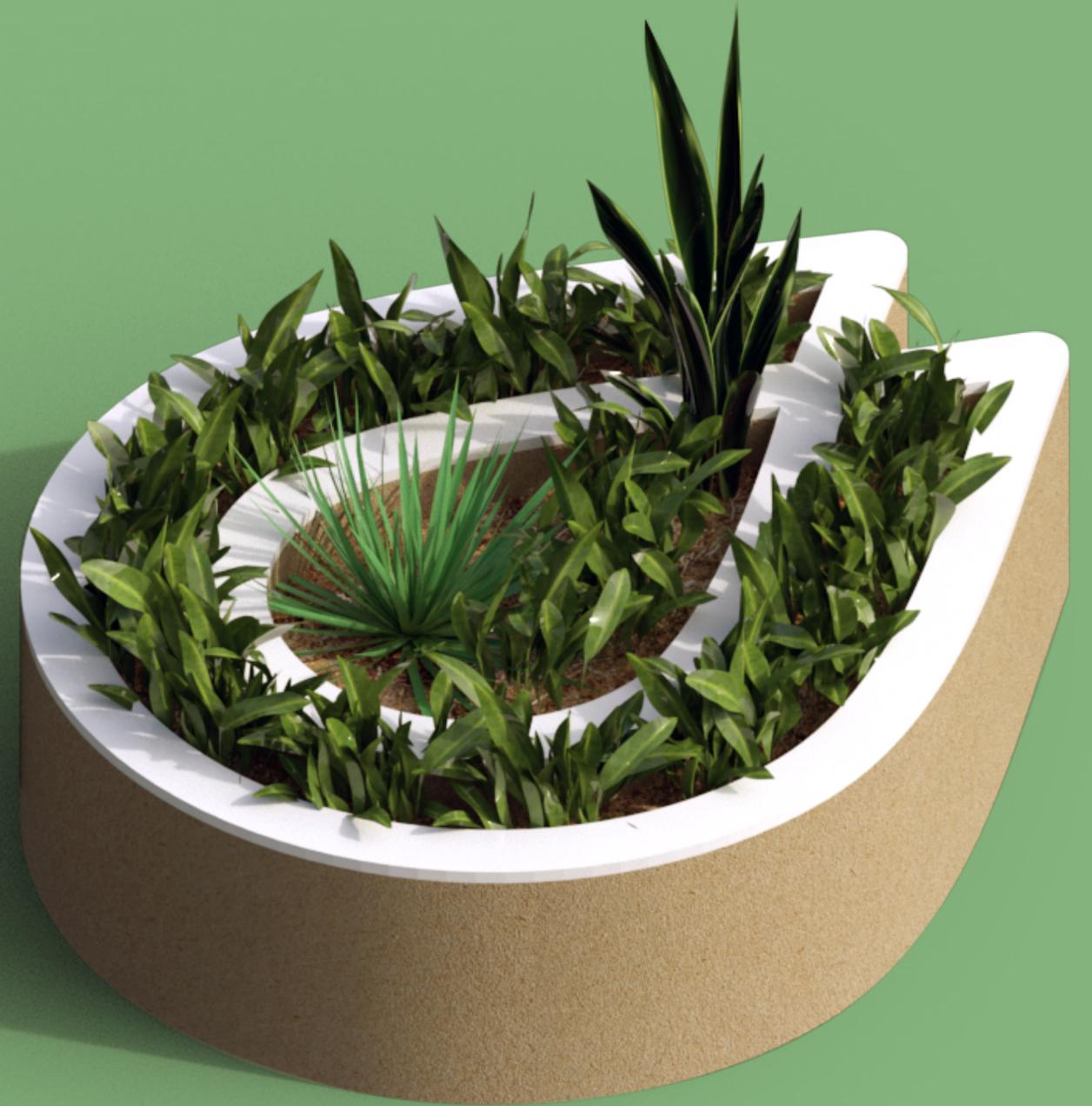


PLASTIC ENERGY SUSTAINABILITY REPORT

SECOND EDITION - SEPTEMBER 2022



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Message from our CEO





Message from our CEO

As the world continues to recover from a pandemic that has changed our global landscape beyond recognition, the need to transform our way of life has never been greater. We continue to face societal challenges such as the strain on the global supply chain, rising energy prices and cost of living and the ongoing climate crisis. While many of these challenges may seem to be beyond our control, taking action to lower our impact on the environment and become more sustainable is something that we all have the power and responsibility to deliver.

Our previous “business as usual” approach to the climate emergency is no longer viable, and companies are increasingly looking towards innovative, more sustainable business models that incorporate solutions that address this global crisis.

At Plastic Energy, we aim to be part of the solution to stop one of these climate challenges: the global plastic waste crisis. Our innovative technology uses a TAC™ process to recycle end-of-life plastic waste that cannot easily be mechanically recycled. Plastic Energy’s mission is to support a circular economy for plastic waste by diverting end-of-life plastic waste from landfill, incineration or leakage into the environment, as well as reducing the climate impact of plastic as a new resource. Now, we want to build on our goal to help end the plastic waste crisis by scaling up our technology to recycle more plastics.

As we continue our transition from a start-up to an established company, we want to make sure we are taking the right steps to incorporate sustainability into every aspect of our business model. This includes a commitment to improving on our environmental, social and economic sustainability goals year on year.

The publication of our first annual sustainability report was a defining moment for us as a company. It established our firm commitment to our sustainability targets going forward and set us out on the right direction to achieve these aims. Though we recognise that becoming more sustainable as a company will be a long journey and there is still much further to go, continuing to be transparent with our sustainability commitments is the first step of many more to come.

