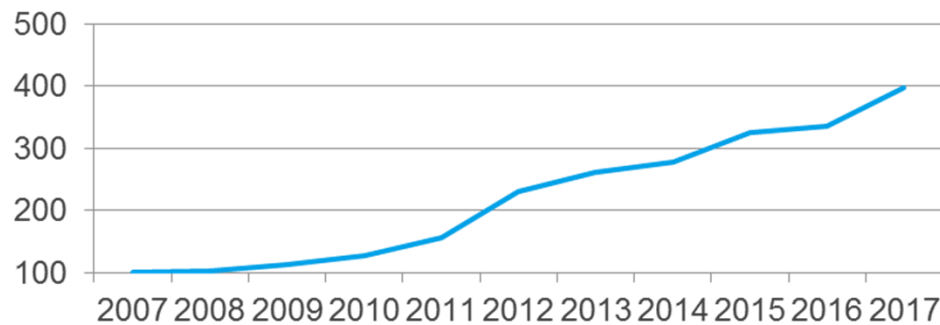




Lessons Learned

- ✓ Patience to withstand a long commercial path
- ✓ Market acceptance of innovations can be slow
- ✓ Testing requirements lengthen the timeframe
- ✓ Performance has to be equivalent or better at the same price point

Indexed Volume





Key Factors for Success

- ✓ Sustainability = improving system performance and reducing odor
 - ✓ Recognize the initial target market may not be the final success
 - ✓ New technology can be a paradigm shift
 - ✓ Additional innovation is needed to fully commercialize
 - ✓ Barriers: new processes, CAPEX requirements, status quo mindset
 - ✓ Understand the regulatory environment
 - ✓ But innovations may not necessarily be regulatory driven
-
- ✓ Patience = willingness to invest time and money



Presidential Green Chemistry Award Ten+ Years On

Brian S. Glasbrenner

Global Commercial Leader – Performance Chemicals

Green Chemistry & Commerce Council

May 10, 2018



2002 Presidential Green Chemistry Award Recipient



- *Promotes the environmental and economic benefits of novel green chemistry.*
- *Recognizes chemical technologies that incorporate green chemistry into chemical design, manufacture, and use.*



“Innovation and Benefits: The NatureWorks process makes biobased, compostable, and recyclable polylactic acid polymers using 20–50 percent less fossil fuel resources than comparable petroleum-based polymers... synthesis eliminates organic solvents and other hazardous materials, completely recycles product and byproduct streams, and efficiently uses catalysts to reduce energy consumption and improve yield”

<http://www.epa.gov/greenchemistry>



Back in 1989, we had a big, crazy idea.

What if we could turn greenhouse gases like carbon dioxide into products?



150,000 MT

Ingeo PLA plant in Blair, NE USA



2 Billion lb. Milestone in 2017

Aggregate volume sold since 2005



**Dedicated Applications
Development and R&D Facilities,
Including new CASE lab in 2018**



Jointly owned by Cargill and PTTGC



Established global market channels

- Commercial partnerships with global brands
- Sales team in 15 countries across North America, Latin America, Europe, and Asia



**Strong environmental expertise and
product characteristics**

- Peer reviewed LCA's and eco-profile demonstrate smaller carbon footprint and lower fossil energy use
- Products enable portfolio of end-of-life options
- Dedicated internal team for understanding environmental and end-of-life impacts



Building on our core technology, we continue to innovate.



Naturally Advanced
Materials

3D Printing
Beauty & Household
Building & Construction
Cards, Cartons, Non-Food Pkg
Electronics & Appliances
Food & Beverage
Food Serveware

