

## Sinarmas Cepsa Pte. Ltd. signs agreement to expand bio-based chemicals production

Sinarmas Cepsa Pte Ltd (SCPL) and its parent companies, the chemicals business of CEPSA and agribusiness Golden Agri-Resources (GAR), today signed a Memorandum of Understanding to expand the production of bio-based chemicals at SCPL's site in Lubuk Gaung, Indonesia. The site is ideally positioned to serve customers worldwide and the existing facility, which started production in 2017, is fully utilised.

SCPL has a strong ambition to grow along the fatty alcohols value chain, with sustainable development at the heart of its strategy and operations. Global demand for fatty acids and natural alcohols is driven by growing demand for home and personal care products, as well as increasing demand for sustainable, bio-based solutions across a variety of the industries SCPL serves.

The expansion is expected to advance SCPL's growth strategy, to contribute to solving environmental challenges, including climate change, and to support sustainable farming practices in Indonesia. Pending final investment decisions, this incremental production will bring additional employment and economic benefits to the local community.

"Sustainably sourced, bio-based alternatives are key requirements for our customers and the markets we serve" said Kung Chee Wan, CEO of SCPL. "We are excited to grow with our customers and increase the scale of our sustainable and traceable integrated supply chains."

**Cepsa** is a global energy and chemical company operating at every stage of the oil and gas value chain. Cepsa also manufactures products from plant-based raw materials and operates in the renewable Energy sector. Cepsa has 90 years of experience and a team of over 10,000 employees, who combine technical excellence with adaptability. Cepsa operates on five continents.

**Cepsa Química** is a world leader in its sector and is leading the shift towards sustainable chemistry, with a clear commitment to the fight against climate change and the transition to a circular, non-fossil economy. The company leads the worldwide production of LAB, the main raw material used in biodegradable detergents, where Cepsa Química is a pioneer player. It is also number one in the production of cumene, an intermediate product used in the production of phenol and acetone, which are the main raw materials for the manufacture of engineering plastics and of which it is the world's second largest producer.

Cepsa Química currently employs more than 1,000 people and has plants in seven countries around the world (Spain, Germany, Brazil, Canada, China, Indonesia and Nigeria).

**Golden Agri-Resources (GAR)**, as an integrated agribusiness, delivers an efficient end-to-end supply chain, from responsible production to global delivery. In Indonesia, its primary activities include cultivating and harvesting oil palm trees; the processing of fresh fruit bunches into crude palm oil (CPO) and palm kernel; refining CPO into value-added products such as cooking oil, margarine, shortening, biodiesel and oleo-chemicals; as well as merchandising palm products globally. GAR's products are delivered to a diversified customer base in approximately 100 countries through its global distribution network with shipping and logistics capabilities, destination marketing, on-shore refining and ex-tank operations. GAR also has complementary businesses such as soybean-based products in China, sunflower-based products in India, and sugar businesses.



PRESS RELEASE

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