For immediate release

PETRONAS Chemicals signs MOU with PLASTIC ENERGY Ltd
Taking the first step towards a circular economy for plastics

Kuala Lumpur, 26 June 2019 – PETRONAS Chemicals Group (PCG), the petrochemical arm of PETRONAS, yesterday signed a Memorandum of Understanding (MoU) with PLASTIC ENERGY Ltd, a chemical recycling company, to collaborate in addressing plastic waste that cannot be recycled by conventional means in Malaysia. The strategic collaboration marks the first step towards a circular economy which maximises the plastics value chain.

PCG and PLASTIC ENERGY will jointly perform a feasibility study to establish a facility to convert plastic waste into TACOIL, PLASTIC ENERGY’s optimal feedstock to create recycled virgin-quality plastics from low quality, mixed plastic waste otherwise destined for incineration or landfill.

Depending on the outcome of the study, PCG and PLASTIC ENERGY may consider building a commercial plant in Malaysia.

The collaboration will enable PCG to utilise TACOIL produced by PLASTIC ENERGY for polymer production in its petrochemical complex in Pengerang Integrated Complex and obtain circular polymer certification from International Sustainability and Carbon Certification (ISCC). ISCC is a leading and globally applicable certification system that ensures compliance with high ecological and social sustainability requirements, greenhouse gas emissions savings and traceability throughout the supply chain.

PLASTIC ENERGY has successfully commercialised a patented thermochemical conversion technology to convert end-of-life, contaminated plastics and plastics that are hardly recyclable for conventional processes into usable feedstock. Currently, PLASTIC ENERGY has established two commercial plants in Seville and Almeria, Spain.

Once materialised, PCG will be the first petrochemical company in Southeast Asia to invest in a chemical recycling project which converts mixed plastics waste into virgin quality polymer.
Commenting on the partnership, PCG Managing Director/Chief Executive Officer Datuk Sazali Hamzah said, “Our partnership with PLASTIC ENERGY is in line with our purpose towards becoming a progressive energy and solutions partner that enriches lives for a sustainable future. As a responsible business entity, we have embedded our sustainability agenda within our operations as a critical driver for business growth and in creating value for our stakeholders. We believe in balancing our business goals against sustainability development obligations”.

“As a responsible corporate citizen, PCG has recently established a dedicated team to pursue an active role in the implementation of the New Plastic Economy initiative in addressing the issues arising from plastics waste and provide a sustainable solution for the environmental preservation,” added Sazali.

Founder and CEO of PLASTIC ENERGY, Carlos Monreal said, “Malaysia has shown that it is serious about tackling the challenge of plastics waste. We are excited to be part of the solution, and to collaborate with PCG in changing the paradigm and turning plastics waste into a valuable resource, thereby contributing to the creation of a circular economy. Working together can help reduce plastics pollution, which is becoming a vital objective for world governments and companies.”

PLASTIC ENERGY is the only operator in the world to have continuously and successfully converted domestic end-of-life plastics at a commercial level. Its team of technology experts have a combined experience of more than 50 years in developing the unique Thermal Anaerobic Technology (TAC) recycling process.

The partnership is PCG’s initial step towards a circular economy. The Company is determined to continuously minimise its impact to the environment through best-in-class approach, and sustain its operations in an economically, environmentally and socially responsible manner.
About PETRONAS Chemicals Group Berhad

PETRONAS Chemicals Group Berhad (PCG) is the leading integrated chemicals producer in Malaysia and one of the largest in Southeast Asia. It operates a number of world class production sites, which are fully vertically integrated from feedstock to downstream end-products. With a total combined production capacity of 12.8 million tonnes per annum (tpa), it is involved primarily in manufacturing, marketing and selling a diversified range of chemical products, including olefins, polymers, fertilisers, methanol and other basic chemicals and derivative products. Listed on Bursa Malaysia and with three decades of experience in the chemicals industry, PCG is established as part of the PETRONAS Group to maximise value from Malaysia’s natural gas resources.

PCG is one of the top 10 companies in the FTSE4Good Bursa Malaysia (F4GBM) Index, out of 200 largest companies ranked by market capitalisation. It is committed to ensuring that its business practices are in line with globally recognised standards for Environment, Social & Governance (ESG) practices.

Further details on PCG can be found at www.petronaschemicals.com.my

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About PLASTIC ENERGY Ltd

PLASTIC ENERGY is at the forefront of the use and development of new technologies to transform traditionally non-recyclable plastic waste into hydrocarbon products and back into plastic. It is leading the way in its field in the transition to a low-carbon circular economy with its two commercial plants in Spain. It is one of the few companies worldwide that has sold millions of litres of oils from plastics waste using patented technology. The company uses chemical recycling to process non-recyclable End of Life Plastics (ELP) from domestic wastes.

Further details on Plastic Energy Ltd can be found at www.plasticenergy.com or Twitter @plasticenergy

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