

Vestolit's Sustainability Approach



Customer's Preferences

80%

of consumers now actively seek companies whose actions are consistent with their social and environmental values, and 80 percent are willing to pay more to buy from an ethical retailer

97%

of consumers are willing to pay more to an ethical brand.

“ Although constrained during restrictions, we have seen attention shift back to basics and buying local. In August 2020, 54% of customers we asked in Australia said that an organization’s environmental or social record had changed their purchasing decisions. ”

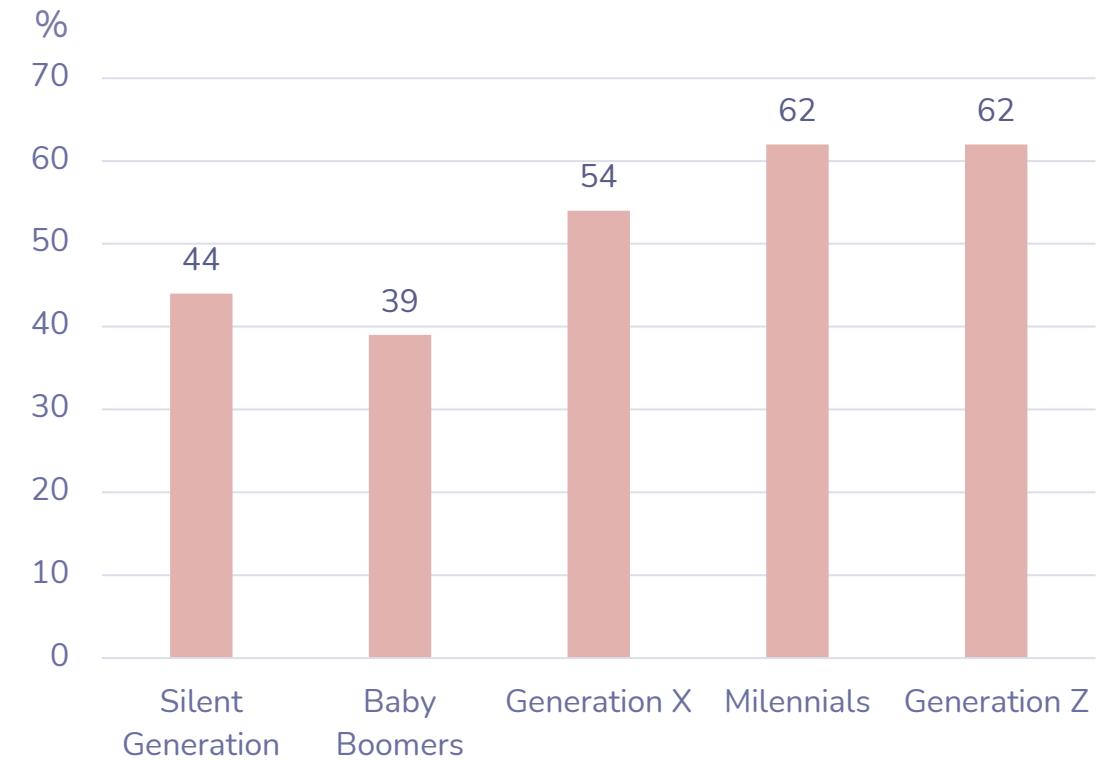
Source: *Me, My Life, My Wallet*. KPMG International



Customer's Preferences

Prefer to buy from Sustainable Brands

Generation Z Shoppers prefer **sustainable** brands and will **spend the most** on sustainable products



Source: Vinyl Institute Study



When we sell
PVC resins,
we also offer
sustainability
solutions

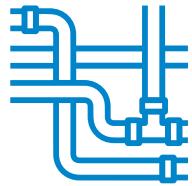
PVC and Derivatives products stand for their lower environmental footprint in the markets they are used

Along their lifecycle, they produce lower carbon emissions, they can be recycled several times, feeding numerous circular economy cycles, helping thrive several businesses, and also transforming social conditions.



