

Integrated plastic recycling lines

Investment Case Study

Asset Class: private equity

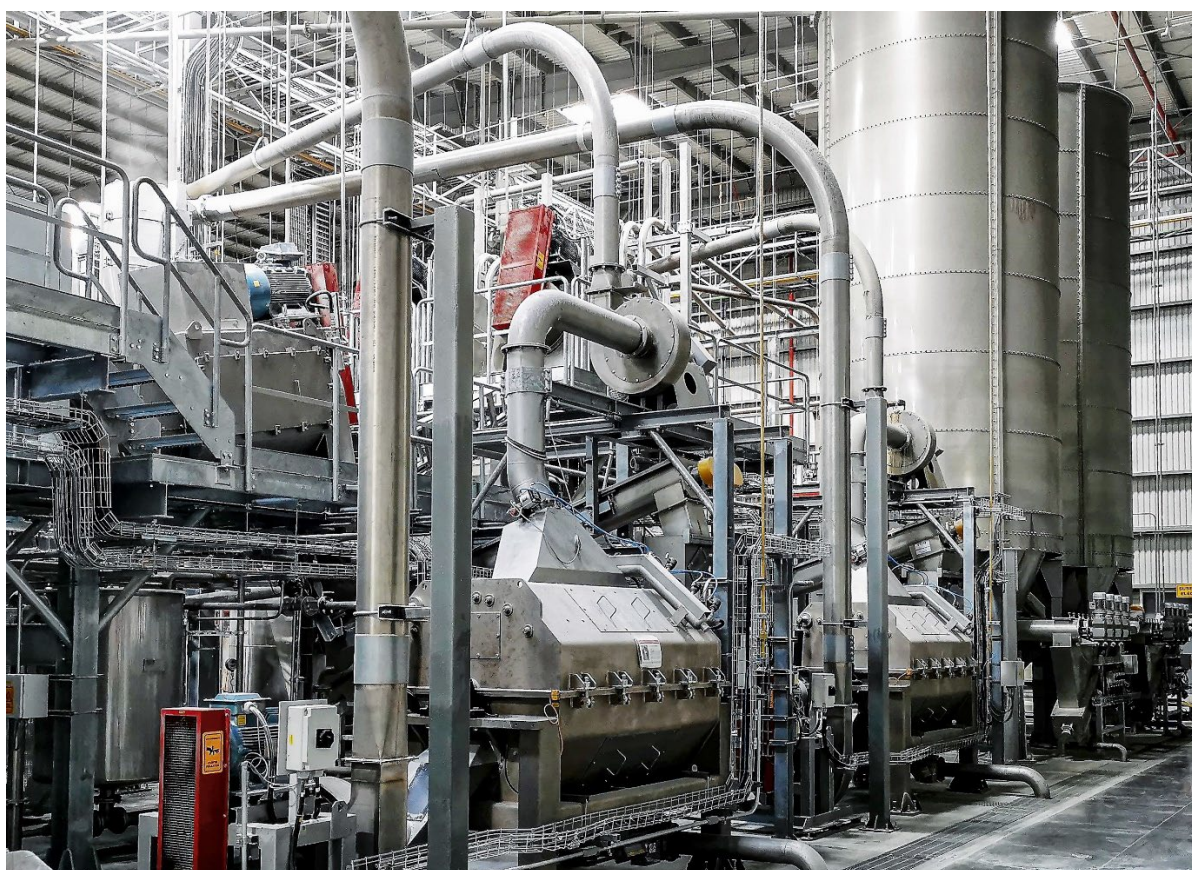
Location: Southeast Asia

An example of an investment by Ambianta one of our private markets asset managers.

Plastic pollution represents one of the major pollution emergencies in the world. Plastic is a cheap, effective and very durable material but when dispersed in the environment causes several damaging effects. Plastic is also one of the least recycled materials globally, with less than 15% of overall plastic waste currently being recycled.

In 2023 Ambianta invested in the Italian company Previero, a leading provider of fully integrated product lines for the plastic recycling industry. Of the 15% recycled plastic waste, 98% is recycled mechanically with machinery of the type produced by Previero. Previero is well known in the industry for the durability of its machines and for the quality of the output of its recycling lines.

This is critical to promote upcycling (production of high-quality goods) as opposed to downcycling (production of lower quality goods) which today is the standard use of recycled plastic.



Previero's "bottle-to-bottle" recycling line

Most of the uncollected plastic which ends up in the ocean comes from a small number of countries in Southeast Asia. Part of the reason why plastic waste is not collected is the lack of an attractive market for it.

¹Lourens J. J. Meijer et al., "More than 1000 rivers account for 80% of global riverine plastic emissions into the ocean", Science Advances

In recent years, however, the growing demand for recycled plastics by consumer brands has increased the value of plastic waste, making recycling an attractive option.

Previero has been a key enabler of building out the necessary infrastructure to satisfy this demand: in the past 12 months alone, Previero has provided bottle-to-bottle recycling lines to new recycling plants in Vietnam, Myanmar and India for a combined capacity of over 65,000 tons/year, contributing to the prevention of these materials ending up in the ocean.

The total environmental impact achieved by Previero in 2023 estimated by Ambienta is:

- 12,533 toe of Energy Saved, equivalent to the energy consumption of 237'000 refrigerators
- 8,341 m³ of Land(fill) Saved, equivalent to the waste produced by 55'000 people
- 14,864 Tons of CO₂eq Emissions Reduced, equivalent to 7'000 cars
- 11,261 tons of Materials Recycled, equivalent to 3% of Milan yearly waste recycling