**SCGC Joins Hands with National Innovation Organizations from Thailand and Israel**

**to Push Forward PVC Plastic Recycling into Petrochemical Feedstock**

**for the First Time in Thailand**

Bangkok, May 30, 2024 - SCG Chemicals Public Company Limited, or SCGC, in collaboration with two national innovation organizations—the National Innovation Agency (Public Organization), or NIA, under the Ministry of Higher Education, Science, Research and Innovation (MHESI), and the Israel Innovation Authority (IIA)—pushed forward their innovation, **the “PVC-mixed Plastic Waste Recycling Project Using the Superoxide Process to Produce Naphtha Oil for the Chemical Industry**,” which serves as a feedstock for petrochemical plants. This innovation aims to tackle the challenge of managing used PVC plastic, which is notoriously difficult to dispose of, and promote the commercialization of circular economy research. Resulting from collaboration between SCGC and Plastic Back from Israel, SCGC will pilot the use of this technology in Thailand for the first time with the goal of moving towards a low-carbon society by following the principles of Low Waste, Low Carbon, reducing the use of fossil-based raw materials, and increasing the proportion of green polymers in the future.

**Dr. Suracha Udomsak, Chief Innovation Officer of SCG Chemicals Public Company Limited or SCGC,** said, "The recycling technology developed by Plastic Back can efficiently recycle used PVC plastic with an almost 100% recycling rate. This allows the typically hard-to-dispose-of PVC plastic to be recycled effectively. Furthermore, this technology is versatile, suitable for installation in small-scale standalone units as well as for large-scale industrial recycling. SCGC plans to pilot this technology in Thailand to research and identify the optimal conditions for producing naphtha oil as a feedstock for petrochemical plants. This collaboration will drive the circular economy forward, aligning with SCGC’s approach to developing green innovations based on the Low Waste, Low Carbon concept, aiming for a low-carbon society. Currently, SCGC produces and sells high-quality virgin plastic from circular naphtha, manufactured using advanced recycling technology and certified by ISCC PLUS (International Sustainability and Carbon Certification). The PVC plastic recycling technology will offer an alternative to promote the circular economy."

**Mr. Tal Cohen, Chief Executive Officer, Plastic Back**, said, “We have identified the PVC chemical recycling segment as a big opportunity. The collaborative efforts with SCGC will allow us to close the loop on the upcycling of difficult-to-treat PVC waste streams. We look forward to strengthening our collaboration with SCGC as we scale up our process and partnership. The bi-lateral R&D framework, supported by the NIA and IIA have allowed us to bring together innovation, industry expertise, and a fertile ground for collaboration.”

**Dr. Krithpaka Boonfueng, Executive Director of the National Innovation Agency (Public Organization) or NIA, stated,** "NIA aims to promote the development of innovations that add value and positively impact both the economy and society, especially by creating international collaboration networks to accelerate growth opportunities for innovative businesses. Therefore, we have implemented the 'Bilateral Programs for Parallel Support,' in collaboration with the Israel Innovation Authority (IIA), to enhance the capabilities of innovative businesses in sectors of mutual interest between the two countries. The 'PVC-mixed plastic waste recycling using the superoxide process to produce naphtha oil for the chemical industry' project between SCGC and Plastic Back marks the first success of applying Israeli innovation in Thailand since the signing of the Innovation MoU in 2018. In addition to producing naphtha oil from chemical recycling for use as a feedstock in factories or for sale as a replacement for fossil-based naphtha, which currently sells for approximately 550 USD per ton, this project also helps reduce the use of fossil-based feedstock in petrochemical plants and increases the proportion of environmentally friendly, low-carbon footprint green polymers."

**Ms. Orna Sagiv, Ambassador of Israel to Thailand**, said, "Israel, a small country facing many challenges since its establishment, including a lack of natural resources and a challenging geography, has had to quickly develop human resources, entrepreneurial capabilities, advanced technology, and advanced research. Israel also creates a unique and strong ecosystem that comprises of the government, the academy, MNC’s, the Israeli Defense forces, and private funding. In recent years, Israel has transitioned from being the 'Startup Nation' to the 'Unicorn Nation,' with nearly 100 companies valued at over 1 billion USD. Today, we are delighted to see the success of the first collaboration resulting from the MoU between NIA and IIA, with the pilot project by SCGC and Plastic Back aiming to reduce plastic waste using unique technology developed by Plastic Back. This project is just the beginning, and we are confident that many more successful projects will follow. The collaboration between Israeli startups and large Thai companies will undoubtedly benefit the people of both countries."

**Mr. Avi Luvton, Senior Director, Asia Pacific Operations, International Collaboration Division, Israel Innovation Authority (IIA),** stated, "Innovation is one of Israel’s most valuable resources. The IIA, an independent publicly funded agency, was thus created to provide a variety of practical tools and funding platforms aimed at effectively addressing the dynamic and changing needs of the local and international innovation ecosystems. This includes early-stage entrepreneurs, mature companies developing new products or manufacturing processes, academic groups seeking to transfer their ideas to the market, global corporations interested in collaborating with Israeli technology, Israeli companies seeking new markets abroad and traditional factories and plants seeking to incorporate innovative and advanced manufacturing into their businesses. International cooperation is a priority for IIA, acting as a bridge for international connections, matching partners abroad with Israel to find the right collaboration opportunities for individuals or businesses. The Israel-Thailand collaboration in PVC-mixed plastic waste recycling between the two companies is a significant first step towards success."