Our products help solve several of the main challenges of the world

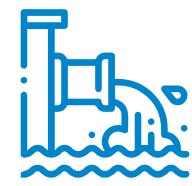
Our PVC resins are transformed into



Pipes to transport clean water.

More than
2.000 million

people have no access to drinking water.



Sanitary pipes that carry wastewater to treatment plants before it is released into rivers or the sea.

3.600 million

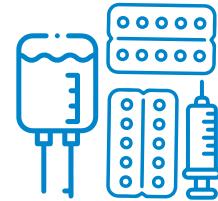
people have no access to managed sanitation in their home.



Houses and other construction applications such as flooring, roofing, windows frames.

1.300 million

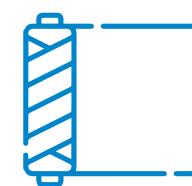
people lack adequate housing.



IV and blood bags, pills packaging and other vital medical devices.

3.000 million

people can not afford basic medicines.



Film to conserve food.

1.2 million

tons a year. Roughly a third of the world's food is wasted.

PVC

Can be recycled

Several times

Vinyl Institute

Emissions

CO₂

Lower than
other resins



Can be mixed with
recycled content

**Good
Performance
to be used with
virgin resins**

SDG Aligned

Vestolit's Initiatives

USA

- Member of the Vinyl Institute's Board

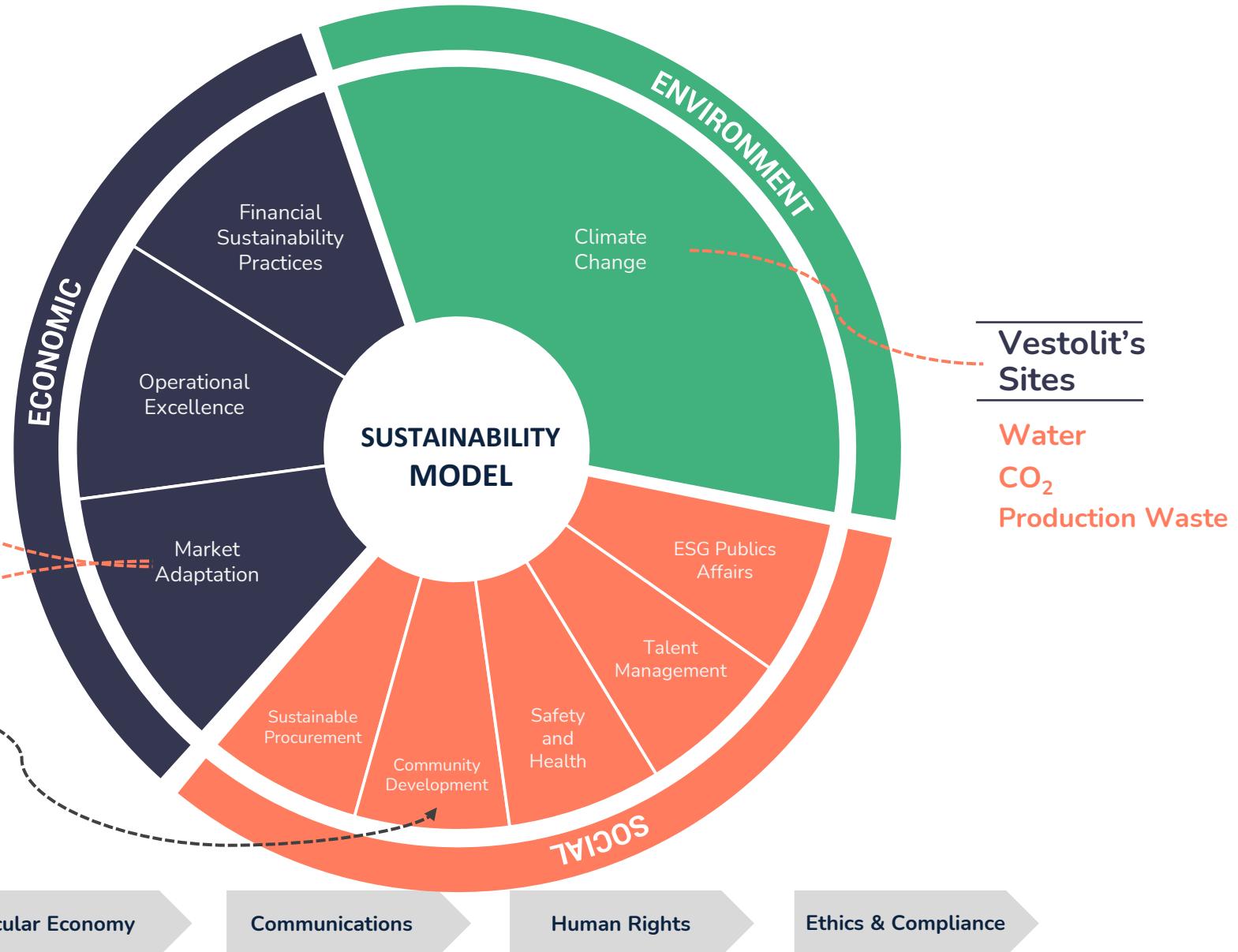
Colombia, Mexico and Brazil

- Vinyl in Motion
- VinyLA

Germany

- Future-Fit PVC
- Vinyl Plus Board

Sustainability Model



Opportunities in LATAM

11-30% Recycling rates in LATAM

Polymer	Recycling Rate (Ktpa)	Plastics Consume	Recycling (%)
PET	56	178	31
HDPE	53	195	27
LDPE	24	288	8
PP	22	262	8

PVC?

Virgin PVC LATAM: 600.000 ton/year

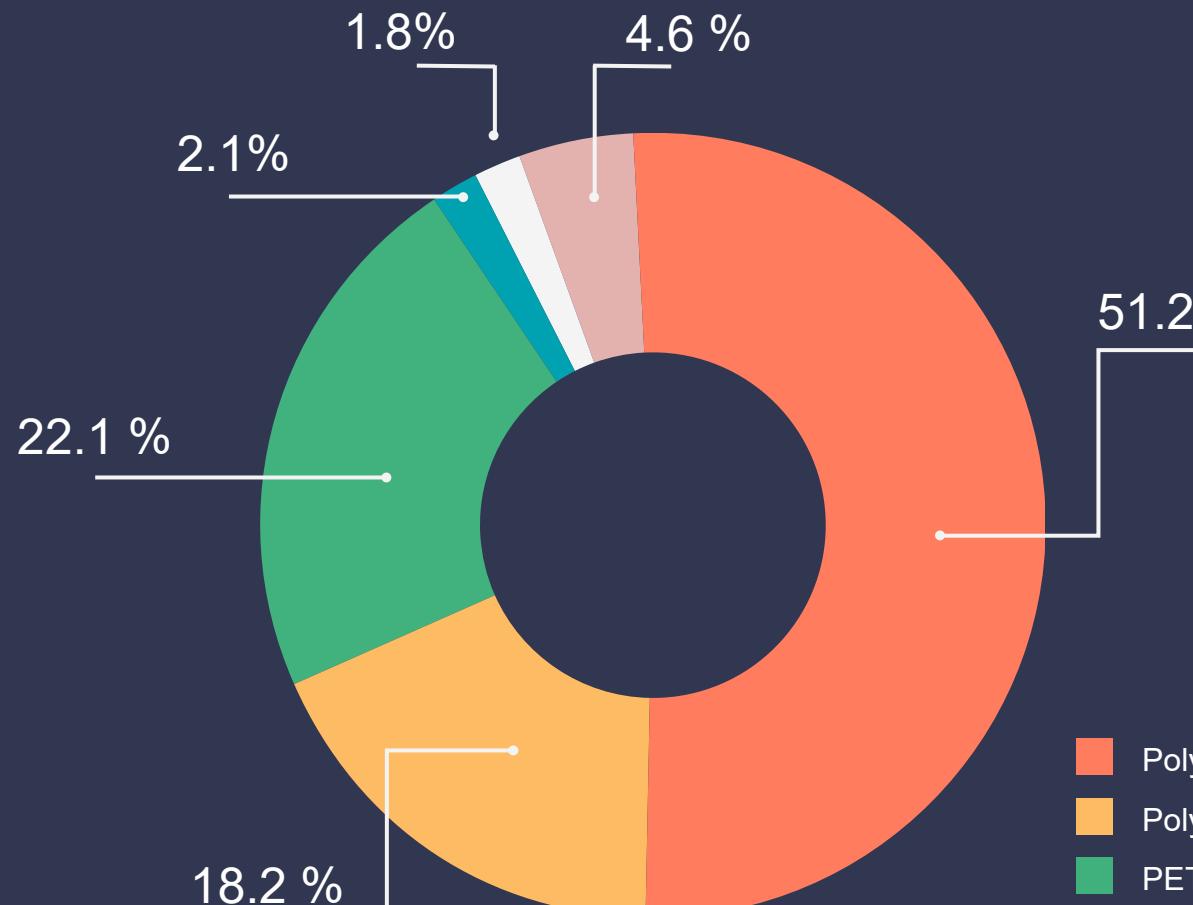
PVC actual recycling rate: 2 % (12.000 ton/year)