We strongly believe that our innovative recycling technology can help mitigate the climate impact of plastic pollution for future generations, and it is this desire to shape a better future that keeps us going. As our company continues to grow and our technology evolves it will become even more important to keep sustainability at the heart of what we do, and not lose sight of our company’s mission: to create a world free from plastic waste. By following a more sustainable path, I firmly believe that Plastic Energy can continue to thrive and will rise to this challenge.

Carlos Monreal
Founder and CEO, Plastic Energy

ABOUT PLASTIC ENERGY

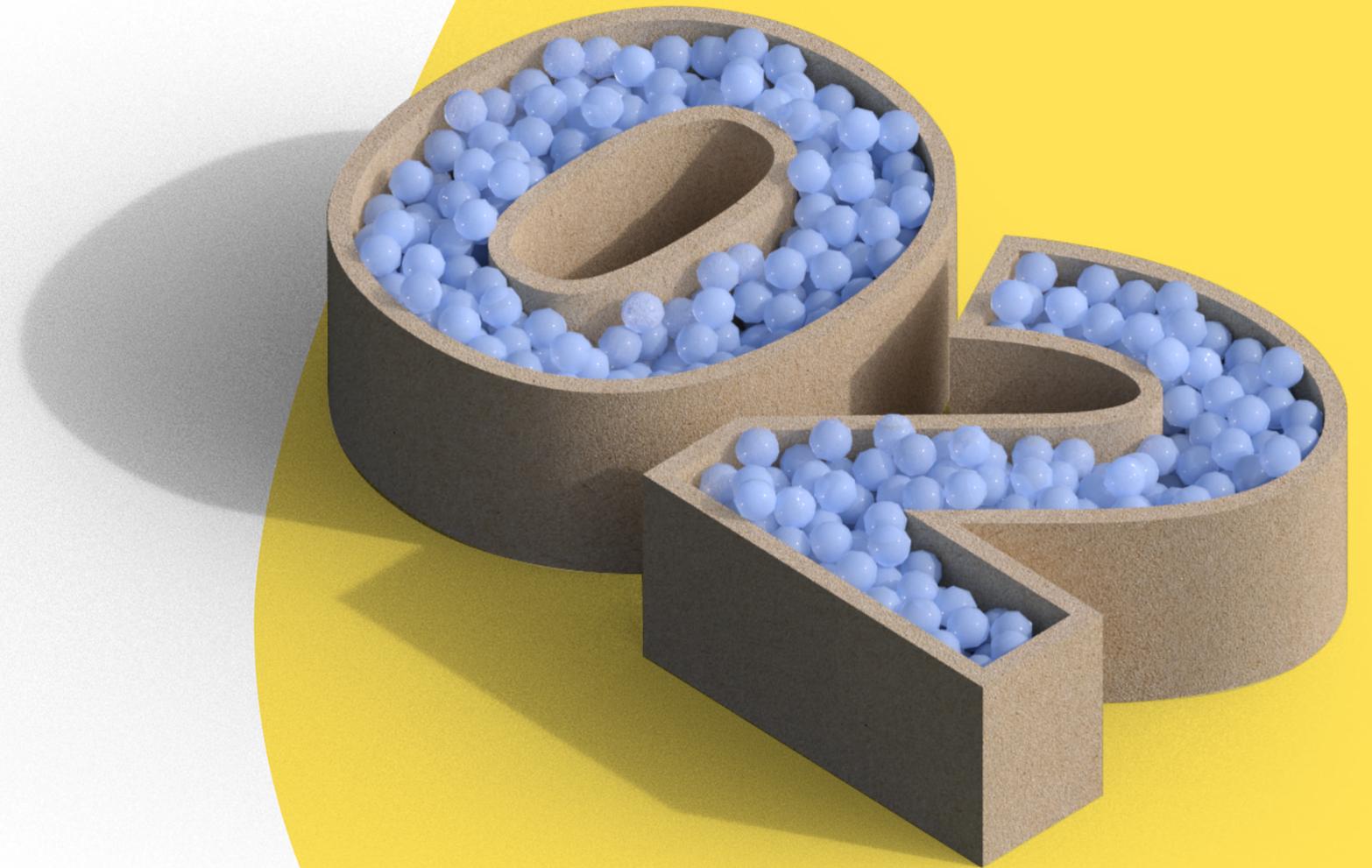
Plastic Energy is a global recycling technology company, headquartered in London, with two commercial chemical recycling plants in Spain that have been operational for the last 6 years.

Our team of technology specialists have more than 50 years' combined experience in developing a unique, patented TAC™ process for the treatment of plastic waste. This converts plastic, that would otherwise end up in landfill, incineration, or polluting our environment, into TACOIL™, which is used to create virgin-quality plastic.

We are the first company globally to have successfully and consistently produced enough TACOIL™ to enable conversion back into plastic.



2021 Sustainability Progress



Global Company Progress Update – 2021

COMPANY ACHIEVEMENTS AND DEVELOPMENTS IN 2021

€145

million fundraiser

Completed a significant €145 million fundraiser to accelerate global expansion of recycling technology and plants. (Nov 2021)

Partnership with Axens (Nov 2021)

Plastic Energy announced a strategic collaboration with Axens to increase recycling and decrease plastic waste.

- As part of the agreement, Axens will market and license Plastic Energy's patented, industrially proven chemical recycling technology.

Construction began on 20,000 tpa recycling plant in the Netherlands

Plastic Energy's project with SABIC and SABIC Plastic Energy Advanced Recycling B.V., broke ground in January 2021 in Geleen, the Netherlands.

- The 20,000 tpa commercial recycling unit will significantly upscale production of certified circular polymers derived from post-consumer plastic.

Renewable electricity now being used at our operational plants in Spain

Plastic Energy's plants in Seville and Almeria are now running on renewable electricity which is sourced and accredited through a guarantee of origin certification.



