

4Q22 REVIEW OF THE WORLDWIDE POLYETHYLENE INDUSTRY IN 2022

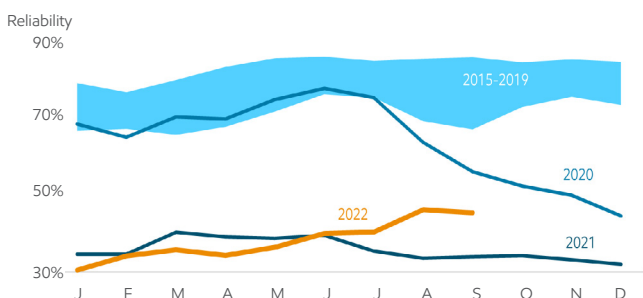
tomorrow's
 performance
 today

Improving global logistics exposes global PE markets to challenging Asia Pacific bottom of cycle

Global logistics up from record lows. Schedule reliability recovery is improving, bringing down costs on most shipping lanes. Port congestion is elevated in Atlantic Basin but essentially back to normal in rest of the world.

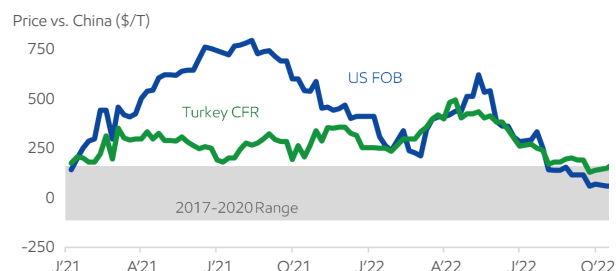
Improved logistics and new capacity start-ups have refilled global PE inventories allowing prices to reconnect with Asia and stabilize. A quiet hurricane season and a global cool-down of the economy have offset impacts of the conflict in Eastern Europe.

Global logistics seeing signs of improvement



Source: Sea-intelligence
 Schedule reliability measured by % on-time delivery

Global PE prices have stabilized reconnecting with Asia

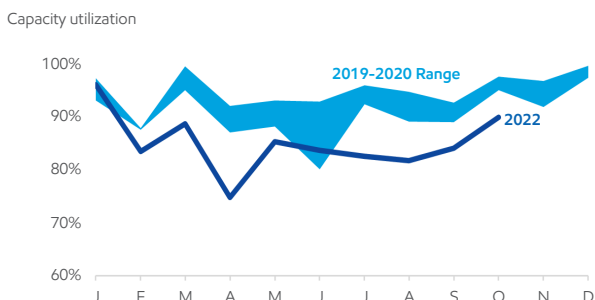


Source: ICIS, Platts
 Historic price range is 2017-2020

In China, the COVID policies have hindered PE demand. New start-ups added supply length and forced producers to limit capacity utilization. Some PE capacity addition projects have been delayed.

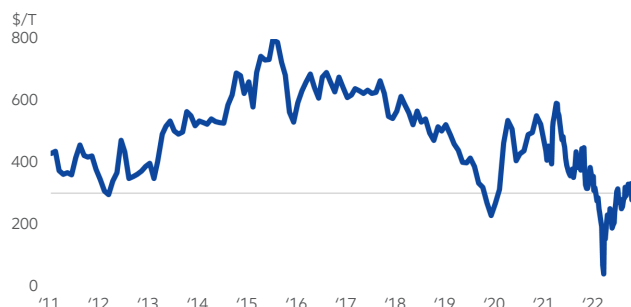
PE-naphtha spread reflects a very challenging bottom of cycle for AP PE producers. Industry focus shifted to inventory reductions which, in the past, led to uncertainties on supply continuity.

Recent China PE production capacity utilization is below the historic band



Source: ICIS, EM Estimates

AP PE-Naphtha spread remains historically compressed



Source: ICIS, Platts
 The line at \$300/T represents the 2011-2013 minimum during the previous bottom of cycle conditions



Exxtend™ technology for advanced recycling

Today, society is trying to create a more circular world. To help achieve that, customers are increasingly eager to access certified-circular polymers to help them reach their recycling or other sustainability goals. To help meet growing global demand, our Exxtend technology for advanced recycling is a leading technology solution that can help to address plastic waste and circularity challenges. Exxtend can widen the range of plastic materials that can be recycled. Product quality and performance of the certified-circular polymers are identical to polymers made from virgin raw materials, so customers can be confident when using them in existing applications.



As of September 2022, ExxonMobil has processed more than 6,700 metric tons (nearly 15 million pounds) of plastic waste at its Baytown facility, recycling materials that may have otherwise gone to landfill or incineration. [When the facility's expansion is complete later this year](#), it will be among North America's largest advanced recycling facilities, with an annual capacity to recycle 30,000 metric tons of plastic waste. Leveraging ExxonMobil's existing manufacturing assets, plans are underway to build up to 500,000 metric tons (1 billion pounds) of annual advanced recycling capacity by year-end 2026 across multiple sites globally. Source: [ExxonMobil](#)



Cyclx International, ExxonMobil and LyondellBasell announced they have signed an agreement to advance development of a first-of-its-kind plastic waste sorting and processing facility in the Houston area. The new facility addresses a critical missing link in the plastic waste supply chain by connecting community recycling programs to new and more advanced recycling technologies that have the potential to take a much wider variety of plastic materials. Source: [Agilyx](#)



ExxonMobil has [commissioned a carbon footprint assessment](#) (ISO 14067) of its Exxtend™ technology for advanced recycling as practiced in the United States. While we understand the benefits of our co-processing technology in terms of scale and capabilities, we also wanted to know how it compared in terms of carbon footprint to the base case when we run the units without waste plastics. The assessment was conducted by Sphera, a leading sustainability consulting group for life cycle assessments, and was reviewed by a panel of independent experts.

Source: [ExxonMobil](#)

Why ExxonMobil PE? Why today?

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What some might view as solutions that will only happen in the future, ExxonMobil PE is making possible today – through our innovative and reliable products, collaborative approach, technology leadership and support, and our unmatched global supply and resources. Learn more about how we're helping our customers create solutions with sustainability benefits. Why wait for tomorrow to advance your business today? Contact your ExxonMobil PE representative and begin experiencing tomorrow's performance today.

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