30%: When?



Source: ...

Urban Mining:
The future of Material Sourcing



Total recycled
Fuente: ANIPAC, 2022

- Polyethylene
- Polypropylene
- PET
- Polystyrene
- PVC
- Others

Vinyl Plus **900K** tons/year of **PVC** in the E.U.

Vinyl Institute **500K** tons/year of **PVC** in the U.S. and Canada.

In Mexico **1,9M** tons/year of plastics are being recycled.

PVC is just **2.1%** (40,187 tons) of this amount.



Just 8.6% is
CIRCULAR

Circularity Gap Report, 2020

Circular Economy





**We transform PVC waste
into resources for life
thanks to **Vinyl in Motion**.**

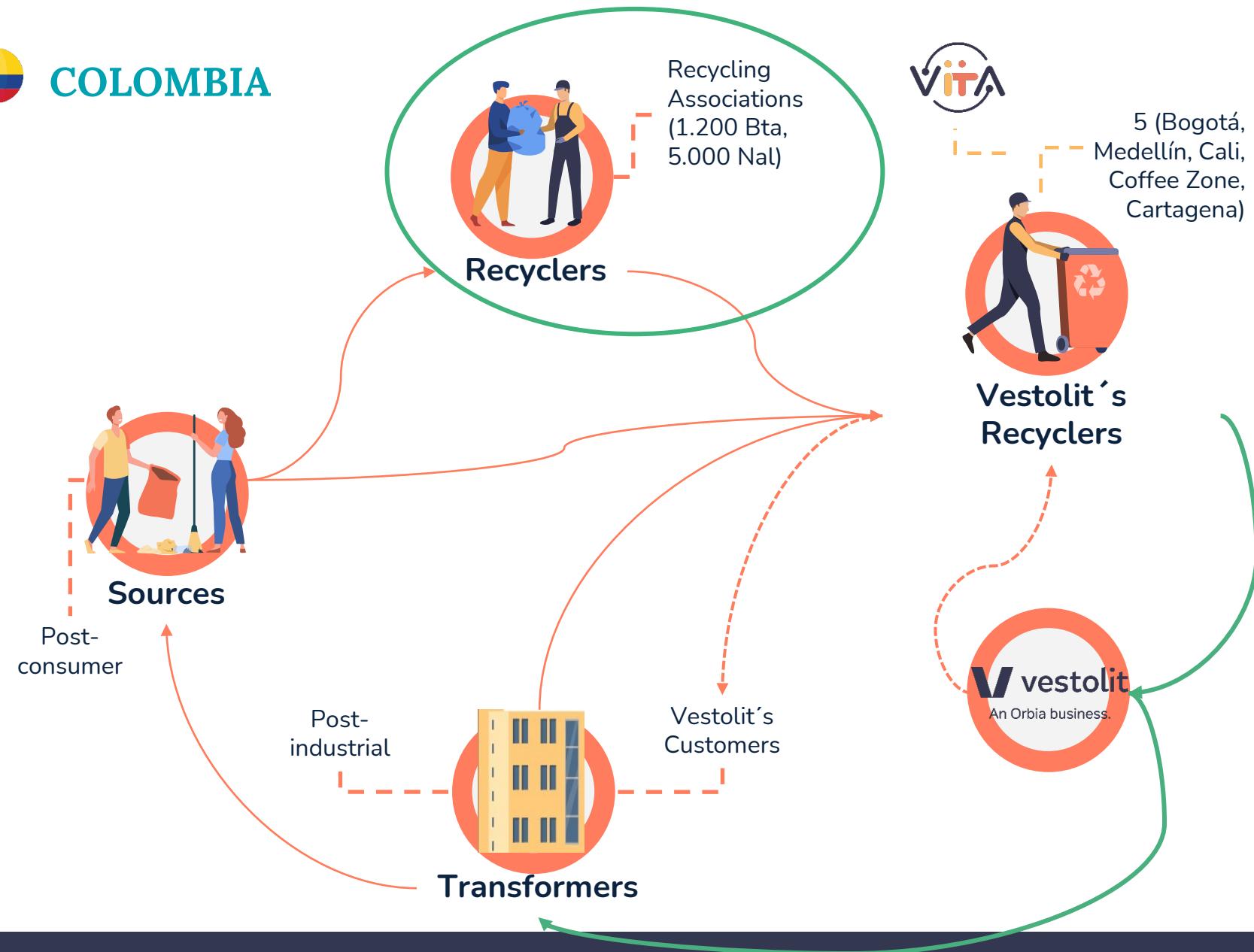
Vinyl in Motion is the Vestolit's initiative
in Latin America to advance the circular
economy of PVC.