Landscape & Agriculture
Medical & Hygiene



Creating Performance
Through Chemistry

Coatings
Water-borne
Solvent-borne
100% Solids
Alkyds & Polyesters

Adhesives
Hot Melt
Reactive
Binder Resins
Water-borne

Functional
Intermediates
Surfactants
Solvents
Food Ingredients
Fine Chemicals



Presidential Green Chemistry Award Metrics

- Ingeo™ (NatureWorks™) PLA (polylactic acid) is the first family of polymers derived entirely from annually renewable resources that can compete on performance and total cost of ownership (TCO) in various fibers and plastic packaging applications.
- The NatureWorks (Cargill Dow LLC) PLA process offers significant environmental benefits in addition to the outstanding performance attributes of the polymer.
 - Ingeo™ PLA products are made in a revolutionary new process developed by NatureWorks that incorporates all 12 green chemistry principles.
 - The process consists of three separate and distinct steps that lead to the production of lactic acid, lactide, and PLA high Mw polymer.
 - Each of the process steps is free of organic solvent: water is used in the fermentation while molten lactide and polymer serve as the reaction media in monomer and polymer production.
 - Each step not only has exceptionally high yields (over 95 percent) but also utilizes internal recycle streams to eliminate waste. Small (ppm) amounts of catalyst are used in both the lactide synthesis and polymerization to further enhance efficiency and reduce energy consumption.
 - Additionally, the lactic acid is derived from annually renewable resources, PLA requires 20–50 percent less fossil resources than comparable petroleum-based plastics, and PLA is fully compostable or readily hydrolyzed into lactic acid for recycling back into the process.

Presidential Green Chemistry Award Metrics

- While the technology to create PLA has been known for many years, previous attempts at large-scale production were targeted solely at niche compostable applications and were not commercially viable. Only now has NatureWorks been able to perfect the process and enhance the physical properties of Ingeo™ PLA resins to compete on performance and TCO in various applications with petroleum-based plastics.
- The NatureWorks process embodies the well-known principles of green chemistry.
 - Preventing pollution at the source through the use of a natural fermentation process to produce lactic acid
 - Substituting annually renewable materials for petroleum-based feedstock
 - Eliminating the use of solvents and other hazardous materials
 - Completely recycling product and byproduct streams
 - Efficiently using catalysts to reduce energy consumption and improve yield.
 - In addition, Ingeo™ PLA products can be either recycled or composted after use.



Cargill BioIndustrial Solutions



A U.S. EPA Program



2007



2013



BiOH polyols help flexible polyurethane manufacturers increase their renewable content and reduce their environmental footprint.

A preliminary life cycle analysis indicates that replacement of petroleum-based polyols with BiOH polyols results in:

- 36% less global warming emissions
- 61% reduction in non-renewable energy use
- 23% reduction in the total energy demand
- For every million pounds of BiOH polyol produced to replace petroleum-based polyols, about 2,200 barrels (nearly 700,000 pounds) of crude oil are saved

Introducing **TWO COOL NEW** products

1 Cargill's BiOH[®] polyols next generation **"cool" memory foam**, with **over 50% renewable content*** breakthrough. *of finished foam weight
New viscoelastic foam **dissipates heat 25% faster** than comparable memory foams.

2 Cargill's BiOH[®] polyols **renewable urethane gel**, for a host of **"cool sleep" products** in bedding's hottest category.
New polyol can produce urethane gel with greater than **90% renewable content**.

Cool Sleep and Environmental Sustainability made possible with BiOH[®] polyols, a Cargill Innovation.
PROFIT THROUGH INNOVATION
Now Commercially Available to Foam Producers and Bedding Manufacturers.

FOR PRODUCT, SALES, & MARKETING INFORMATION: 877-765-9246
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FR3TM
ENVIROTEMPTM NATURAL ESTER FLUID

**EnvirotempTM FR3TM Natural Ester
Transformer Fluid**



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FR3 fluid designed to deliver:

1. Cost efficiencies, optimized transformer performance, grid reliability
 - Extend insulation system life
 - Increase loadability

