The presentation will cover UPM's decision to enter the biochemicals business by investing EUR 550 million in a biorefinery at Leuna, Germany. The biorefinery will produce a range of 100% wood-based biochemicals which enable a switch from fossil raw materials to sustainable alternatives in various consumer-driven end-uses.

The biorefinery will convert wood and residue streams from saw mills into next generation biochemicals: bio-monoethylene glycol (BioMEG) and lignin-based renewable functional fillers. In addition, the biorefinery will produce bio-monopropylene glycol (BioMPG) and industrial sugars. The total annual capacity of the biorefinery will be 220,000 tonnes. The facility is scheduled to start up by the end of 2022.

Application areas for bio-monoethylene glycol include textiles, PET bottles, packaging, and deicing fluids. Bio-monopropylene glycol is used for example in composites, pharma, cosmetics, and detergents. Currently the market supply is practically all based on fossil raw materials: oil, natural gas and coal.

Lignin-based renewable functional fillers are used in different rubber applications as a sustainable alternative to carbon black and silica. Besides climate benefits UPM's new renewable functional fillers will provide additional benefits such as lighter weight and high purity.