DEVELOPMENT IN EUROPE

France

- Our project with ExxonMobil near Le Havre reached FID in October 2021.
- Civil works have begun on the large scale 25,000 tpa TAC™ plant.
- We also have a joint venture with TotalEnergies (TotalEnergies Plastic Energy Advanced Recycling) for a 15,000 tonne plant at their zero crude Grandpuits platform in France

The Netherlands

- Our project in Geleen with SABIC (SABIC Plastic Energy Advanced Recycling BV) broke ground in January 2021.
- The 20,000 tpa plant will be able to significantly upscale production of certified circular polymers derived from used plastic.



DEVELOPMENT IN USA

Texas, USA

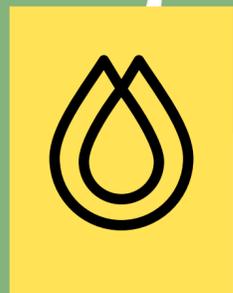
Strategic partnership announced between Plastic Energy and Freepoint Eco-systems in October 2021 to build a chemical recycling plant in Texas.

- The project will aim to process and convert 33,000 tpa of post-consumer end-of-life plastic waste that would otherwise be destined for landfill or incineration.
- In addition, Plastic Energy signed an offtake collaboration agreement with TotalEnergies for the TACOIL™ from this plant.



DEVELOPMENT IN ASIA PACIFIC

Our project in Malaysia with Petronas is progressing towards PDP (Project Development Phase) stage, with continued discussions with potential project partners in South Korea, Japan, Singapore, Indonesia, India, and Australia.



PUBLIC RECOGNITION AND AWARDS IN 2021

Public recognition and awards in 2021

- Carlos Monreal was recognised as an ICIS Power Player in the chemical industry.
- Chemical Week award for our project with SABIC, Sealed Air, Tesco, and Bradburys Cheese
- Bandera de Andalucía al Mérito Medioambiental (Flag of Andalusia Environmental Merit) award for our operations in Spain

Events

- AMI Chemical Recycling Conference
- Sustainability in Packaging US
- Bloomberg Aligning Net Zero and Virtual Targets
- Siemens AICHEMA
- “Economía Circular : El Momento es Ahora” Panel Discussion
- Chemical Recycling Asia Conference
- British Spanish Society COP26 Roundtable
- Sustainability in Packaging Europe
- Minderoo Foundation Plastics Panel
- Fearnley Recycling Conference Oslo
- Plastic Waste Free World Cologne

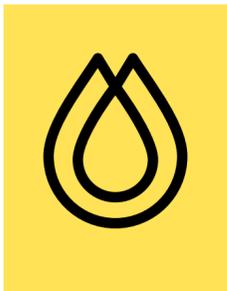
Outreach

- British Spanish Society – sponsoring an engineer
- Loughborough University – partnership with the university; establishing a larger office



Plastic Energy in the news

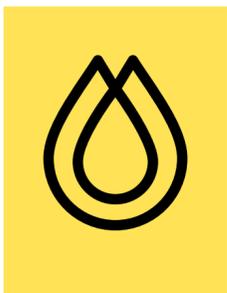
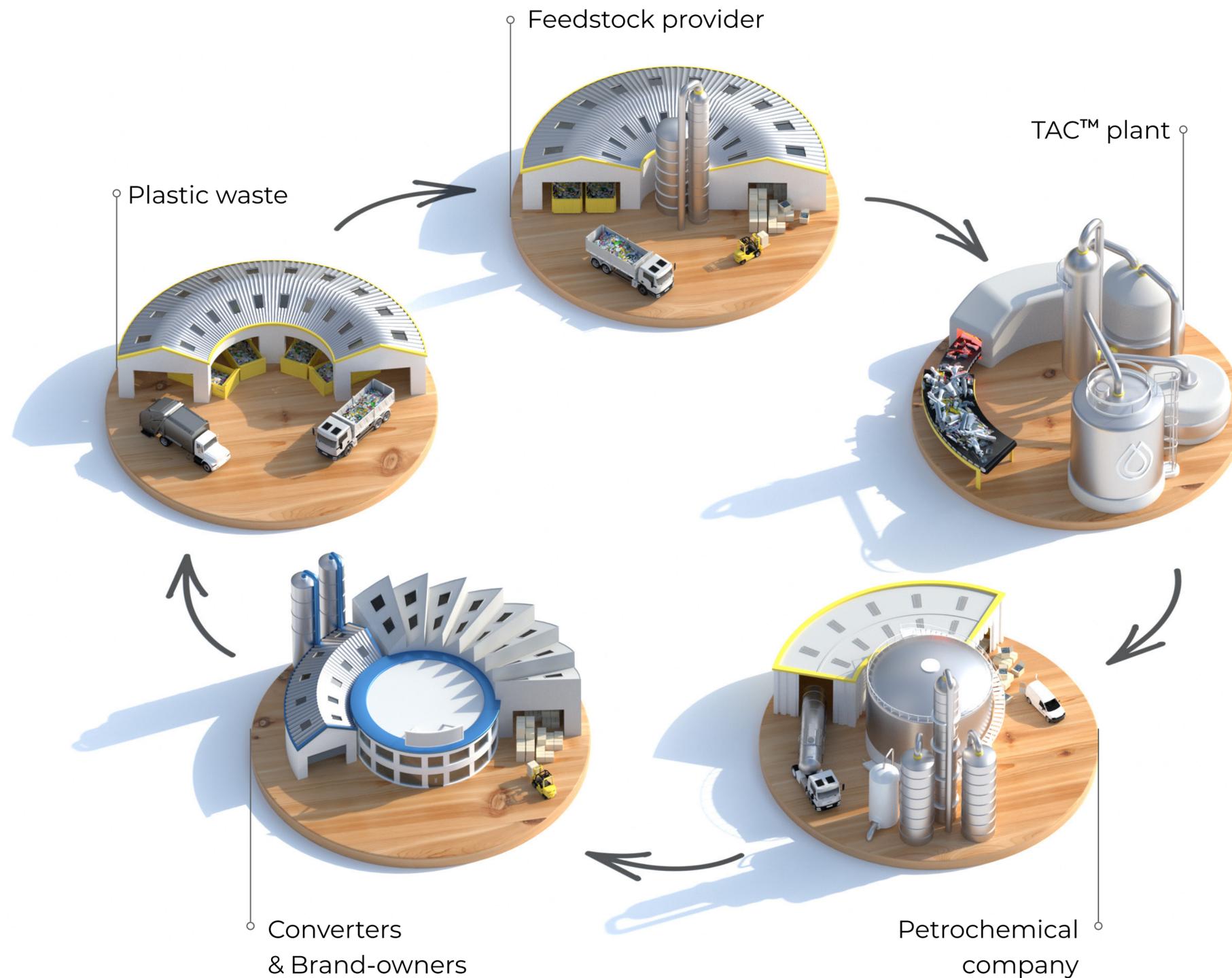
- Financial Times
- European Magazine interview with Carlos Monreal
- BBC article mentioning Plastic Energy
- Times and Sunday Times articles on our fundraiser