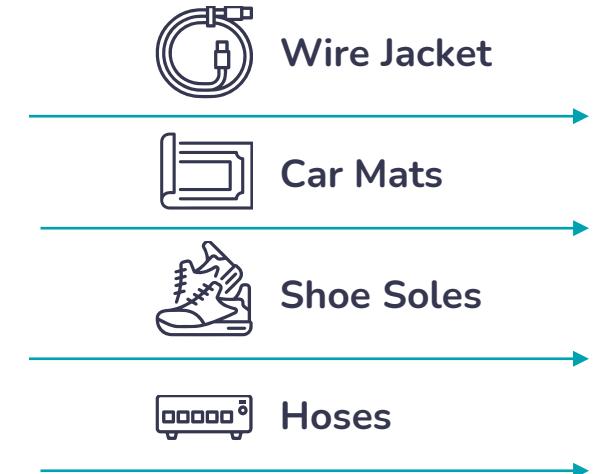
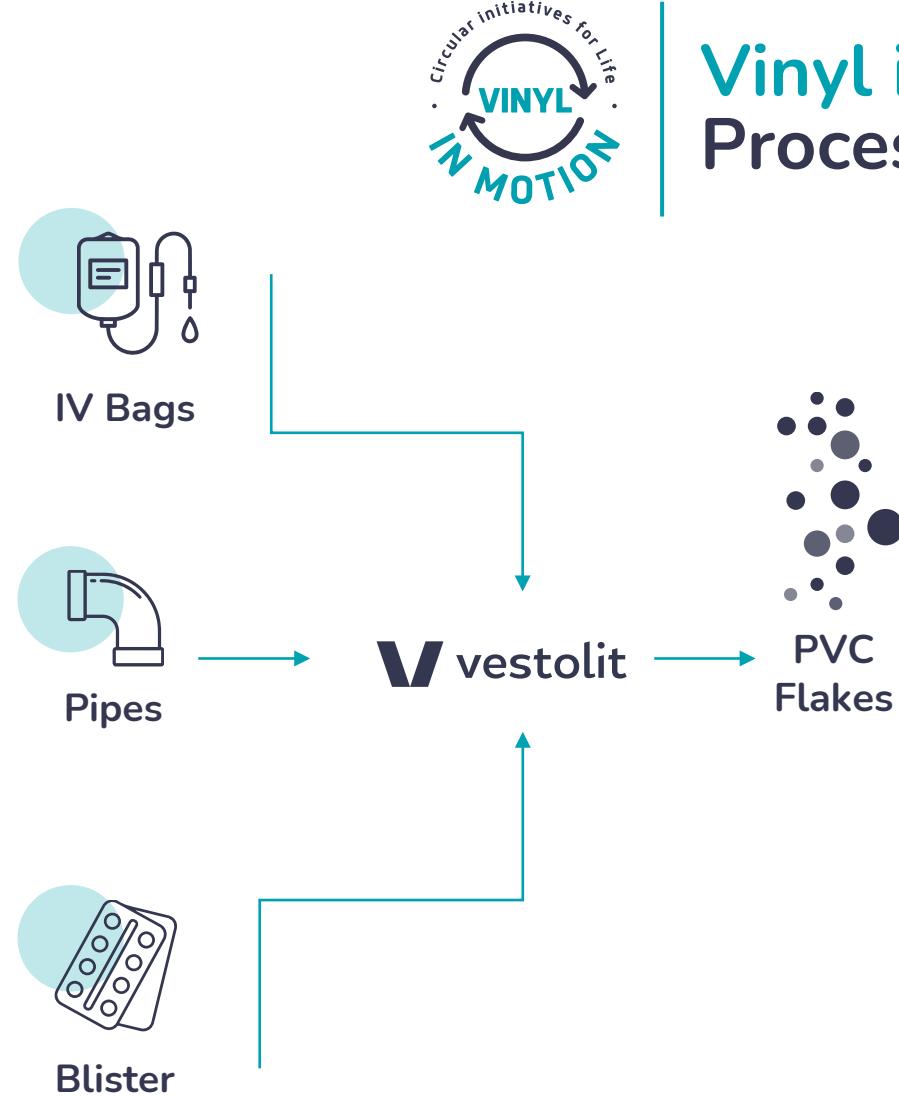
Vinyl in Motion