5-8X
LONGER
cellulose insulation life
THAN MINERAL OIL

up to
20%
MORE LOAD
CAPABILITY

2. Increased fire safety

ZERO
TRANSFORMER FIRES
IMPROVED FIRE SAFETY



3. Improved environmental footprint with best-in-class environmental properties

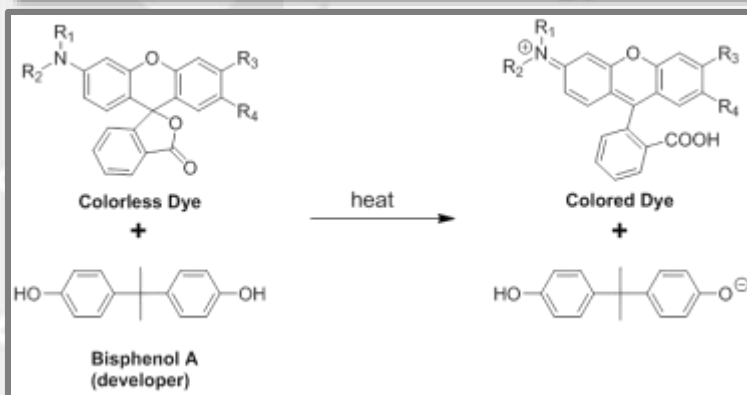




Breakthrough Sustainable Imaging Technology for Thermal Paper



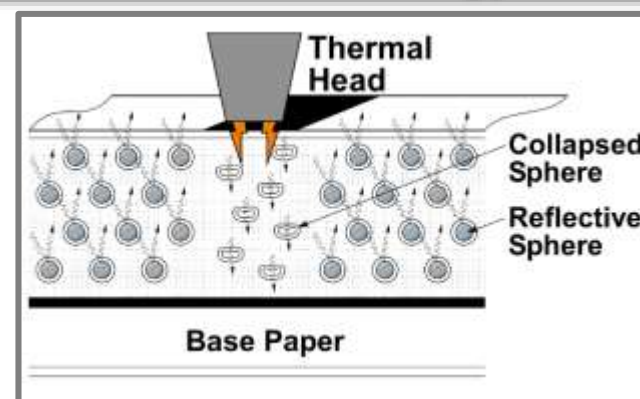
Traditional Technology



No clearly safer alternatives to BPA were found

- EPA initiative to find alternatives for BPA
- Input from stakeholders from business, government, academia, and environmental organizations.
- Most alternatives have *Moderate* or *High* hazard designations for human health or aquatic toxicity endpoints

Dow Technology

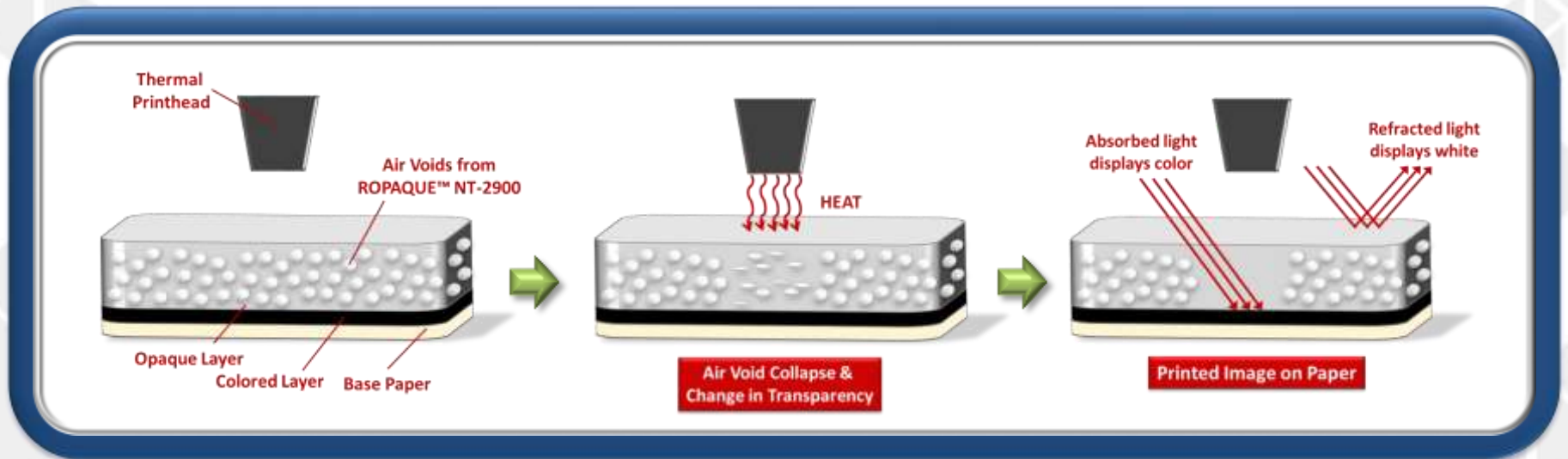


Physical change rather than chemical reaction

- Imaging chemicals under scrutiny replaced with air and benign polymer
- Permanent imaging
- Food contact approved
- Compatible with existing printers



New Imaging Technology is Enabled by ROPAQUE™ NT-2900 Hollow Spheres



Similar to snow covering an asphalt road, the hollow spheres appear white when applied over a dark base paper. Upon heating in a thermal printer, the air voids collapse to reveal the color beneath.



