



**Information, Limitations, and Descriptions for the
SBA-CCI
Quarterly & Monthly Post Consumer Recycled (PCR) PET Report**

The report is the SBA-CCI, Inc. estimate of four prices for clear, food-grade, PCR, PET bottle resin in the United States, all on a delivered basis, US\$/pound. The post consumer recycled PET prices are for technologies that are recognized by the US FDA as food safe by issuance of 'letters of non-objection' (LNO) for the use of recycled PET into food contact. Recycled PET is referred to as 'RPET'. Food grade recycled PET is 'RPET LNO'. All recycled materials are post consumer materials.

RPET resin is used for many applications, including food packaging, with variation in particle sizes and shapes, intrinsic viscosities, colors, and general quality levels. In this report we provide our estimate of an upper range and lower range for food grade recycled PET based on the following variables: prices of baled bottles; freight costs; recycling raw material yields; recycling operating rates, process yields, energy costs, labor costs, financial costs, and selling costs; recycling technologies; and recycling scale of operations. These variables are updated quarterly as inputs to the SBA-CCI, Inc. models to produce our estimates and monthly as an estimate of market conditions. Our report comes from models, not marketplace reported values as we do not intend to "make individual markets". We know there are additional influences in separate purchasing decisions. We also include a range of general PET postconsumer recycled flake prices. These flakes are not LNO grade. The value of our reports is to provide a basis to be included with your price experience to find an acceptable differential between your actual market price and the values reported here so you can estimate your future costs.

Upper range RPET LNO material strives to be identical to virgin material in physical and aesthetic attributes. Lower range material is expected to have some differences compared to virgin PET, but such may not have impacts on manufactured shapes depending on the shapes and their manufacture, such as various bottles and thermoformed containers. Lower range material should be expected to have lower intrinsic viscosity, IV, than upper range material. All recycled PET will, as a consequence of its origins, exhibit variability due to the different PET materials used in packaging and the broad aggregate of different PET materials collected for recycling. A premium 'very clean' category tracks the more color sensitive application offerings. The general flake material could be starting material for food grade processes or used for non-food contact uses or starting materials.

Bale prices are given for the high and the low prices during the quarter within the United States.