ENGAGEMENT WITH THE VALUE CHAIN

Collaboration with the value chain to drive ambitious policies

Plastic Energy collaborates with stakeholders across the entire value chain through various forums and partnerships. These include ambitious targets to reduce plastic pollution and forge constructive dialogue with industry, NGOs and policymakers for a circular plastics economy. We also regularly contribute to workshops, policy events and provide our expertise as part of policy forums with a view to enable the waste sector to reduce plastics pollution and lead policy agenda on the circular economy.





What we are advocating for:

- Collection of flexible plastics so that these can be recycled and valorised back into plastics and diverted from landfill and incineration
- Ambitious recycled content targets to aid the development of a robust secondary material market for recycled plastics
- The implementation of strong extended producer responsibility (EPR) schemes that will cover the costs

of enhanced collection, sorting and recycling and incentivise eco-design measures.

- A clear legislative framework for chemical recycling and a supportive mass-balance accounting framework that will unlock its benefits and allow chemical recycling to play a key role alongside mechanical recycling to help achieve recycling targets
- Reducing the reliance on plastic waste exports, energy from waste and landfill to help keep resources in circulation and lower carbon impacts



We are active as part of:



1. WRAP UK Plastics Pact



CHEMICAL RECYCLING EUROPE

2. Chemical Recycling Europe (CRE)



3. Polyolefin Circular Economy Platform (PCEP)



4. Waste Free Oceans

We are signatories of:



1. Ellen McArthur Foundation's New Plastics Economy Global Commitment



2. UN Global Compact



Plastic Energy endorses a robust and effective United Nations Treaty on plastics pollution

During the United Nations Environment Assembly (UNEA 5) in March 2022, the UN adopted a resolution for an international legally binding agreement on plastics pollution.¹

The scope of the agreement will be finalised by 2024 through an international negotiation panel of UN members and is expected to cover the entire lifecycle of plastics from production to end-of-life management and to mitigate against plastic leakage into the environment. Hailed as the most important global multilateral deal since the Paris agreement on climate change, there are high hopes it will help turn the tide on plastic pollution globally.

Plastic Energy believes in global solutions to address plastic pollution and endorses the global agreement as a powerful tool in the fight against plastic pollution. Circular economy actions such as strong incentives for eco-design, collection, recycling and recycled content targets as well as extended producer responsibility

schemes and the expansion of recycling infrastructure globally are some of the key instruments for successfully dealing with plastic pollution. Cooperation along the plastics supply chain as well as between industry, governments and NGOs is another important element to ensure the treaty is inclusive of all solutions needed and is implemented in a way that maximises environmental benefits, achieves the goals of the circular economy and is compatible with a low carbon future.

New recycling technologies such as chemical recycling can play an important role in diverting plastic waste away from landfill and incineration. As with other international treaties on global environmental issues, technology transfer between countries with more advanced recycling infrastructure is a key success factor to enable developing countries to expand their recycling infrastructure. Chemical recycling can play a key role as it is able to recycle mixed plastic waste streams and this enables countries that do not currently have adequate collection and sorting in place to recycle higher volumes of waste.

¹ <https://www.unep.org/news-and-stories/story/what-you-need-know-about-plastic-pollution-resolution>



Our sustainability strategy



Supporting the UN Sustainable Development Goals



Plastic Energy supports the UN Sustainability Development Goals (SDGs)

Plastic Energy delivers fundamental benefits to wider society both directly and indirectly. Environmental and social impacts on society are greatly interlinked – while Plastic Energy provides primarily a solution to a global environmental challenge, it simultaneously benefits wider society.

SDG 13 – Climate Action

Chemical recycling clearly supports climate action goals by reducing GHG emissions when compared to its current disposal alternatives such as incineration, and reducing the currently high

risk of environmental leakage and unsustainable approaches associated with landfills and dumpsites.

SDG 12 – Responsible Production and Consumption

Plastic Energy has worked on educating people on the power of circularity and the need to make the most out of our planet's resources through promoting a circular economy for plastics.

SDG 9 – Industry, Innovation, and Infrastructure

Plastic Energy has demonstrated how the power of technology can contribute to solving the plastic waste problem through local recycling solutions.

SDG 8 – Decent Work and Economic Growth

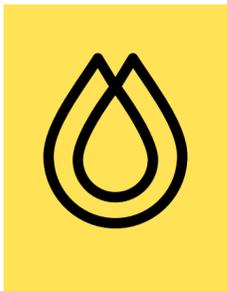
The development of each plant directly creates local jobs, as well as indirectly creating jobs in the surrounding area (logistics, construction, transport etc). This will bring social and economic benefits to society.

