

The left side of the slide is decorated with several green elements. There are four realistic-looking green leaves of various sizes and orientations, some overlapping. Additionally, there are four solid green circles of different sizes scattered around the leaves. The overall aesthetic is clean and nature-inspired.

# Indorama & Circular Economy

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WMF Conference  
27<sup>th</sup> August 2020

Dr. Deepak Parikh  
EVP & Chief Strategy Officer  
Indorama Ventures Ltd. (IVL)

# IVL is the world's leading PET supplier with a diversified asset base and business portfolio serving attractive customer segments

One of the world's leading PET producers with

Presence in  
**33 countries**

Revenues of  
**\$13.0B**

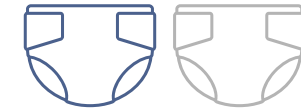
**120**  
Manufacturing  
facilities

**24,000+**  
employees



**1 in 5**

PET bottles made  
from our PET resin



**1 in 2**

premium baby diaper  
made from our Fibers



**1 in 4**

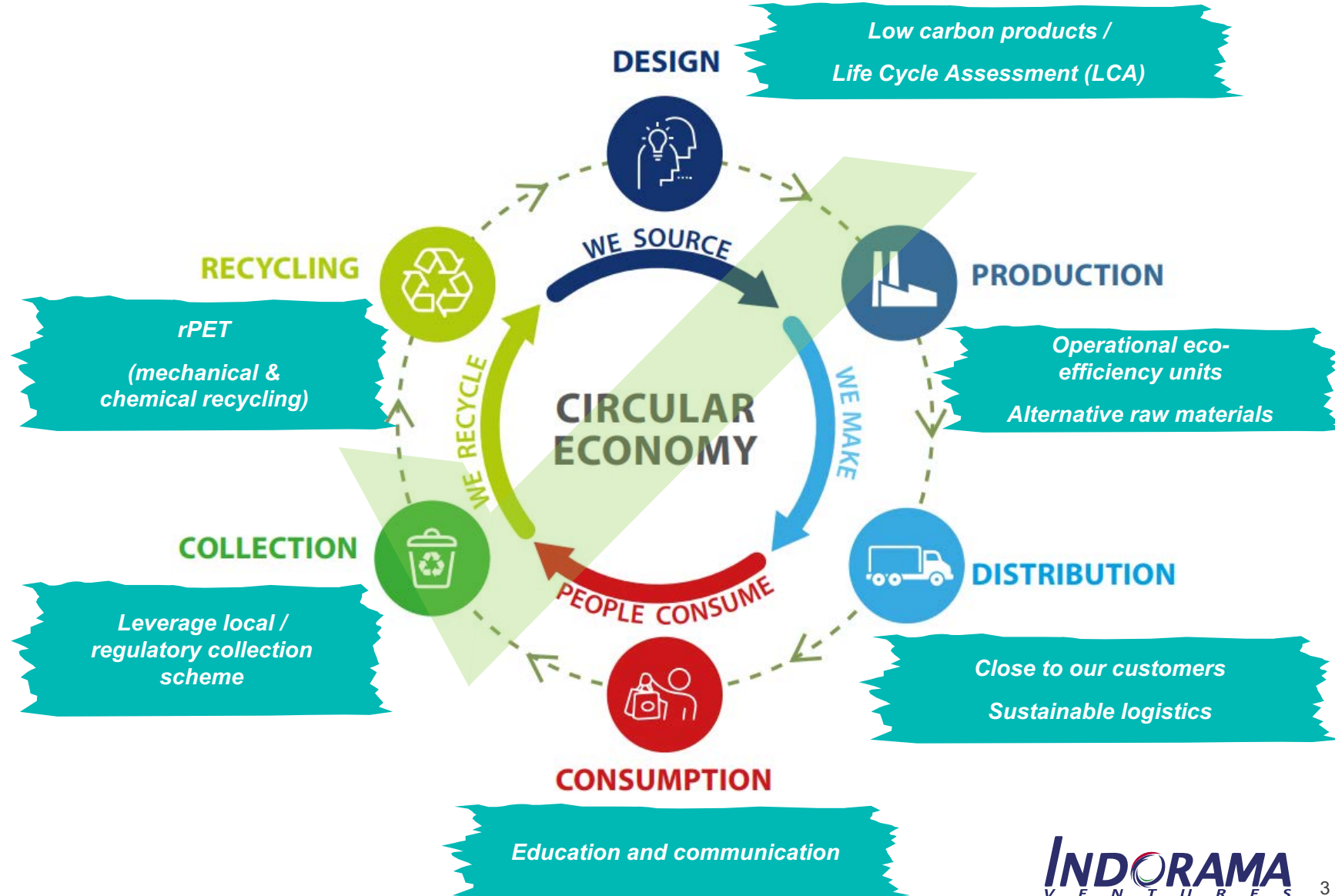
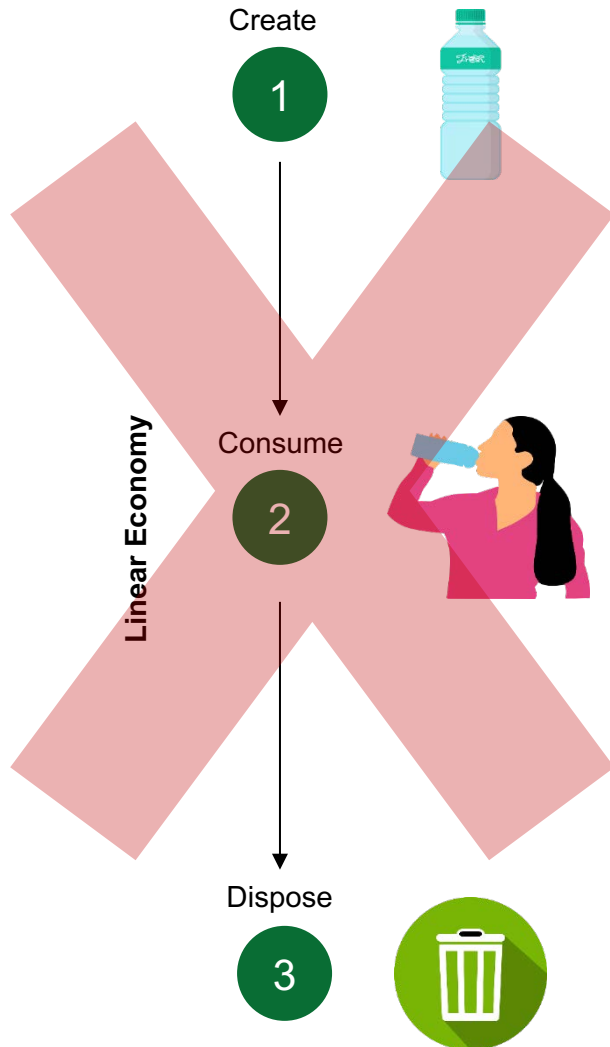
airbags made from  
our Yarns