COLOMBIA



Vinyl in Motion Process



- Alphagary is transforming 20 Tons/month of IV bags.
- Blister recycling method is under Orbia patent.
- Construction collected material to be used by Wavin.

Life Cycle Assessment

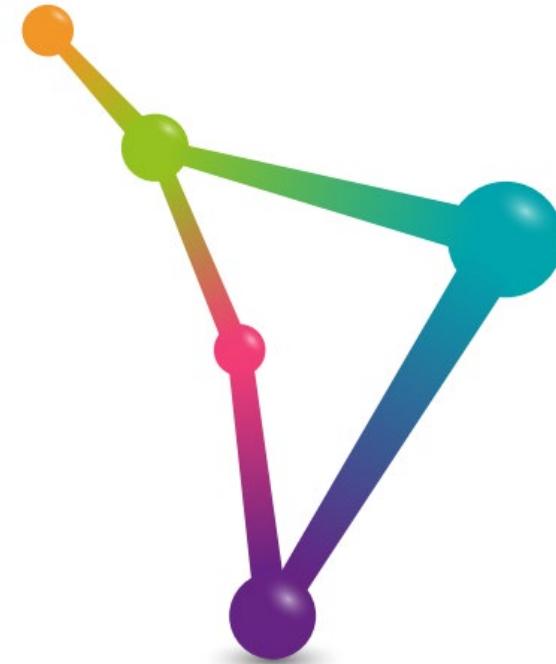
Pilot with our customers to assess
from the cradle to customer's exit gate



VinyLA

**Latin America chamber
of the PVC circular economy**

Vestolit has led the creation of VinyLA – the first entity oriented to advance the PVC circularity in LATAM, such as the Vinyl Plus in Europe.



VINILA

Mesa de Economía Circular del PVC
para Latinoamérica



We are committed being a
Sustainability-Leader Company

Q&A



Vestolit is an Orbia business and
part of the Polymer Solutions group.