SDG 14 & 15 – Life Below Water and on Land

Through the implementation of chemical recycling and the reduction of plastics entering the sea and land, we help to keep natural habitats clean and pristine.

SDG 3 – Good Health and Well-Being

Reducing plastic mismanagement and land/water pollution leads to improved well-being and health, giving greater access to clean water and natural environments. As Plastic Energy develops plants in South East Asia, notable social benefits include the formalisation of the waste management sector and the associated social, economic and health benefits.



UN GLOBAL COMPACT

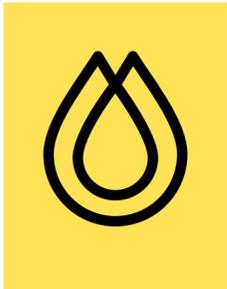
Plastic Energy fully supports and commits to the UN Global Compact’s Ten Principles.

We are working to maintain high standards in support of human rights, labour, the environment and anti-corruption.

The table here shows that we have incorporated the Ten Principles of the UN Global Compact into our business strategy, culture, and day-to-day practices.

About the United Nations Global Compact

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take action in support of UN goals. Plastic Energy Global officially became a signatory for the UN Global Compact in July 2021. We are pledging our support to uphold the Ten Principles and to report annually on progress made in support of the initiative through the mandated “Communication on Progress”.



	PRINCIPLES	PAGES
HUMAN RIGHTS	1 Businesses should support and respect the protection of internationally proclaimed human rights; and	21
	2 make sure that they are not complicit in human right abuses	26
LABOUR	3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	25
	4 the elimination of all forms of forced and compulsory labour;	21
	5 uphold the effective abolition of child labour; and	21
	6 uphold the elimination of discrimination in respect of employment and occupation.	22
ENVIRONMENT	7 Businesses should support a precautionary approach to environmental challenges;	31
	8 undertake initiatives to promote greater environmental responsibility; and	36
	9 encourage the development and diffusion of environmentally friendly technologies	34
ANTI-CORRUPTION	10 Businesses should work against corruption in all its forms, including extortion and bribery.	26

Health, Safety, and the Environment

Health, safety, and the environment (HSE) is a core corporate value at Plastic Energy. We believe that a strong HSE culture not only keeps our workers safe, but also improves productivity, product quality, and optimises operational and financial performance.

As a fast-growing company, we have established robust HSE processes and procedures. Our dedicated Head of Health and Safety has implemented a HSE Management model which is based on a continual improvement model. This model includes an annual HSE review and update, communications throughout Plastic Energy's workforce and a system of performance measurement.

Safety is a top priority in all of our plants. Employees in the plants require a mandatory initial training as well as regular ongoing training after the regular assessment of the risks. The continuous training focuses more specifically on updates on prevention, safety aspects

for new machines or technological aspects, and gives a regular reminder on first aid and emergency responses. In addition, we have established strict rules and mandatory procedures to keep our visitors safe during plant visit while minimising disruption so the plant can continue to operate safely.

For our operating plants, all safety related issues are also reported monthly to the Management team and all safety incidents are reported as soon as practical after an incident. Since 2020, we have been recording incidents to the international Standard OSHA - Incident Reporting, Investigation and Classification Standard. These reporting procedures not only standardise the group's reporting but also better gauge the severity of the incident and how best to prevent them from happening in the future. Plastic Energy's 2021 OSHA Reporting Standards for recordable incident rate stands at 1.7, which is an improvement on the 2020 rate of 4.93.



HSE: KEY HIGHLIGHTS IN 2021

1. COMPLETED A THIRD-PARTY AUDIT TO HELP OPTIMISE OUR HSE IMPROVEMENT PLAN

We appointed a third-party consultant to conduct a company-wide HSE audit in 2021, and have developed a HSE Improvement Plan to optimise performance across the company.

We review our HSE procedures on a regular basis, with continuous consultation with our employees to ensure that we abide by the highest possible safety standards.

2. INTEGRATED MANAGEMENT SYSTEM (IMS) OPTIMISATION STRATEGY

The IMS is already in place for ISO 9001 and ISO 14001. We are refreshing and incorporating ISO 45001 and are on track for group-wide accreditation by the end of 2022.

The IMS will be situated on our company intranet, which will be the central gateway for accessing resources and following processes.

3. COMPANY-WIDE WORK FORCE ENGAGEMENT PROGRAM TO BE LAUNCHED

We are developing a Work Force Engagement programme to standardise systems and engagement with the workforce across our global offices.

4. HSE PROCEDURES AND RESOURCES HAVE BEEN MADE EASIER TO ACCESS VIA THE NEWLY-LAUNCHED COMPANY INTRANET

The company intranet was launched in 2021 to be a key driver of our Safety First culture, and to make it easy to access IMS and HSE resources.

We are also working to automate and centralise HSE reporting procedures via the intranet, and regularly add Safety Moments to reinforce the importance of keeping safe in the workplace.



