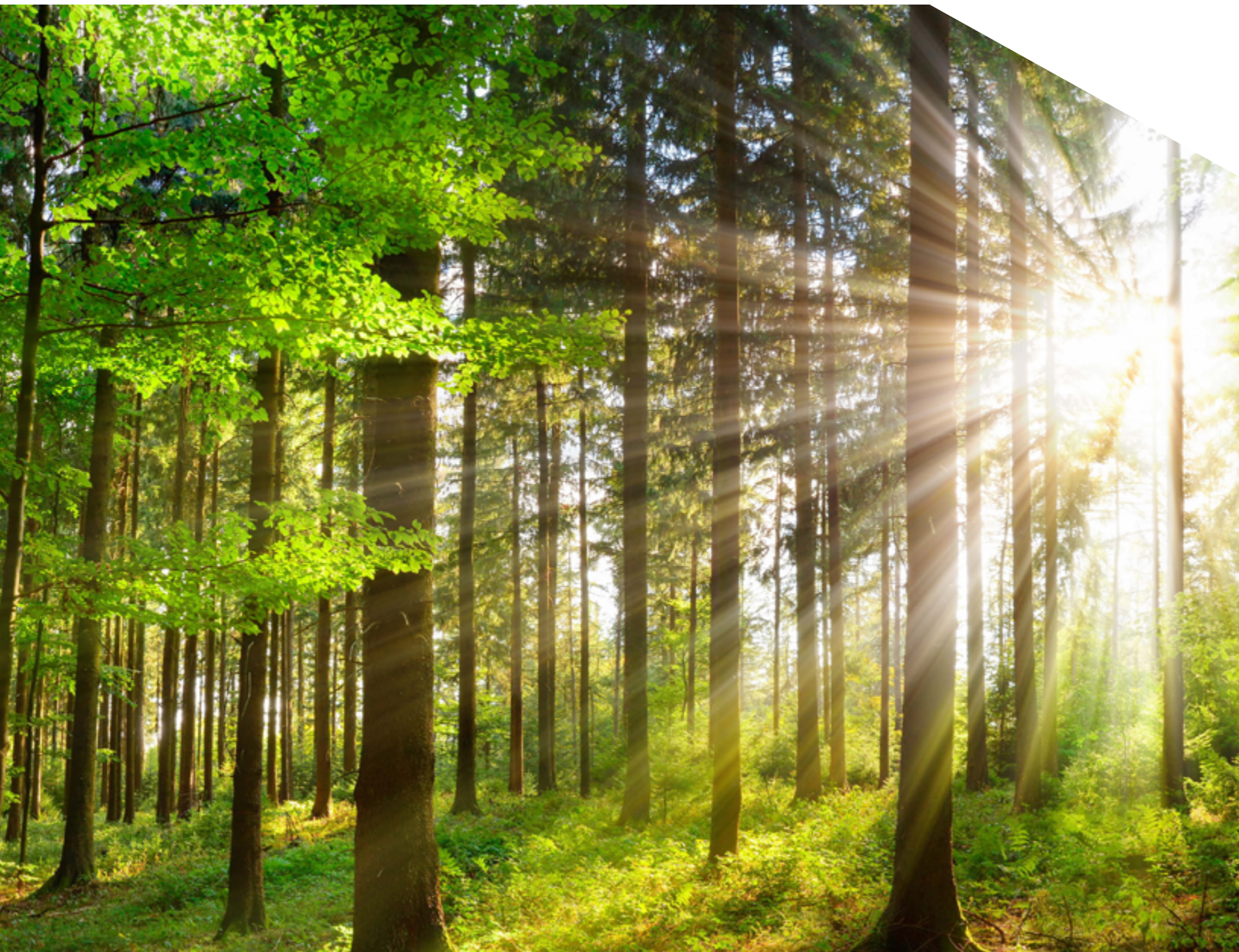


Position on Extended Producer Responsibility



Key message

LyondellBasell (LYB) supports Extended Producer Responsibility (EPR) programs as an effective mechanism to help eliminate plastic pollution, advance a circular economy for plastics, and reach our ambitious circularity goals.

