



## BUILDING A SUSTAINABLE FUTURE

SIBUR participated in the S&P Global Platts European Petrochemicals Virtual Conference.

Representatives from Braskem, LyondellBasell, Cepsa and MOL Group, as well as experts from S&P Global Platts and other industry media discussed the issues of a changing market landscape and supply-demand balance amid the COVID-19 pandemic, the impact of lockdowns and other restrictions on companies' internal processes, along with how businesses are adapting to the new normal, higher risks and increased environmental demands.

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The conference included a roundtable on sustainability in the petrochemical industry today and the industry's outlook for the future. The discussion was moderated by Luke Milner, Managing Editor at S&P Global Platts in London. He opened the conference by noting that 2020 was a hard year in many respects and that single-use plastic items were as relevant as ever, and suggested that discussion be started with renewable energy sources (RES) and the potential use of biofuels as feedstocks.

According to the first speaker at the event Robert Tieman, Sustainability and Business Development Manager at LyondellBasell, Europe and the USA actively debate the use of renewables at the legislative level and recently passed laws and regulations on target biofuel properties. Ocean preservation studies show that almost 80% of marine plastic debris originates from land-based human activities, he said. However, according to Mr Tieman, the business community is taking active steps to address environmental plastic pollution, the most important being awareness building and waste collection projects.

Frans Stockman, Executive Director of Petrochemicals Europe, said, "industrial production is directly linked to plastic bottles on beaches or in the ocean, but the whole value chain bears responsibility for this." Each stage of the chain should be improved technologically so that everybody can take a responsible approach when performing their tasks and consider the consequences. According to Stockman, manufacturers "do not do enough to show what they really do in this regard," while many of them actually invest heavily in mechanical and even in chemical recycling methods.

Maxim Remchukov, Sustainable Development Director at SIBUR, believes that the challenges that hamper the circular economy's natural development are educational, technological, regulatory and economic (lack of economic stimulus).

"The first two can well be addressed with the help of R&D in waste recycling," he said. An economic stimulus is equally important, too.

“A FEW YEARS AGO, RUSSIA STARTED REFORMS THAT ENABLE SIBUR TO INCORPORATE INNOVATIONS IN BOTH MECHANICAL AND CHEMICAL RECYCLING,” SAID MAXIM REMCHUKOV

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“This is why we call it an economy: respective units or businesses at each stage of the value chain should be motivated to carry out certain actions,” said Remchukov. “Some should collect plastic waste and some should transport it, while others sort it and prepare it for recycling. And then the product can be used in packaging production. A value chain that includes chemical recycling instead of mechanical is a bit more complicated but similar,” he said. “It is a continuous job for the entire value chain.”

On the topic of plastic recycling in Russia, Mr Remchukov mentioned that 5% of plastic waste is either landfilled or disposed of into the environment. “A few years ago, Russia started reforms that enable incorporating innovations in both mechanical and chemical recycling. The polymer waste problem can be addressed by returning plastic to the economy as a feedstock.” According to Remchukov, SIBUR is actively searching for options to create value all while abandoning inefficient and environmentally harmful plastic waste disposal methods.

*Speech by Maxim Remchukov.*