People

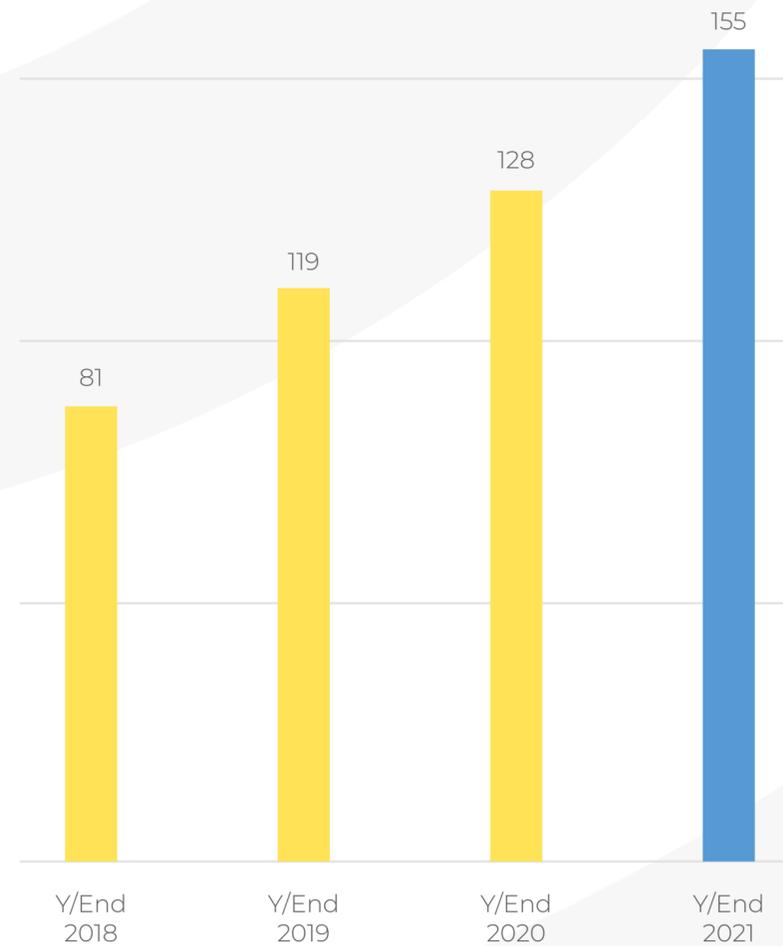
As we began to embark on new projects across the world in 2021, our team has grown globally by 21% from 128 to 155 employees across our offices in Europe, Asia, and North America.

As a global company, we strive to foster a cohesive and collaborative company culture and promote regular interaction across our various teams and offices. We hold regular monthly company update calls and training, which accommodate the various time zones of our employees, as well as virtual team activities to learn more about our fellow colleagues and the activities of the wider company.

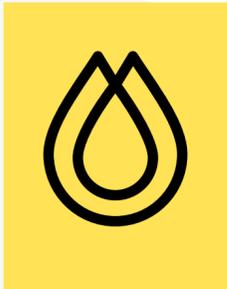
We are committed to promoting a culture where everyone feels able to have a conversation about their mental health and wellbeing in confidence, without judgement, in the knowledge that they will be provided with appropriate support.

In terms of gender diversity, 26% of our global workforce is female. We are striving to improve our gender balance across the company. We recognise that we work in a male-dominated industry, and we are proactively working to diversify our workforce while pursuing consistent credible actions and commitments.

**PLASTIC ENERGY GROUP TEAM GROWTH
2018-2021**



**~ 21%
EMPLOYEE GROWTH**



EQUALITY, DIVERSITY, AND INCLUSION

We are committed to fostering a fully inclusive workplace, and for everyone to understand the role that they play in this.

We want to support our managers to be inclusive leaders, identifying and acting in a way which will create greater inclusion within their teams, and promoting equality and diversity during recruitment.

We are arranging global training to allow all of our colleagues to learn, or refresh their knowledge, about the core foundations and principles of equality, diversity and inclusion (E,D&I), the differences between these terms and how they relate to each other.

We have planned our training with an expert independent consultancy, so that staff have the opportunity for self-reflection, and to acknowledge

and learn about unconscious bias, which we all hold. Colleagues will also learn strategies to reduce unconscious bias and its effect in the workplace.

We understand that training and dialogue should be as accessible as possible to all parts of the team. Mode of delivery, timings, language and ways of learning have been considered during planning. We aim to address conversations in a genuine and transparent way.

Our training initiatives are intended to be the start of an ongoing investment as we strive towards authentic and meaningful advancement in these areas. We don't see it as enough to simply arrange training sessions and see this as a job done. Rather, we must make sure that we are living by our values through ongoing conversations and engagement, and commitment to the principles at an individual level, and as a strategic business imperative.



MENTAL HEALTH & WELLBEING

COVID compelled us to advance our mental health agenda, through means we felt were most straightforward and effective, namely group communications, adapting work practices, and individual check-ins with colleagues. As our team adopts a hybrid working approach, we will continue to look back and learn from the experiences of these discourses over the past two years and build upon the foundations laid.

We have a Mental Health and Wellbeing policy (in place for UK staff and to be rolled out globally) which formally states our commitments and provides advice to staff. We see it as our obligation to continually consider how we uphold our commitments in day-to-day behaviours, and how we can become more proactive towards mental wellbeing issues.

Our training programme during 2022 focuses upon line managers to become more aware of the mental wellbeing of their team members and how to provide relevant support. The training programme will also welcome others in the business to participate in mental health education, with the aim of starting the conversation

about mental health and building a culture of inclusion. Alongside external training sessions, we will ensure that policies and (where applicable) wellbeing support provided through employee assistance programmes (EAPs) are promoted or introduced, as avenues of support.

A Mental Health Skills for Managers course will be offered to all line managers across the business. It is important that we maintain a consistent approach to mental health and wellbeing across our global teams. Bringing together the wider team, the internationally recognised and in-depth Mental Health First Aiders course will be publicised to all colleagues and volunteers selected from across teams will be invited to attend the course. Their role, once qualified, is to be a point of contact for someone who is experiencing a mental health issue, and to provide another avenue of support.

Open education sessions (potentially during monthly Lunch and Learn slots) are planned, facilitated by external trainers in mental health and wellbeing topics (for example managing stress and information about common mental health conditions).



PEOPLE: KEY HIGHLIGHTS IN 2021

1. INCREASED MENTAL HEALTH AWARENESS AND TRAINING

Our training programme during 2022 has the aim of starting the conversation about mental health and building a culture of inclusion.