**2<sup>nd</sup> Largest**

Ethylene Oxide producer in  
the US (post-Spindletop)

# IVL's sustainable business model through Circular Economy



# Global drive towards our recycling commitment

## Globally Evolving Regulations



## Customer Demand for Recycled Plastics



## IVL Investment in Circular Economy



Canada-wide Strategy for Sustainable Packaging, Strategy on Zero Waste passed in 2018 with 2030 goal



Patchwork of bans on plastic bags and bills around recycling single-use packaging waste and increasing recycling



Packaging & waste directive, EU single-use plastics directive



Legislation favors recyclable substrates and formats, pushing for increased awareness campaigns and collection points



Banned/limited imports on packaging waste in 2017, proposal to ban single-use plastic bags by 2022



Focus on optimizing recovery and recycling of packaging, target of 100% packaging to be recyclable, compostable, or reusable



Plastic bottles from at least **50% recycled** material by 2030 (in Europe)



**25% recycled** content in plastics packaging by 2025



Bottles made from **100% rPET** by 2025 (Europe)



**35% rPET** in all PET bottles by 2025



Adidas will use **100% recycled-polyester** in all products across the business by 2024

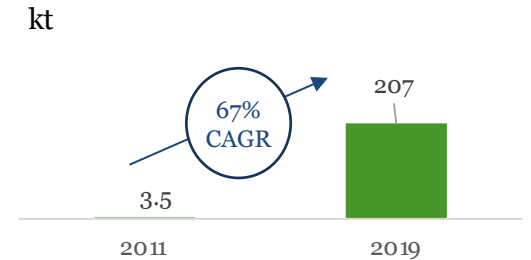


All clothing will be made from **100% organic, recycled** fabrics by 2025



**90% share** of more sustainable materials by 2020

rPET Resin Production

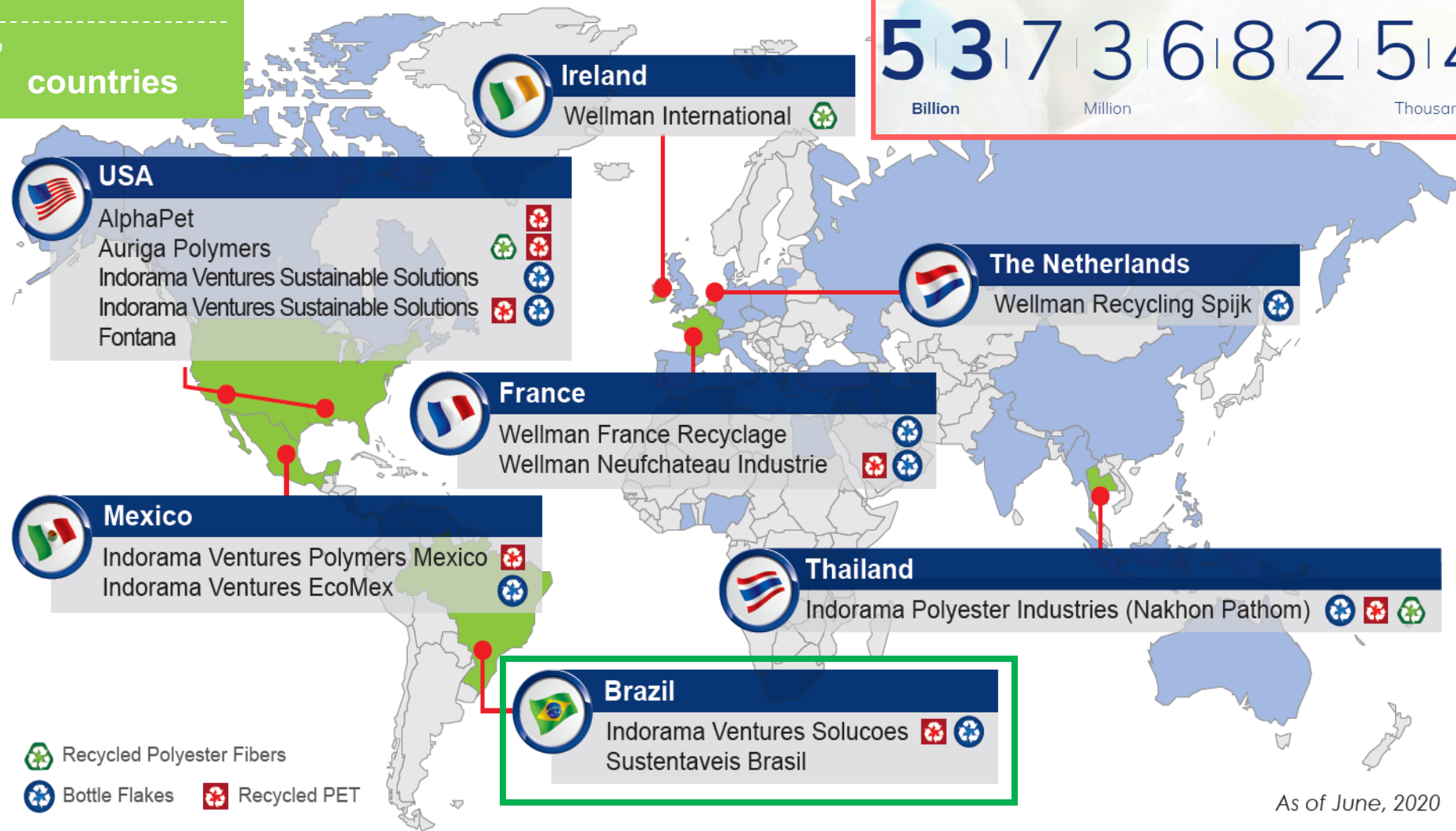


- Incorporate **750,000 tons** of post-consumer PET materials as feedstock into our polyester production per year
- Recycle **50 billion bottles per year**
- Invest **USD 1.5 billion**
- **30+** years of recycling experience

