Press Release

Covestro signs EUR 225 million loan facility with European Investment Bank for R&D activities

Covestro has agreed a loan with the European Investment Bank (EIB) for EUR 225 million. The loan will provide medium term funding to strengthen Covestro’s research and development (R&D) work in the areas of sustainability and circular economy within the European Union (EU).

Discussions with EIB started already in 2019 to identify R&D projects which would be compatible with the financing requirements of the EIB. These require that funding is applied to projects which meet high standards of technical, ecological and social responsibility.

„The core of our R&D activity is innovation,” said Dr. Thomas Toepfer, CFO of Covestro. „This loan provides us with additional financial flexibility to push forward our strategic focus in the areas of sustainability and the circular economy.”

EIB Vice-President Ambroise Fayolle, responsible for the bank’s operations in Germany and innovation, said: "In times when Member States and EU institutions are putting in place multi-billion euro programmes in response to the crisis caused by COVID-19, it is also important to demonstrate that we are continuing our regular business in support of companies. I am therefore very pleased that we have just signed this loan with circular economy pioneer Covestro, as support for the climate and environment is among the EIB’s top priorities."

In autumn 2019, Covestro published a global strategic program to establish the theme of circular economy throughout all areas of the company. The main principles are to improve recycling from plastic waste, alongside the development of innovative technical and production methods in the use of alternative raw materials.
The EIB loan provides a further commitment of Covestro to sustainability. It complements the recently renewed syndicated revolving credit facility of EUR 2.5 billion, whose interest rate is linked to the company’s Environment, Social Governance (ESG) rating.

About European Investment Bank:
The European Investment Bank (EIB) is the long-term lending institution of the European Union owned by its Member States. It makes long-term finance available for sound investment in order to contribute towards EU policy goals.

About Covestro:
With 2019 sales of EUR 12.4 billion, 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 segments served are the automotive, construction, wood processing and furniture, and electrical and electronics industries. Other sectors include sports and leisure, cosmetics, health and the chemical industry itself. Covestro has 30 production sites worldwide and employs approximately 17,200 people (calculated as full-time equivalents) at the end of 2019.

This press release is available for download from the Covestro press server at www.covestro.com.

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