# The Petrochemical Industry and Plastics Circularity

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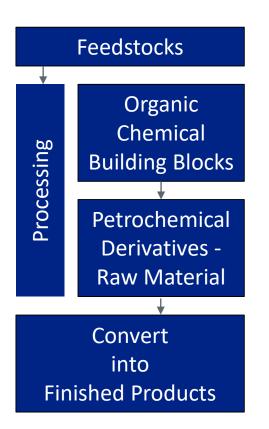
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### **Introduction to Petrochemical Industry**

 Is an industry that uses feedstocks from the oil refinery (primarily), process it to produce organic chemicals, as raw material for many valuable end-use products



Crude products, natural gas, non-petroleum based

#### Two main groups

- Olefins ethylene, propylene, butadiene, etc
- Aromatics (BTX) benzene, toluene, xylene

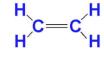
Polymers, epoxy resins, synthetic rubber, fibers, surfactants, dyes, agrochemicals, pharmaceuticals, etc

Packaging, automotive, medical / health care, food production, personal care, home and electronics, construction, recreational and education, etc

## Example Ethylene chain – Polymer



**Natural Gas** 



Ethylene (C2=)



Polymer - HDPE







Chevron Phillips Chemical is a joint venture between Chevron U.S.A. Inc. and Phillips 66 Company, founded on 1 July 2000 <a href="https://www.cpchem.com">www.cpchem.com</a>

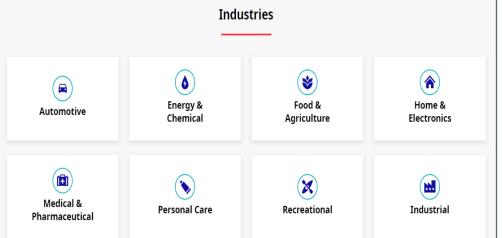




## Products That Perform People Who Care

Our solutions are essential, so they're designed to the highest standards. Because we care, they're designed to improve lives around the world.







## **Sustainability @ CPChem**



- Health and Safety
- Social Enrichment

https://www.cpchem.com/sustainability











The Plastic Waste Challenge

We Strongly Agree –
Plastics Does Not
Belong In Our
Environment. Period.









## Plastic - An Integral Part of Modern Society

Plastics significantly benefit modern society by:

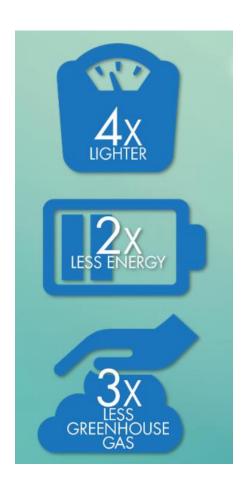
- Protecting the food we eat
- Reducing fuel consumption, and
- Ensuring hygienic medical care is available when needed worldwide.



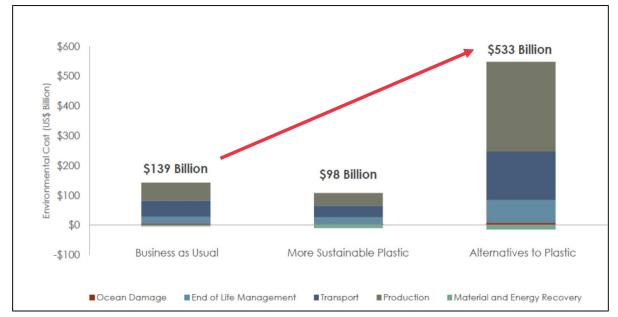
## Plastic – A Sustainable Material

#### Chevron Phillips CHEMICAL

## .... Lighter, more energy efficient, and produce less greenhouse gas



Replacing plastics with other materials would require the use of 57% more energy and result in a 61% increase in GHG emissions.



Source: Trucost Study, 2016





- Plastic should not end up in our environment.
  - We advocate for the proper disposal and recycling, reuse and repurposing of all plastics
- Our company and industry must be problem solvers.

Our vision is for every piece of post-use plastic to be recycled, reused or repurposed.



#### Alliance to End Plastic Waste

Joined companies across the plastics value chain pledging more than \$1.5 billion to keep plastic waste out of the environment.



## Circulate Capital Ocean Fund

Contributed \$15 million to 1st investment fund dedicated to eliminating plastic waste in South and Southeast Asia.



#### Industry Goals

Worked toward industry goals of achieving 100% re-use, recycle or recovery of plastic packaging by 2040.



#### Operation Clean Sweep® Blue

Deepened commitment to plastic pellet management practices across U.S. and similar programs in Asia and Europe.



#### Plastics & You Toolkit

Produced and distributed educational materials to encourage discussions about the value of plastics and recycling.



#### Community Enrichment

Supported our communities through litter clean-up events, volunteerism, financial contributions and more.