# Our Recycling footprint

12 sites  
7 countries

Since 2011 until now, we recycled  
5 3 7 3 6 8 2 5 4 0 8 BOTTLES  
Billion Million Thousand















Recycled Polyester Fibers  
Bottle Flakes  
Recycled PET

As of June, 2020

The latest acquisition in 2020

# Comparison of PET to other plastics

	PET	HDPE	PVC	LDPE	PP	PS
<b>Common Uses</b>						
<b>Symbol</b>	 PET	 HDPE	 PVC	 LDPE	 PP	 PS
<b>Recyclable (based on mechanical recycling)</b>	Commonly	Commonly	Almost never	Sometimes	Sometimes	Almost never
<b>Circular recycling</b>	Fully circular	Circular (for non-dyed) Recycled* (for colored)	n.a.	Circular (emerging)	Circular (emerging)	n.a.
<b>Share of Global Market</b>	9%	37% (HDPE+LDPE)	16%	37% (HDPE+LDPE)	28%	4%

Note 1: PET and HDPE accounts for 99% of global recycling capacity and nearly 70% of post-consumer plastic recycling

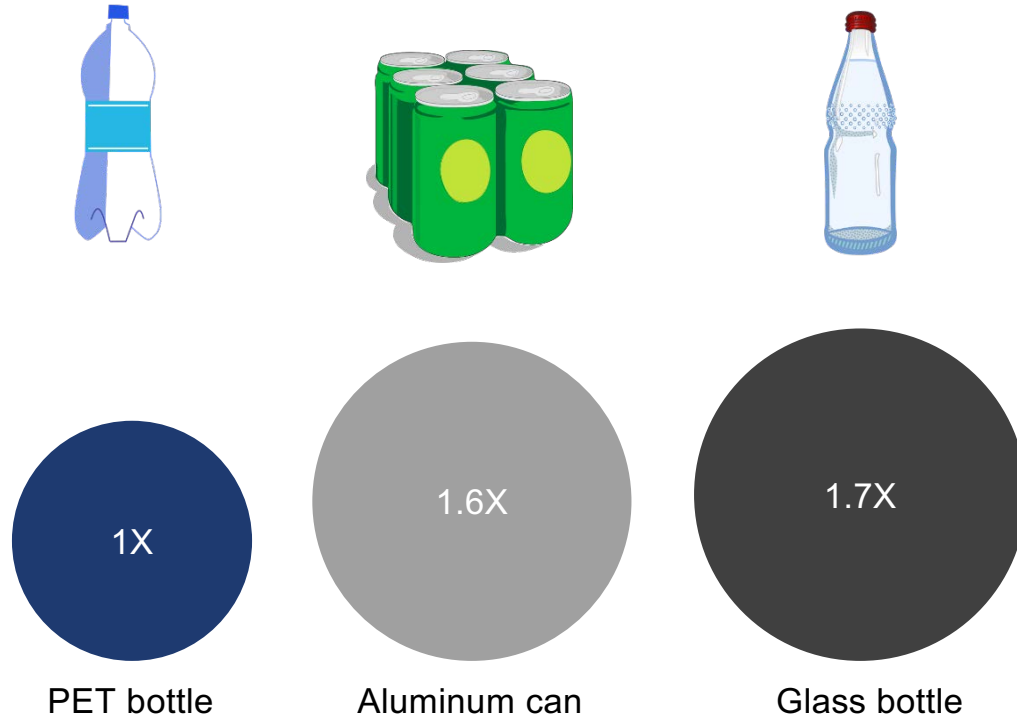
Note 2: \*Colored HDPE usually downcycled due to complexities in coloring and appearance of rHDPE flakes; downcycled means of lower quality and functionality than the original material.