Introduction

In a circular economy, resources are kept in use for as long as possible, and then recovered and regenerated at the end of life. Transitioning to a circular economy will help preserve precious natural resources, reduce greenhouse gas emissions, and create jobs for future generations. Keeping plastic materials circulating in the economy is critical to ending plastic waste. Effective public policies can help advance a circular economy by promoting demand for recycled content through national targets and establishing funding for recycling infrastructure through financing mechanisms such as EPR programs.

EPR programs shift some or all of the responsibility for funding and managing the life cycle of a product, particularly at the end-of-life, from the public sector (i.e., governments) to the private sector (i.e., producers). In the EPR context, the term “producers” typically refers to brand owners, retailers, or first importers that supply packaged consumer goods to the consumer. EPR programs are often implemented through legislation that defines private and public sector roles and responsibilities and the conditions and parameters under which the program will operate.



Why does EPR matter to LYB?

LYB aspires to be an industry leader in the production and marketing of recycled and renewable-based polymers. By 2030, our ambition is to produce and market more than two million metric tons of recycled and renewable-based polymers annually. Reaching this ambitious goal will require collaboration across the value chain and a supportive regulatory environment.

LYB supports EPR programs as an important mechanism to help keep plastics circulating in the economy rather than ending up in landfills, incineration, or the environment. These programs are designed to support and incentivize effective collection, sortation, and recycling of products and materials after their initial use has been completed. They also encourage improved product design to reduce consumption and enhance reuse and recyclability. By effectively managing post-use products and materials, they can be diverted from landfills, incineration or the environment, and their value can be captured, helping support a more circular economy. Such advancements are consistent with LYB's corporate strategy and sustainability objectives.

What do we need? LYB's position.

LYB believes that key principles for EPR programs should include and/or consider the following:

- EPR programs should be developed and implemented at the national rather than global level to consider local conditions.
 - A basic level of global and regional harmonization, based on shared principles and criteria for developing and implementing individual national EPR programs, should be applied to better control administrative complexity and costs.
 - In the U.S., LYB also supports EPR at the state level in the absence of a national EPR program.
- EPR programs should invest in the necessary infrastructure to increase recycling rates through improved education, collection, and sortation.
- Material-neutral EPR programs are preferred, meaning that all covered materials pay EPR fees and investment of those fees benefits all materials.
- EPR fees should
 - Be used only for EPR operations and plastics recycling investments and programs, as opposed to general government programs.
 - Be collected on all materials covered by the EPR program including plastic packaging.
 - Be based on the weight of the covered products or packaging.
 - Include incentives for more sustainable product and packaging design, helping to increase recycling rates and lower recycling costs.
 - Be commensurate with program needs.
- EPR programs should not be used to regulate the production or use of plastics.
- Chemical/Advanced recycling should be allowed and recognized as recycling, counting toward targets or goals such as recycling rates or recycled content.
- Mass balance accounting verified through third party certification should be allowable for advanced recycling to help achieve recycling rate and recycled content targets.
 - LYB supports a fuel use exempt approach to mass balance for advanced recycling.

About us

We are LyondellBasell (LYB) – a leader in the global chemical industry creating solutions for everyday sustainable living. Through advanced technology and focused investments, we are enabling a circular and low carbon economy. Across all we do, we aim to unlock value for our customers, investors and society. As one of the world's largest producers of polymers and a leader in polyolefin technologies, we develop, manufacture and market high-quality and innovative products for applications ranging from sustainable transportation and food safety to clean water and quality healthcare. For more information, please visit www.lyb.com or follow [@LyondellBasell](https://www.linkedin.com/company/lyondellbasell) on LinkedIn.