Performance Achieved Through Polymer Design and Formulation Expertise

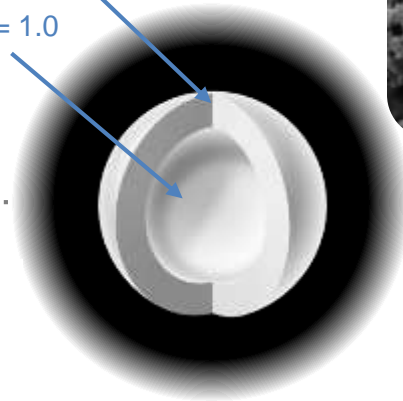
The refractive index difference between the air void and the surrounding polymer gives opaque polymer the ability to scatter light

Polymer Shell

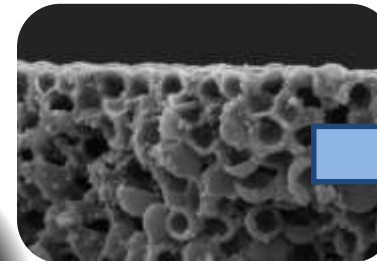
RI = 1.6

Air

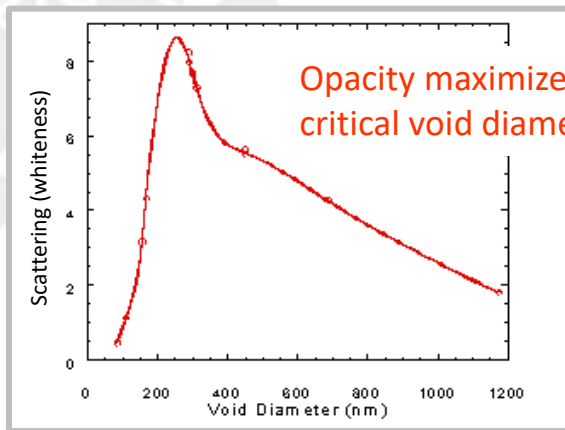
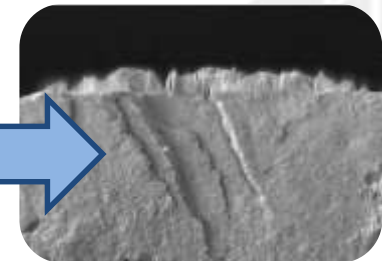
RI = 1.0



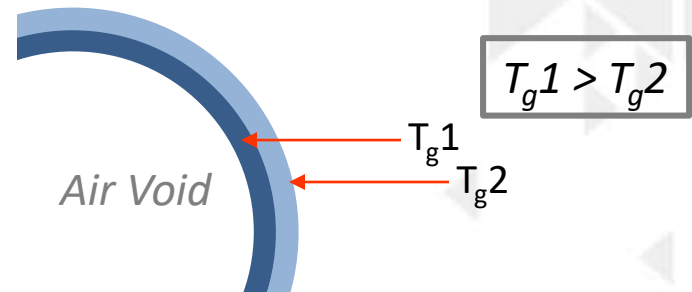
Before Printing



After Printing



When printed, polymer collapse was optimized through polymer morphology





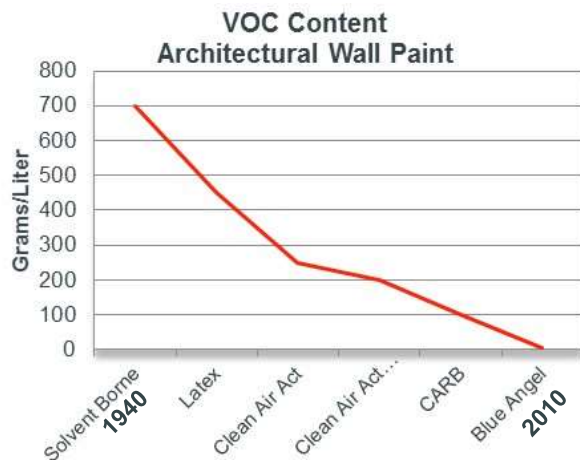
BLUE 4EST™ Thermal Paper, Free of Chemical Developers