Source: Our World in Data (2018); Plastics recycling: challenges and opportunities - Philosophical Transactions of the Royal Society B: Biological Sciences

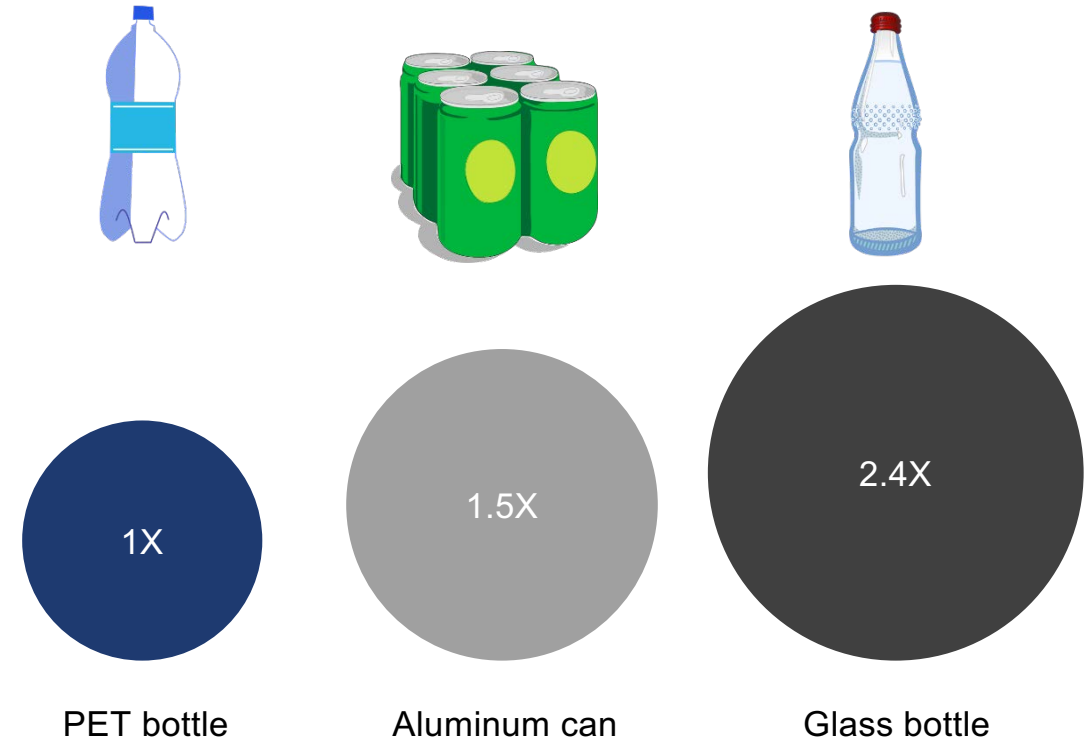
# PET is the preferred beverage packaging material given its superior economics and lower carbon footprint

PET is more cost-effective, with a lower carbon footprint and is safe for transportation\*

Price ratio (cents per bottle, PET = 1X):



GHG ratio (GHG per 100 Koz liquid, PET = 1X):



Note: \*Price and GHG ratio based on Lifecycle Inventory Analysis, which includes total energy, raw material, air and water emissions and total solid waste produced from cradle-to-disposal/recycling of product  
Source: Euromonitor; Franklin Associates; Cleanmetrics Corp; Goldman Sachs Global Investment Research

# Our 5 key areas of differentiation that underpin our ambition

## 1 IVL's global commitment on PET Recycling to address plastic pollution

Ability to **leverage existing PET production and distribution network** to serve customers

*One-stop solution for virgin PET & rPET*



**30+**  
years of  
recycling  
experience



know how on  
**bottle**  
washing,  
customizable  
by geography

## 2 Customer intimacy and trust in IVL brand

**Serving World Class Customers in  
Multiple End Markets**

*High quality products that serve customers' needs*

## 3 Recycling education for change of perception on PET and making PET a preferred packaging material

Ability to **shift the perception and  
make PET a preferred packaging  
material** once again