Alongside external training sessions, we will ensure that policies and wellbeing support provided through employee assistance programmes (EAPs) are promoted or introduced if they don't yet exist, as avenues of support.

A Mental Health Skills for Managers course is being offered to all line managers across the business.

2. EQUALITY, DIVERSITY AND INCLUSION TRAINING FOR ALL EMPLOYEES

We are arranging global training to allow all our colleagues to learn, or refresh their knowledge, about the core foundations and principles of equality, diversity and inclusion (E,D&I), the differences between these terms and how they relate to each other.

We have planned our training with an expert independent consultancy, so that staff have the opportunity for self-reflection, and to acknowledge and learn about unconscious bias, which we all hold. Colleagues will also learn strategies to reduce unconscious bias and its effect in the workplace.

3. STRENGTHENING OUR GLOBAL COMPANY CULTURE AND LAUNCH OF COMPANY INTRANET

In Q4 2021, we launched a company-wide intranet to facilitate greater communication, collaboration, and efficiency across our global offices. The focus of the intranet is to become a hub for resources, training, and communication across the group, and to become the key driver of our Safety First culture.

We have also held company-wide virtual activities via the intranet, such as 'Lunch and Learn' events where employees come together and learn more about the work of other teams they might not usually interact with.

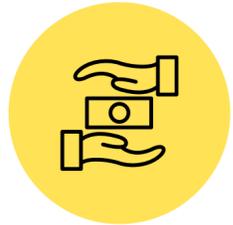
GOALS

ON PEOPLE:

- Increase diversity over the whole company, especially at our management and Board level
- Distribute employee handbook for all regions
- Pursue training and development for our team
- Strengthen our company culture
- Strengthen communications between regional teams
- Develop more internal opportunities within the company



Governance



ANTI-CORRUPTION
AND BRIBERY POLICY

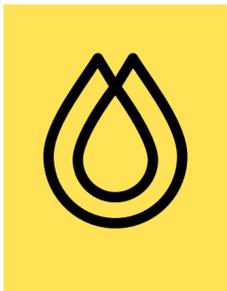


CULTURE OF
TRANSPARENCY

We are focused on establishing a culture of transparency both within our company and with the external parties we work with.

In 2021, we completed company-wide training on Anti-Bribery and Corruption risks and issues with our Board members, Senior Management Team, and employees across the globe. This training will be delivered regularly on an annual basis.

We have introduced extra levels of compliance and Know Your Customer (KYC) questionnaires into our formal legal procedure, when interacting with third parties engaging with the business, helping to ensure transparency in our business affairs with external parties.



KEY HIGHLIGHTS IN 2021

1. COMPANY TRAINING ON ABC RISKS AND ISSUES

We completed training on Anti-Bribery and Corruption (ABC) risks and issues with our employees in 2021.

We plan to organise ABC training on an annual basis through an online compliance course.

2. COMPLIANCE AND KNOW YOUR CUSTOMER (KYC) QUESTIONNAIRES FORMALISED AS PART OF LEGAL PROCEDURE

We have adopted and integrated compliance and KYC questionnaires into our processes for all third parties engaging with the business.

This will help ensure transparency in all our business dealings with external parties.

3. WORKING TO FORMALISE HUMAN RIGHTS AND SUPPLIER CODE OF CONDUCT POLICIES INTO OUR COMPANY POLICY IN 2022

For 2022, we are actively working to update our company policy to reflect our commitment to human rights and anti-corruption, and target having formal Human Rights and Supplier Code of Conduct policies in place by the end of the year.

4. AUDIT AND RISK COMMITTEE FORMED TO ENSURE QUALITY ASSURANCE

We assembled an audit and risk committee to ensure our continued high quality of attention over the company's business affairs.

GOALS

ON GOVERNANCE:

- Provide ongoing training on ABC risks and issues
- Adopt compliance and KYC questionnaires for all third parties, and secure independent third-party search reports where appropriate
- Adopt a human rights policy and a supplier code of conduct in 2022

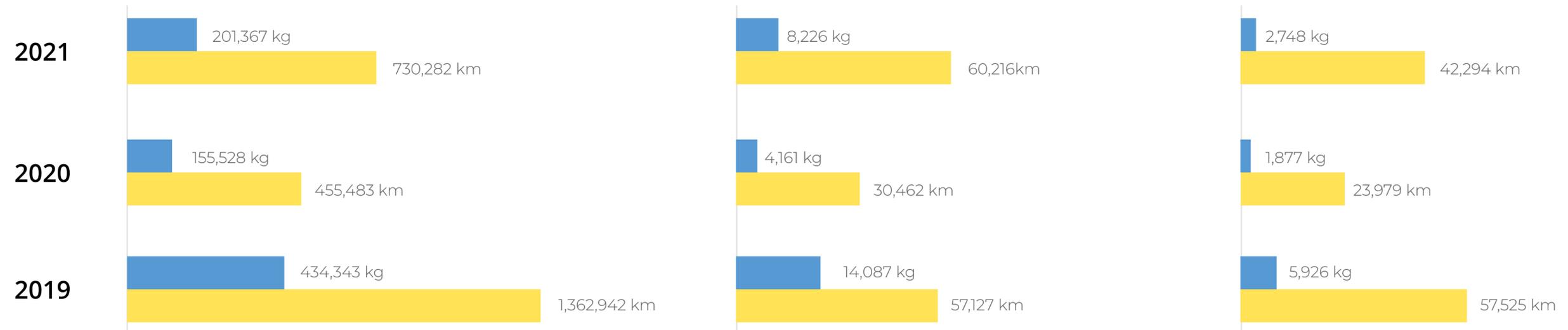


Planet

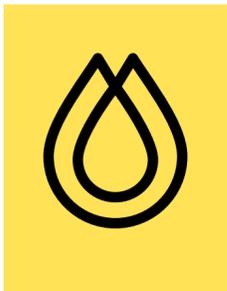
At Plastic Energy, we are dedicated to providing a sustainable **solution to alleviate the plastic waste crisis**. Committed to placing sustainability at the heart of our technology and business development strategies, we continually assess the environmental impact of our business and conduct peer-reviewed analyses of our technology to determine areas for improvement.



