



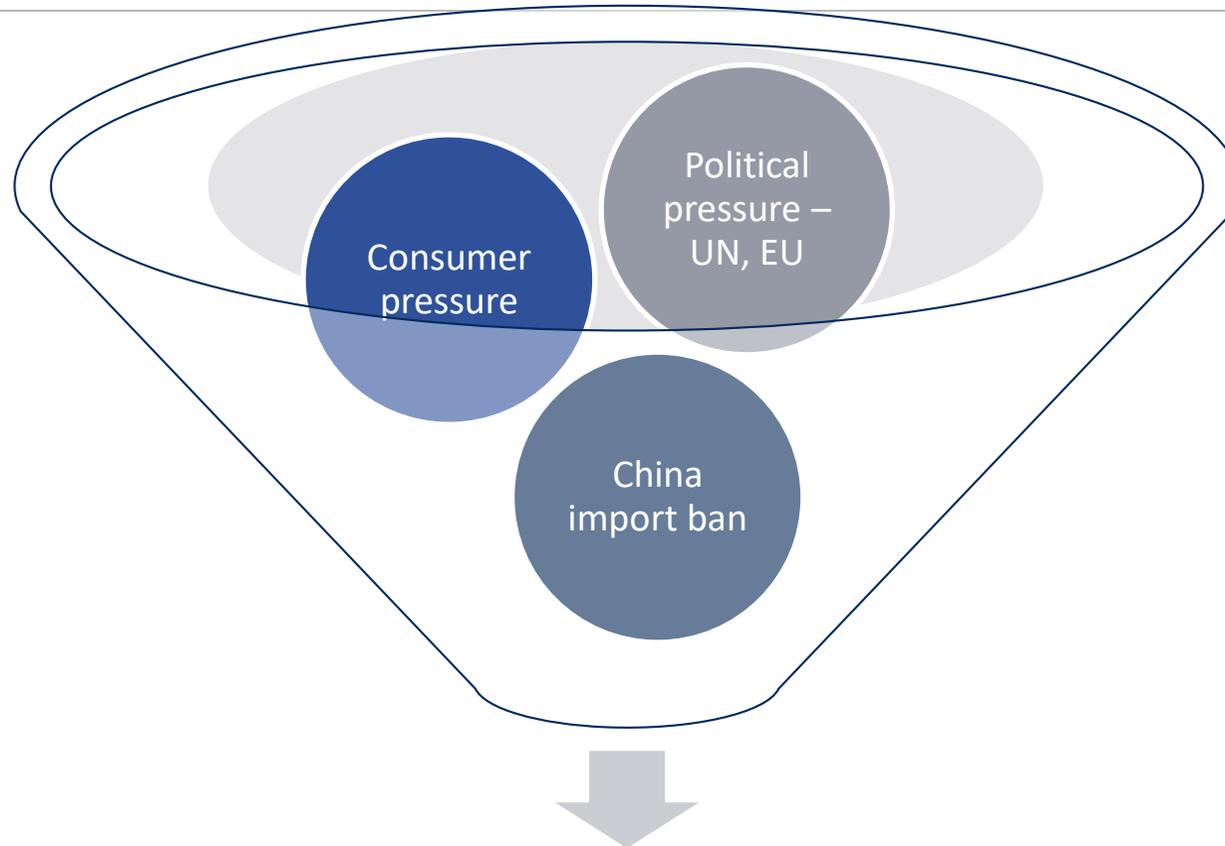
Plastic Matters: An investor perspective

Seema Suchak, Sustainable Investment Analyst

June 2018

Plastic Matters

Why should investors consider this issue?