## 4 Partnership with leading innovators to develop of the next- gen technology



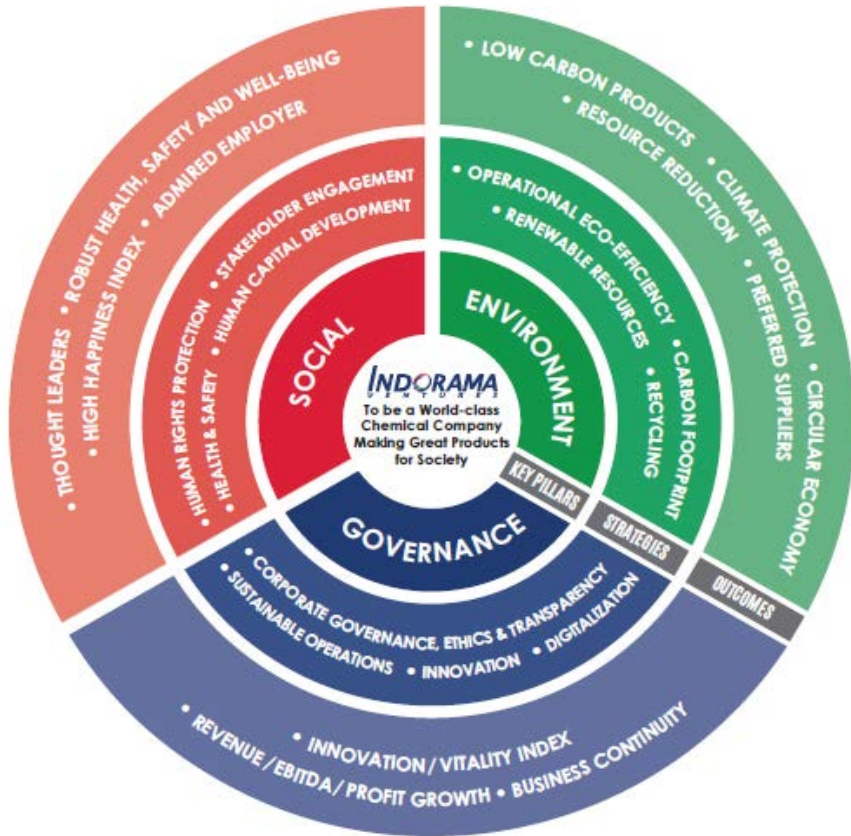
Collaborated to create  
the first ever **PET bottle  
made from marine  
plastic waste**

