

CHEMISTRY THAT MATTERS™



ISCC TECHNICAL STAKEHOLDER MEETING

SABIC: CURRENT USE OF ISCC AND CHALLENGES FOR SCALING UP

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June 2020



SABIC'S COMMITMENT TO SUSTAINABILITY

THE COMMON CHALLENGE

EXISTING BENEFITS



LIGHTWEIGHT – STIFFNESS –
IMPACT – DURABILITY – COST –
SAFETY - APPEARANCE

ISSUES TO BE SOLVED



SABIC HAS CHOSEN 10 OUT OF UNITED NATIONS' 17 SUSTAINABLE DEVELOPMENT GOALS THAT IT CAN CONTRIBUTE TO



STRATEGIC SUSTAINABILITY PRIORITIES DERIVED FROM MATERIALITY

Resource Efficiency

SABIC's ambitious goals are to reduce Material Loss intensity 50% and Water Intensity 25% by 2025 since 2010.



Innovation & Sust. Solutions

Sustainability is the guiding light for SABIC's product and process innovation – to support the development of effective solutions to some of the world's greatest challenges.



Circular Economy

Circular economy inspires SABIC to adapt our processes to the use of renewable and recycled feedstock, and to create durable, recyclable product design solutions for our customers.



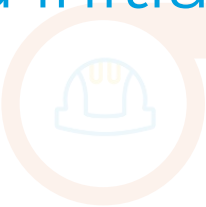
Governance & Integrity

Integrity is a core value and helps to maintain stakeholder trust. SABIC's Code of Ethics provides guidance to meet stakeholder expectations.



Environment, Health, Safety

SABIC is committed to our core EHSS values, with a supportive culture and focus on continuous performance improvement.



TRUCIRCLE™ trademark has been introduced as an umbrella to collectively showcase SABIC's existing and new circular solutions and initiatives

INTRODUCTION TO TRUCIRCLE™ PORTFOLIO & SERVICES

SABIC's TRUCIRCLE™ portfolio and services for circular solutions has been introduced as an umbrella trademark for existing and new circular solutions to collectively showcase SABIC sustainable solutions and initiatives.



DESIGN FOR RECYCLABILITY

Tailored resins for the development of products that have improved recyclability characteristics



MECHANICALLY RECYCLED PRODUCTS

Compounds with high recycled content and booster resins for recycle containing compounds that can improve processability and end-use properties

Maximize value for waste



CERTIFIED CIRCULAR PRODUCTS

Virgin resins and chemicals from difficult to recycle used plastics produced through feedstock recycling

Reduce use of fossil fuels



CERTIFIED RENEWABLE PRODUCTS

Resins and chemicals from bio-based feedstock that are not in competition with the human food chain and that can help mitigate effects of climate change

THE **SABIC AMBITION** IS TO DEVELOP THESE CIRCULAR SOLUTIONS BY WORKING SIDE BY SIDE WITH **BRAND OWNERS** AND OUR **DIRECT CUSTOMERS**