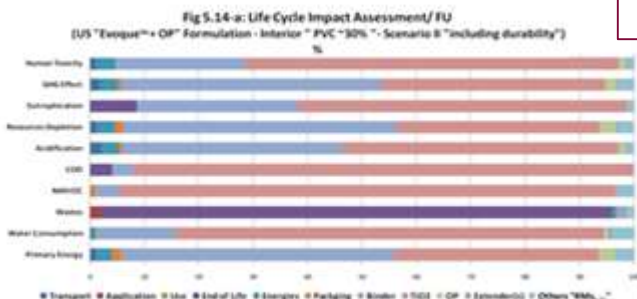
- Environmentally friendly
- Better aging with UV stability, longer lasting image
- Consumer can easily distinguish it from traditional thermal paper

- Phenol-free point-of-sale receipt paper
- Compatible with existing thermal printers
- First thermal paper for ***DIRECT FOOD CONTACT***

Dow Adsorbing Latex Technology (2013 Winner)



Life Cycle Assessment (ISO 14040/44, Third Party Validation)

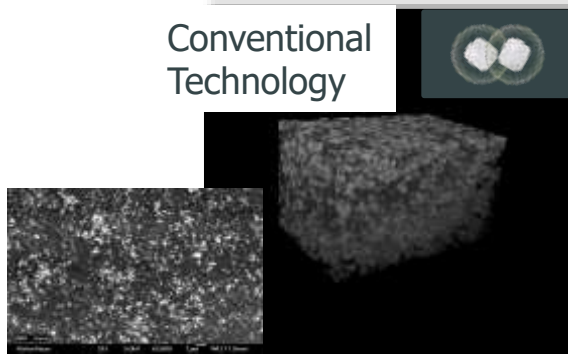


Red is TiO₂

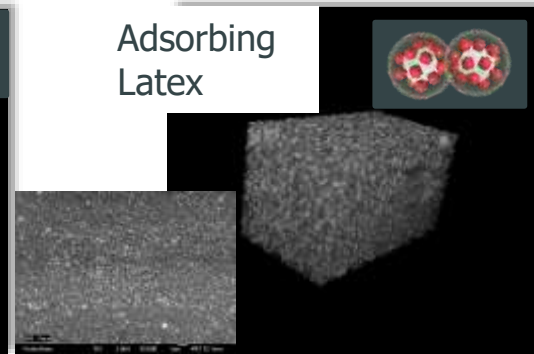
- "Comparative Life Cycle Assessment (LCA) of Water-borne paints for internal and external wall decoration and protection," Presentation to Peers for Project Review, Dr. H. Kheradmand, LCA and Sustainable Development Expert, Dow Coating Materials (DCM) EMEA, September 20, 2011.
- Trapani, A.; Bleuzen, M.; Kheradmand, H.; Koller, A. The Use of TiO₂-Polymer Composites to Lower Environmental Impact and Improve Performance of Waterborne Paints, Paintistanbul 2012, September.



Conventional Technology



Adsorbing Latex



Sustainability

- Reduced resource consumption and CO₂ emissions
- Reduced impact on air and water quality

Performance

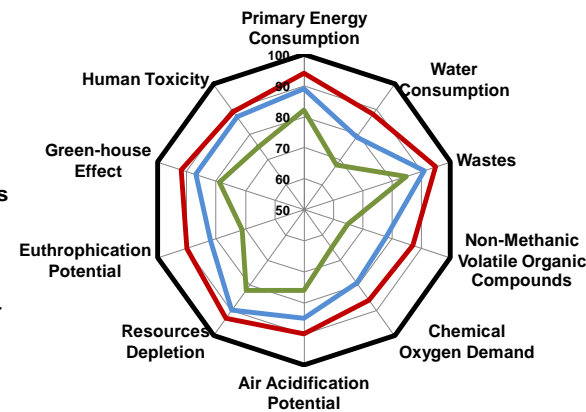
- Fewer coats, Greater durability
- Longer re-paint intervals, Multi functional

Cost

- Lower raw material and formulated cost
- Lower transportation and application cost

30 PVC Interior Semigloss Acrylic Paint

- Control
- Opaque Polymer
- Pre-Composite Polymer
- Pre-Composite Polymer and Opaque Polymer





James Bohling, Dow

Thermal Paper Technology (2017)
Adsorbing Latex Technology (2013)



Audra Wendt, Cargill, Inc

Vegetable Oil Dielectric Insulating Fluid (2013)
BiOH™ polyol (2007)



Brian Glasbrenner, Natureworks

Ingeo™ Polylactic Acid (PLA) (2002)



Myron Shaffer, Covestro

Waterborne Polyurethane Coatings (2000)

