

Media Release

Borouge, Borealis, Pelita Mekar Semesta, Reciki Solusi Indonesia, and Subnational Climate Fund Join Forces to Establish a Fully Integrated Circular Waste Management Ecosystem in Indonesia

- This collaboration underscores the companies' commitment to drive system change to boost circularity through collaboration and innovation to provide sustainable solutions that address global challenges
- Borouge and Borealis will be supported by Catalytic Finance Foundation in executing a feasibility study as part of the Subnational Climate Fund Technical Assistance programme
- The study aims to assess the feasibility of establishing a greenfield plastics recycling facility in East Java, Indonesia, and evaluating the full process chain
- The project will be carried out in partnership with local waste management and recycling partners in Indonesia with the aim to establish an ecosystem that turns waste into valuable feedstock to produce high-quality recycled polyolefins, thereby catalyzing the transition to a circular economy

Abu Dhabi, UAE/ Vienna, Austria / – February 10, 2026: Borouge and Borealis, in collaboration with Catalytic Finance Foundation, Pelita Mekar Semesta (PMS) and Reciki Solusi Indonesia, are joining forces to establish Indonesia's first fully integrated circular waste management ecosystem.

This initiative is part of Borouge and Borealis' strategic vision to accelerate a transition towards a structural change to establish a circular economy of plastics in Indonesia. As champions of innovative and sustainable polyolefin solutions, Borouge and Borealis demonstrate their commitment through initiatives and partnerships that support waste reduction and the promotion of recycling.

The partnership will kick off with a feasibility study funded by the Subnational Climate Fund Technical Assistance with the following scope:

- To develop and establish a fully integrated circular waste management and polyolefin recycling ecosystem in Indonesia.
- To transform plastic waste into a valuable feedstock for recycling, leveraging best industry practices and technology to produce high-quality recycled polyolefins.

Maitha Al Marashi, Vice President, Sustainability, Borouge, said: "Indonesia's rapid development aligns with our vision for sustainable innovation. This partnership is central to Borouge's regional growth strategy as we drive the industry's transition to a circular economy by reducing waste, increasing recycled content, and delivering value-added sustainable solutions."

Markus Horcher, Borealis Vice President Sustainability & Public Affairs said: "By collaborating to create Indonesia's first fully integrated circular waste management and polyolefin recycling ecosystem, we demonstrate our commitment to a plastics circular economy and addressing waste pollution on a large scale. Through collaboration and innovative solutions, we aim to transform waste into a valuable resource, ensuring materials retain their value and benefit the environment for generations."

The Subnational Climate Fund (SCF) managed by Pegasus Capital Advisors is focused on developing sustainable infrastructure and agriculture investments, with a dedicated Technical Assistance facility (TA) managed by the International Union for Conservation of Nature (IUCN) and executed in partnership with Gold Standard and Catalytic Finance Foundation. This project is fully aligned with SCF's mission to support sustainable infrastructure in emerging markets, combining concessional finance and technical assistance to catalyse climate-positive, nature-positive investments—here by transforming Indonesia's plastic waste challenge into a bankable circular economy solution with strong environmental and social co-benefits.

PMS and Reciki, leaders in waste management and recycling in Indonesia, bring invaluable local expertise to the partnership. Their knowledge of the Indonesian context complements Borouge and Borealis' advanced technology capabilities, enabling the production of high-quality recycled polyolefins suitable for diverse market applications.

Willyam Wiranda, CEO Pelita Mekar Semesta said: "In our journey to drive the circular economy within the country, this collaboration marks a significant milestone for improving plastic waste recycling. It is crucial for PMS, as one of the leading plastic recyclers, to intensify efforts in preventing waste from entering the environment. Together with our partners we aim to present a tangible role model for the ecosystem in Indonesia."

Bhima Aries Diyanto, Founder and CEO Reciki Solusi Indonesia said: "We are confident that our collaboration can revolutionize Indonesia's waste management- and plastics recycling industry, significantly reduce the country's plastic pollution crisis, and extract greater value from used materials. We are grateful to all our partners for their dedication in making this possible."

Additionally, the partnership will align closely with [Project STOP](#), an initiative co-founded by Borealis and Systemiq that partners with governments and communities in Indonesia to design and implement circular waste management systems to reduce ocean pollution. The collaboration supports ongoing efforts to reduce marine litter, improve livelihoods, and contribute to in-country value and economic development.

