

Market Introduction of ISCC Certified Synthetic Rubber Opportunities & Challenges

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Our Company



- Trinseo focuses on delivering innovative and sustainable solutions to help our customers solve complex material challenges and create products that are intrinsic to how we live.
- Formed in 2010
- Synthetic Rubber, Rigid & Soft-touch Plastics and Latex Binders.

MANUFACTURING SITES GLOBALLY



\$3.8 Billion



2,700



R&D FACILITIES





Trinseo - Commitment to Sustainability





2030 Sustainability Goals

- Offering a Sustainable Product Portfolio
- Addressing Climate Change
- Extending Supplier Responsibility
- Operating Responsible Worldwide
- Advancing Sustainable Workforce



Silver Rating for CSR activities with overall score in the 77th percentile of all companies



2020: Trinseo ranked #80 overall and #5 in the Materials industry.

2021: Trinseo ranks #53 overall and #3 in Materials Industry

Why does Synthetic Rubber matter?

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Stringent Global Legislation











2015

EU: 130g (CO2)/km

2020

EU: 95g (CO2)/km

JAP: 122g (CO2)/km KOR: 97g (CO2)/km CHN: 117g (CO2)/km IND: 113g (CO2)/km 2025

EU: 81g (CO2)/km

2030

EU: 67g (CO2)/km

Sustainability Ambitions in Synthetic Rubber



Performance vs Sustainability

- Synthetic Rubber use is predominant in tire industry
- · SR properties defines performance of a tire
- Sustainability in tire making will become key
- Regulation, policy initiatives, social awareness...

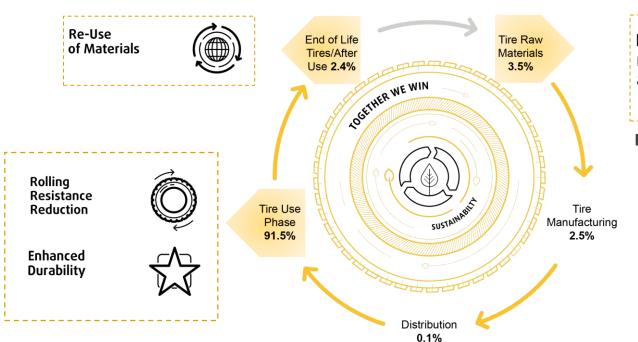
- Top tire producers with ambitious goals for the next 5-30 years
- Bio/circular economies will become crucial towards a sustainable future for the tire industry
- Sustainability, yes, but not at the expense of performance.
- What are the options and what can we really address today?





Trinseo Sustainability in Tires

Closing in on the circle: Performance, Enabling and Composition



Biobased/circular raw materials and feedstock



Key need for Tire Manufacturers but...

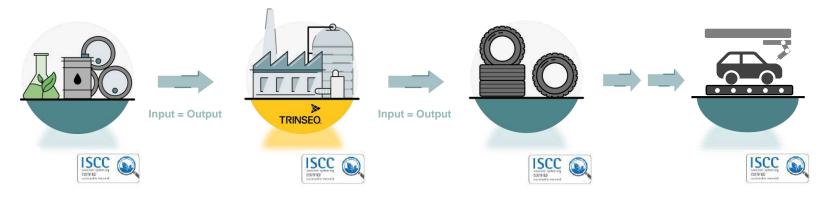
- Raw materials that go into SR is no niche
 - No availability of fully bb/recycled RMs
- No commercial scale assets that support production of such chemicals
 - Purity and specs that would result
 Challenges: technical & commercial

Mass Balance Certification at Trinseo



Kicking it off

- Mass Balance approach as a first commitment to our customers
- · Implemented for PS, PC and SR
- First SBR producer to introduce the Mass Balance chain of custody in the industry
- ISCC Plus certification of our SBR Assets in Germany, a proven and credible sustainability certification scheme
- Replacing an amount of virgin feedstock by recycled or renewable feedstock at the beginning of the chain
- Attribution of sustainable content down to tires and OEMs



Monomer production using sustainable feedstock (recycled/bio-sourced)

Transform building blocks into high performance certified polymers

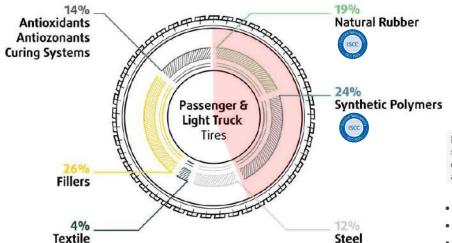
Manufacture Sustainable Tires using certified synthetic rubber Build vehicles with Increasingly sustainable parts

Mass Balance in the Synthetic Rubber

TRINSEO.

Opportunities

- No need for new chemical infrastructure
- Coexistence of traditional and sustainable feedstock
- No loss of performance
- · No requalification of materials
- Only short-term significant solution to sustainable composition



- Synthetic Rubber makes up for 24%* of a PC Tire
- Opportunity to use ISCC Plus on SR usage in tires



- Marketing value for tire producers and auto industry
- Driving the increased use of bio/circular feedstock in the value chain
- ISCC Certification applicable to SR & NR (can cover up to 50% tire)
 - Ultimate Goal: increased sustainable production of tires thru' MB

*ustires.org

Mass Balance in Synthetic Rubber

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Challenges

Generate market acceptance

New concept for the markets we serve...simple yet complex to explain

- Education: is key and this requires support (for industry, institutions, associations, governments...)
- Access: support in guiding the rubber markets what/how can one certify, cost-effective licensing schemes
- Simplicity: reducing red tape and consider how multi-site certification can be improved (tire industry as an example)
- Availability & Cost: raw materials accessibility is key to the future in sustainability (a 'niche' will not change the world)
- Downstream: cracker to polymers & beyond (1 entry cracked into many v multiple entries to form one product)
- LCA: guidelines/standardⁿ on how we can use GHG protocols and existing standards to produce solid LCAs based on MB?



Market Introduction of Certified Synthetic Rubber



Final Remarks

- ➤ Sustainable Synthetic Rubber is the only way forward for Trinseo
- > The future impact of materials in the markets we serve is only becoming greater
- The only viable short-term solution that makes a difference is the mass balance approach
- Cost-effective (chemical infrastructure), pragmatic, large scale impact & low technical risk
- > The opportunity is there not only for synthetic rubber but also for tire producers and car manufacturers
- Market acceptance will grow as participants understand the contribution this brings to their sustainability goals
- > Recipe for success: support, back-up, education across the entire value chain

At Trinseo, this is a strong start – a steppingstone for us and our customers towards a circular/bio economy