2025 Post-Consumer Recycled Content Target								
10%	15 - 19%	20%	25%	30%	40%	50%	70%	
amcor	Nestie.	SELFRIDGES & CO	ALPIA Coale	MARKS & SPENCER	Tupperware	natura	Superdry.	
Berry	Jaf	TARGET	Unilever PEPSI	Sealed Air	L'ORÉAL PARIS			
Kelloggis	Walmart *	INDITEX	McCorm	ick	L'OCCITANE EN PROVENCE			
		Henkel	Pernod Ricard	Ger)	DIAGEO			
		BURBERRY LONDON ENGLAND	// <b>11</b>	sity				
			DANONE COLO	_				
					Source: Ellen MacArthur Foundation & UN Environment, June 2019			

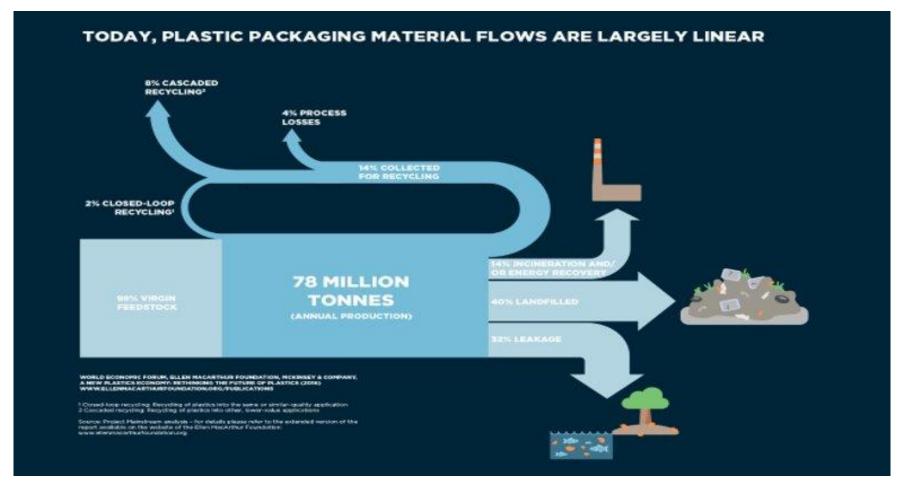


## **Advancing Plastics Circularity**



## **Largely a Linear Economy Today**

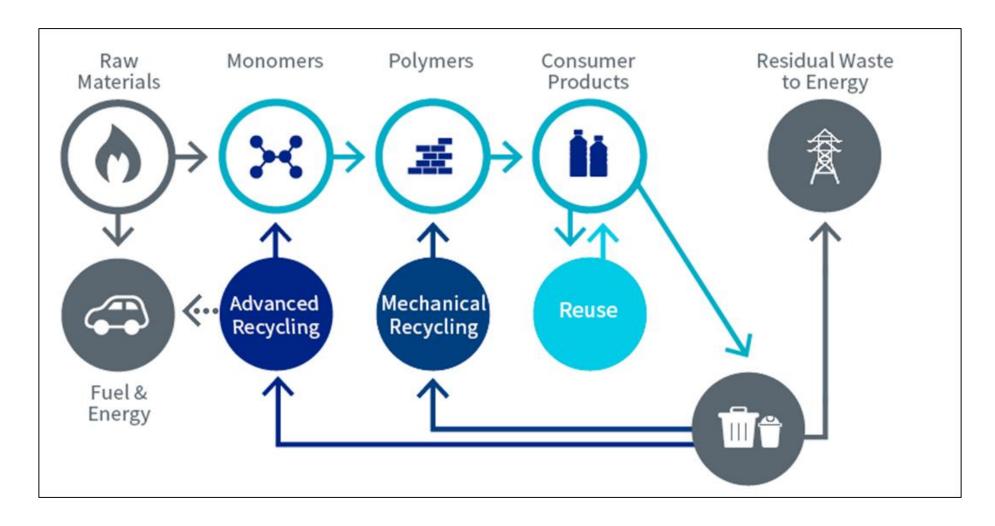




Source: Ellen Macarthur Foundation

## **Advancing Plastics Circularity – Closing the Loop**





## What is Advanced Recycling?





Source: Chevron Phillips Chemical (https://vimeo.com/465979058)

## The Process of Advanced Plastic Recycling Explained





Source: Chevron Phillips Chemical

### **CPChem Marlex® Anew™ Circular Polyethylene**



10/08/2020

Chevron Phillips Chemical successfully completes first U.S. commercial scale production of circular polyethylene from recycled mixed-waste plastics

https://www.cpchem.com/AdvancedRecycling

"We are exceptionally proud to be the first company to announce production of a circular polyethylene on this scale in the U.S.,"

"The successful production run marks a huge step for CPChem on our path to being a world leader in producing circular polymers.

This development is an important milestone for us as we further our commitment to proactively help the world find sustainable solutions, including the elimination of plastic waste in the environment."

- Jim Becker, Vice President of Polymers and Sustainability



- Difficult to recycle waste plastics to feedstock
- Certification through internationally recognized ISCC\*
- Fills unmet demand for food grade recycled plastics
  - Prime material with predictable processability
  - Regulatory compliance
  - No taste, odor or color issues typical of recycled plastics

<sup>\*</sup> ISCC – International Sustainability & Carbon Certification

## Questions?

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