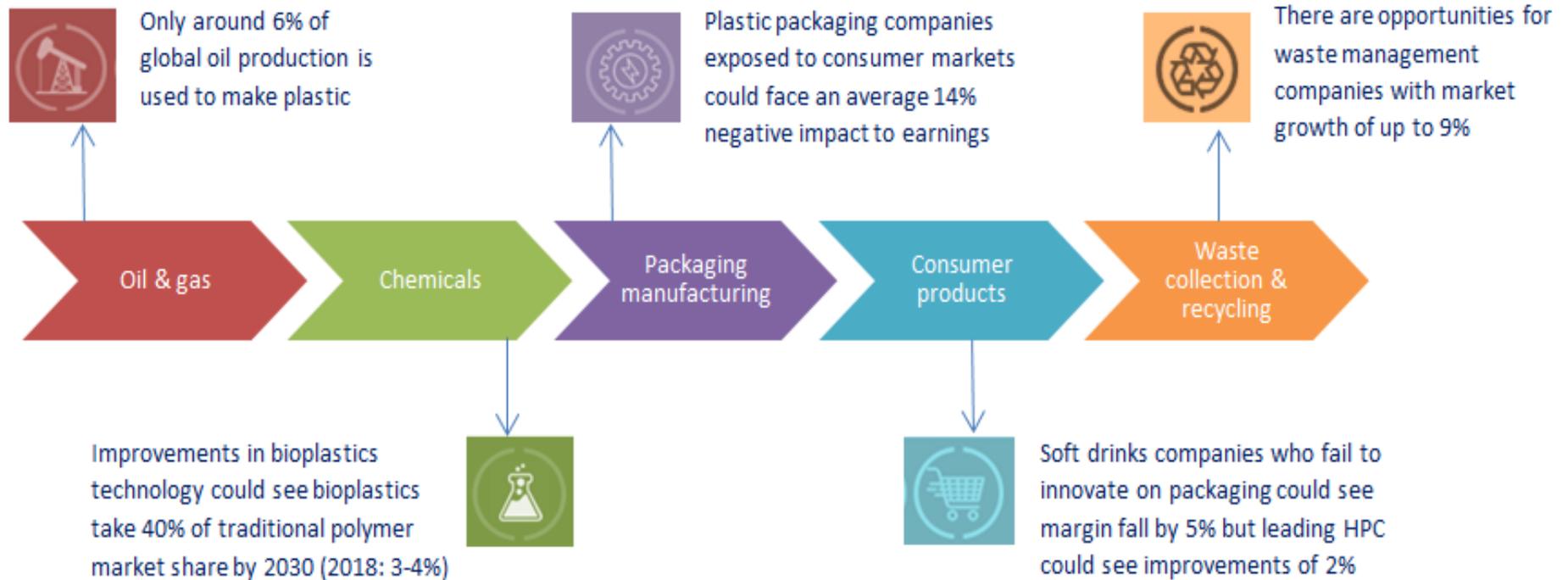
Markets underestimate this information, or don't understand it well enough!

Source: Schroders

Plastic Matters

Exposure through the value chain

→ How would an anti-plastic packaging movement affect the plastic value chain?



Sector exposure varies, and so do time horizons

Plastic Matters – Consumer Packaging

5 trends to disrupt the packaging industry



1. Bio-based feedstocks set to grow 30% by 2030



2. Emphasis on recycled feedstocks



3. Increased demand for *genuinely* recyclable end-products



4. Reduce plastic via efficiencies in packaging



5. Transition to paper/glass/metal packaging has limitations

Plastic Matters – Waste Management

New geographies, applications and products lead to market growth

Disruption factors

- **Significant market potential:** Increase over past decade in Europe – further potential elsewhere.
- **Value in waste:** Large value in single use plastics. Fragmented recycling and lack of uniform products creates long term opportunity.
- **Pricing potential:** Recycled feedstock has less volatile pricing.
- **The China catalyst:** China waste restriction could catalyse the market for recycling and recycled materials

Future norms: UK deposit return scheme consultation underway



Source: Schroders

Important information

Marketing material for professional investors and advisers only. This material is not suitable for retail clients.

This presentation is intended to be for information purposes only. The material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The material is not intended to provide, and should not be relied on for, accounting, legal or tax advice, or investment recommendations. Information herein is believed to be reliable but Schroder Investment Management Limited (Schroders) does not warrant its completeness or accuracy. No responsibility can be accepted for error of fact or opinion. Reliance should not be placed on the views and information in the presentation when taking individual investment and/or strategic decisions.

Past performance is not a reliable indicator of future results, prices of shares and the income from them may fall as well as rise and investors may not get back the amount originally invested.

Schroders has expressed its own views and these may change.

The forecasts included in this presentation should not be relied upon, are not guaranteed and are provided only as at the date of issue. Our forecasts are based on our own assumptions which may change. We accept no responsibility for any errors of fact or opinion and assume no obligation to provide you with any changes to our assumptions or forecasts. Forecasts and assumptions may be affected by external economic or other factors.

Issued by Schroder Investment Management Limited, 31, Gresham Street, EC2V 7QA, who is authorised and regulated by the Financial Conduct Authority. For your security, communications may be taped or monitored.