This industry collaboration underscores the companies' commitment to sustainable, circular solutions tailored to local needs. By partnering closely with the Subnational Climate Fund consortium partners, local industry partners, Borouge and Borealis seek to foster a culture of circularity, reduce waste and deliver value-added, sustainable solutions to meet the industry's evolving demands.

The feasibility study marks the beginning of an exciting journey towards a more sustainable future in Indonesia. The partners are committed to working together to achieve the ambitious goals outlined in the agreement to drive positive change.

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Photo: Collected and sorted plastic waste, Borealis



Photo: Recycled pellets, Borealis

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About Borouge Plc

Borouge Plc, listed on the Abu Dhabi Securities Exchange (ADX symbol: BOROUGE / ISIN AEE01072B225), is a leading global polyolefins company that provides innovative and differentiated polyolefin solutions for the infrastructure, energy, mobility, healthcare, agriculture and advanced packaging industries. Borouge employs more than 2,900 people and serves customers in 90 countries across Asia, the Middle East and

Africa.

Founded in 1998 through a strategic partnership between ADNOC and Borealis, Borouge was formed to build and operate a polyolefins complex in Al Ruwais Industrial City, United Arab Emirates, which today is one of the world's largest integrated polyolefin complexes. ADNOC owns a majority 54% stake and Borealis holds a 36% stake in Borouge.

To find out more, visit: borouge.com

About Borealis

Borealis is one of the world's leading providers of advanced and sustainable polyolefin solutions. In Europe, Borealis is also an innovative leader in polyolefins recycling and a major producer of base chemicals. We leverage our polymer expertise and decades of experience to offer value-adding, innovative and circular material solutions for key industries such as consumer products, energy, healthcare, infrastructure and mobility.

With customers in over 120 countries and head office in Vienna, Austria, Borealis employs around 6,000 people. In 2023, we generated a net profit of EUR 216 million. OMV, the integrated energy, fuels & feedstock and chemicals & materials company headquartered in Vienna, Austria, owns 75% of our shares. The Abu Dhabi National Oil Company (ADNOC), based in the United Arab Emirates (UAE), owns the remaining 25%.

In re-inventing essentials for sustainable living, we build on our commitment to safety, our people, innovation and technology, and performance excellence. We are accelerating the transformation to a circular economy of polyolefins and expanding our geographical footprint to better serve our customers around the globe. Our operations are augmented by two important joint ventures: Borouge (with ADNOC, headquartered in the UAE); and Baystar™ (with TotalEnergies, based in the US).

www.borealisgroup.com | www.borealisverminds.com

About PT Pelita Mekar Semesta



PMS is one of the country's leading fully integrated plastic recycling manufacturer. PMS engages in collection, recycling, up to producing end products. The company also provides sustainable plastic waste solutions for industry, efforts to reduce environmental impact and support the circular economy.

Operations in West Java, Indonesia, the organization is home of Centre for Plastic Waste Research & Development, Education and more than 600 employees with coverage of both domestic and international market.

Learn more about PMS at www.pelitamekarsemesta.com

About PT Reciki Solusi Indonesia

Reciki is one of Indonesia's leading privately-owned waste management companies, specializing in designing and operating material recovery facilities (MRFs), housing tailored technologies that receive mix MSW, separate and prepare recyclable materials for future use. With more than 200 employees operating in 5 cities in East Java, Reciki aims to maintain the values of zero waste to landfill and recovering value from waste by having a thorough awareness of the community and efficient sorting facilities. Our goal is bringing innovative solutions to Indonesia's problems with waste management by implementing circular economy and waste to fuel.

Learn more about Reciki at <http://www.reciki.co.id/>

About the Subnational Climate Fund



The Subnational Climate Fund (SCF) is a global blended finance initiative that aims to invest in and scale mid-sized subnational infrastructure projects in the fields of sustainable energy, waste and sanitation, regenerative agriculture and nature-based solutions in developing countries. The SCF features a dedicated, grant-funded facility (\$28M) for Technical Assistance (TA) that provides technical support and grant funding to stakeholders in identifying and strengthening investment proposals for the Fund. The TA Facility is managed by the International Union for Conservation of Nature (IUCN) and implemented together with Catalytic Finance Foundation and Gold Standard.

The Green Climate Fund committed up to \$150 million to the SCF Investment Fund, which is intended to de-risk and crowd-in investments from private and institutional sources.

Learn more about SCF: <https://www.subnational.finance/> and <https://www.pcalp.com/>