Circular Economy



Innovation & Sust. Solutions

CASE STUDIES FOR PACKAGING

SABIC's new TRUCIRCLE™ portfolio and services for circular solutions



DESIGN FOR RECYCLABILITY



MECHANICALLY RECYCLED PRODUCTS



CERTIFIED CIRCULAR PRODUCTS



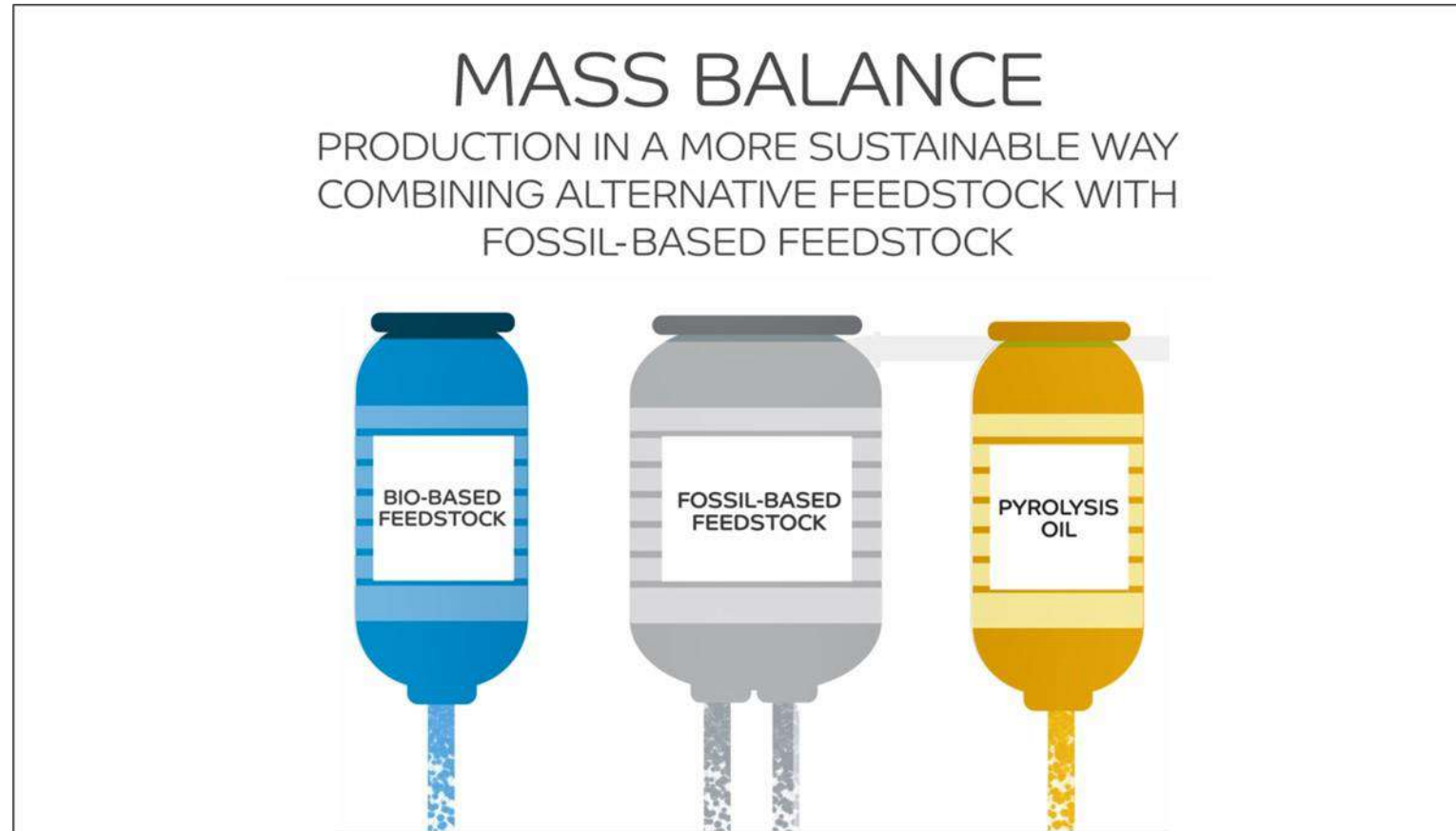
CERTIFIED RENEWABLE PRODUCTS



CLOSING THE LOOP AND CREATING A CIRCULAR ECONOMY FOR PLASTICS

CHALLENGES FOR SCALING UP

ACCEPTANCE OF THE MASS BALANCE CONCEPT IS A VITAL STEP



MASS BALANCE IS A SYSTEM WHERE THERE IS A CERTIFIED BALANCE BETWEEN THE AMOUNT OF 'INPUT MATERIAL' INTO A PROCESS AND THE AMOUNT OF 'OUTPUT MATERIAL' FROM THE PROCESS

WHY MASS BALANCE APPROACH ?



Picture: Naphtha Cracker 4 (Geleen, the Netherlands)



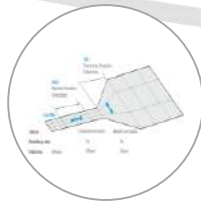
- A **CRUCIAL BRIDGE** between today's linear economy and the sustainable circular plastics economy of the future
- The **RELATIVELY SMALL VOLUMES** of alternative feedstock have to be **MIXED with conventional fossil-based feedstock**
- An innovative & **CRUCIAL INSTRUMENT** to stimulate the **FULL TRANSITION TO NEW FEEDSTOCK** in SABIC's current world-scale production units
- The **MASS BALANCE & CERTIFICATION CONCEPT** allows us to **USE EXISTING COMMERCIAL ASSETS** to convert our products
- **TRACEABILITY / VERIFICATION OF CORRECT MASS BALANCE HANDLING OF INFORMATION**; incoming alternative feedstock and outgoing product

OUR JOURNEY SO FAR, MANY FIRSTS

2008 first in
BOOSTER GRADE
SABIC® HDPE BOOSTER
to maximize PIR content



2019 first in
**DESIGN FOR
RECYCLABILITY
WITH TF-BOPE**
Mono-material solutions,
to overcome limits of
conventional PE film



2019 first in
CERTIFIED CIRCULAR PE / PP
from chemical recycled feedstock



2019 first in
**POLYCARBONATE BASED ON
CERTIFIED RENEWABLE FEEDSTOCK**
from 2nd generation renewable feedstock



Econitrile
Circular Chemicals

2019 first in
CERTIFIED RENEWABLE PROPYLENE
Supporting launch of first sustainable acrylonitrile

2014 first in
MASS BALANCE chain of custody
for polyolefins



2014 first in
CERTIFIED RENEWABLE PE and PP
from 2nd generation renewable feedstock



2020 first in
**SCALING UP
CHEMICAL AND
MECHANICAL
RECYCLING
CLOSED LOOP**



TO STAY A LEADER WE NEED TO SECURE...

CREDIBILITY

- Trust is key and can affect the entire sector
- Believe in mass balance e.g. avoid green washing, reputational risks etc.
- Consumer credibility is needed within the entire value chain incl. end-consumer

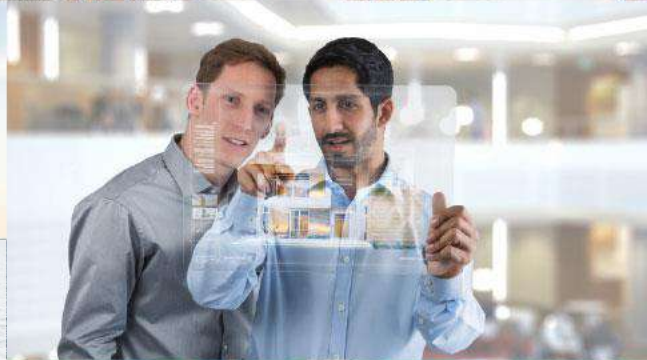


PHYSICAL LINK

- Keep it understandable
- Guarantee full traceability
- Global credit transfer should be avoided

SPEED

- Consistent approach and ease of doing business with every certification body
- De-complex the network of certified structures, e.g. warehouses, sales entities



THANK YOU