**JV to retrofit chemical  
recycling technology** to  
existing PET facilities

## 5 Partnerships with leaders in PET circular economy

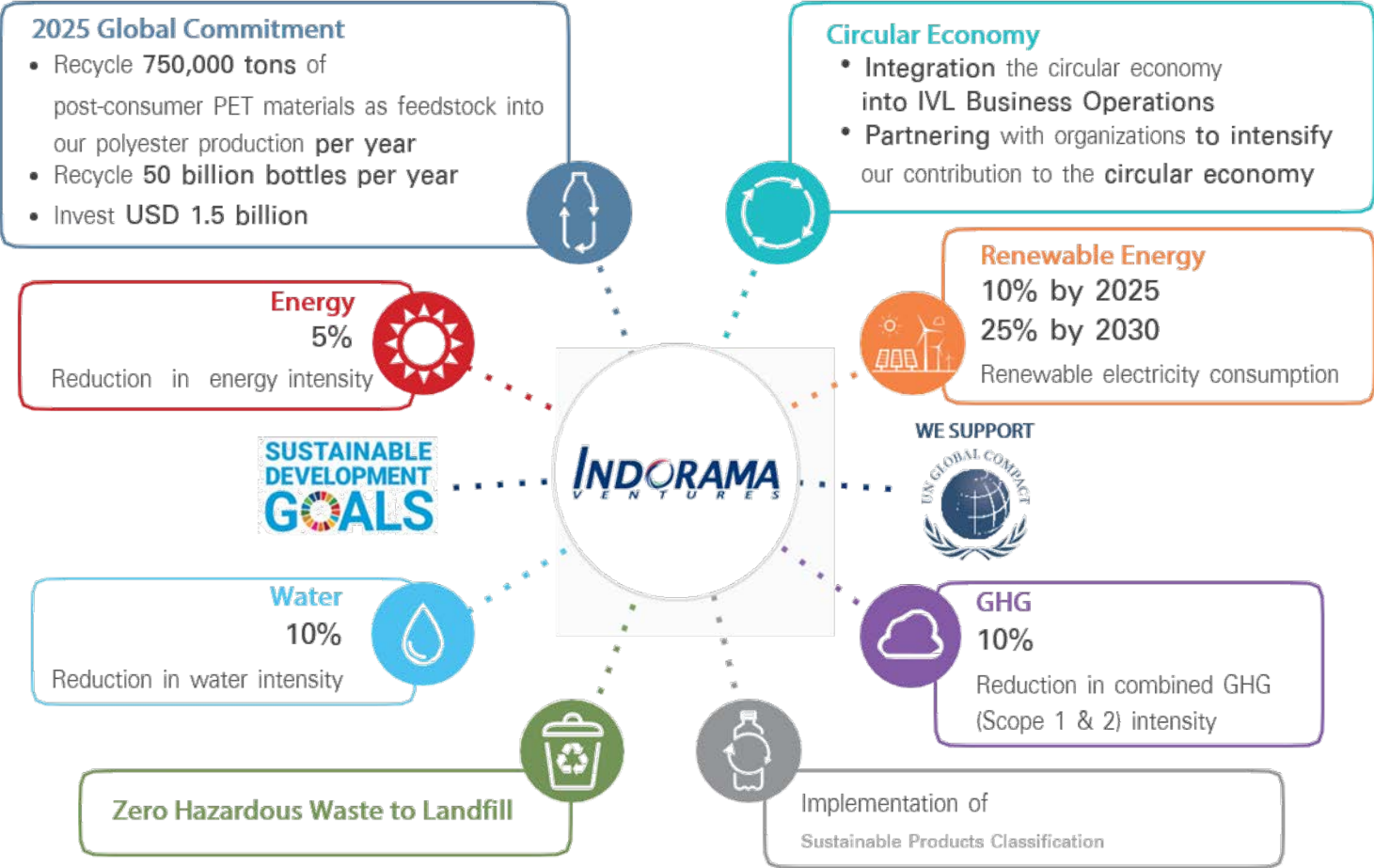


# Our Sustainability Strategy and 2025 Ambitions



- Environment – Responsible Operations**
- Social – Empowerment Culture**
- Governance – Business Potential**

## 2025 Sustainability Ambitions



# IVL's ESG Integration

- A global chemical company embedding three dimensional **ESG principles** in our operations, driving **sustainability leadership**
- **Recycling leadership** as the #1 player in recycled PET and the orchestrator of the PET circular economy
- **Expanded and announced new investments** in recycling as we spearhead the industry's transition to a circular use of PET
- Partnerships with leading innovators to develop of the **next-gen technology for chemical recycling**
- Secured Thailand's **first green** loan from Japan's Mizuho Bank for \$200M and EUR200M, and syndicated ESG loan for \$255M
- First Thai Company to raise **Sustainability linked Ninja Loan** for \$255M with bullet maturity 5 years.



## Rank 2<sup>nd</sup> / 35

- B- score or 27/48 (99<sup>th</sup> Percentile)
- Chemscore Report June 2020



## Rank 1<sup>st</sup> / 364

- Leading in SET and GICS indices:
- 2019 Bloomberg ESG Disclosure Scores
- 68.2/100 (100<sup>th</sup> Percentile)



## Rank 2<sup>nd</sup> / 108

- Chemical constituent of 2019 DJSI World and Emerging Markets
- 86/100 on RobecoSAM (99<sup>th</sup> Percentile)



## Rank 4<sup>th</sup> / 177

- 2019 ESG Disclosures
- 21.6 risk rating (4<sup>th</sup> Percentile)



## Rating 4.6 / 5

- on FTSE Russell (100<sup>th</sup> Percentile)
- A constituent of the 2019 FTSE4Good Index



## Top 3%

- of suppliers in all categories



## ESG Rating BB



## Rating B

- 2019 Climate Change Rating: B
- 2019 Supply Chain Rating: B-

# Thank you