COMPANY TRAVEL



■ kg CO₂ equivalent
 ■ Kilometres travelled



PROMOTING SUSTAINABLE TRAVEL

Travel has been an integral part of the growth and development of our business. In-person meetings have helped to build trust and transparency with our partners, and our presence at conferences across the world has helped enhance our global visibility.

As a company focused on sustainability, we encourage our employees to travel only where necessary, and to focus on pursuing lower carbon travel options.

Travel guidelines from 2021 onwards:

- In Europe, use a train when the trip is less than 500 kms – unless unavailable
- Encourage travel via train using business with early planning
- Preference for virtual meetings for meetings less than 1.5h, unless travel is deemed essential based on the importance of the discussions or the technicality. If this is the case, it is the employees' responsibility to make the most of this trip and organise multiple meetings in this same location.

GOALS

- **Establish a more formal emissions recording system for increased accuracy and awareness**
- **Identify the most sustainable schemes to offset travel emissions**



ENVIRONMENTAL IMPACT OF OUR TECHNOLOGY AND PLANTS

Sustainability remains a top priority for Plastic Energy, and we are constantly looking for ways to improve our process and operations to ensure that they are energy efficient and have a low impact on climate change and the environment.

We are achieving European standards for all our projects to ensure the highest standard for our activity in terms of permitting and environmental impact, even if national standards might be less stringent in some geographies.



Managing the environmental impact of our plants

The Almeria and Seville environmental permits were granted in accordance with Spanish regulations and are in line with EU, national, regional, and local rules.

We abide by the **Industrial Emissions Directive (IED)** to control our emissions and have implemented all the processes and Best Available Techniques to ensure all emissions fall below the limits set by the IED. This involves some investments in equipment such as thermal oxidisers. The Continuous Emissions Monitoring Systems (CEMS) monitors our emissions automatically and constantly ensures we are respecting the level of emissions under the IED and respecting our permits.

The recycled hydrocarbon oils (TACOIL™) produced, to be sold to off-takers, have to be registered under REACH registration and comply with both EU Regulations, (EC) 1907/2006 on the Registration, Evaluation, Authorisation and Restriction of Chemicals (**REACH**) and EC 1272/2008 on the classification, labelling and packaging of substances and mixtures (CLP). Plastic Energy is the lead registrant of the pyrolysis oils (TACOIL™) from plastic waste under REACH European legislation. We can therefore sell our product on the European market following existing regulations.

In early 2022 Plastic Energy completed the Full REACH Registration for TACOIL™, performing an in-depth chemical

safety assessment and preparing the Chemical Safety Report

In the same way, the necessary documentation has been prepared and provided to ECHA to obtain Full Registration for the TACOIL™ produced in the Spanish plants, which is currently in the evaluation phase by the European Chemicals Agency.

The **end-of-waste status**, that starts to be acquired by chemical recyclers in various geographies, also provides a security that the output is a product that has the same properties as fossil oil, can replace it in petrochemical crackers, and doesn't have the environmental impacts compared to fossil substances.

Plastic Energy has achieved the end-of-waste status in the Netherlands for its TACOIL™, produced in the upcoming Geleen and Seville plants, to be used as a secondary raw material for producing plastics and is in the process of acquiring end-of-waste status for multiple other European countries.

Plastic Energy is actively collaborating with the French Authorities in the preparation of a Ministerial Order that will define the quality criteria that TACOIL™ from plastic waste produced in France must meet in order to achieve the end-of-waste status.

In addition to the processes put in place to control the emissions and other impacts of our processes, there are regular and independent audits, tests, reports, and monitoring to authorities which we abide by.



Using renewable energy on our road to net-zero

In line with recommendations from our Life Cycle Assessment (LCA), we have been actively transitioning to renewable energy solutions. Plastic Energy's plants in Seville and Almeria are now using renewable electricity which is sourced and accredited through a guarantee of origin certification.

This helps to lower our environmental footprint to produce TACOIL™ with a negligible carbon impact while the recycled plastic produced using the output from our recycling process directly contributes towards the decarbonisation of the supply chain.

Recycling plastics by diverting them from incineration and landfill is in itself a very important instrument in mitigating climate change and reducing emissions. Moreover, producing plastics from recycled TACOIL™ means that we can avoid production from virgin, fossil fuel sources. Plastic Energy is already playing a very important role in the fight against climate change. However, as climate change is such a clear threat to our future, we can always do more. Plastic Energy will continue to take measures to ensure its global operations are aligned with a low carbon future and bring the company closer to its goal of achieving net-zero emissions by 2050.

GOALS

- **Implement a new post-combustion scrubbing system to further reduce emissions in Seville**
- **Replace and scale up the current pilot evaporator in Seville to treat waste water**



CERTIFICATIONS

Certification schemes are key to ensure the traceability of our process from waste plastic to the final recycled content produced and validate the circularity of the process. They also support each link of the value-chain with trusted claims. We have worked closely with various certification bodies through yearly audits of our process to validate that our facilities are certified.



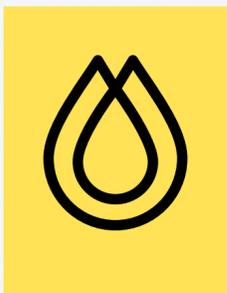
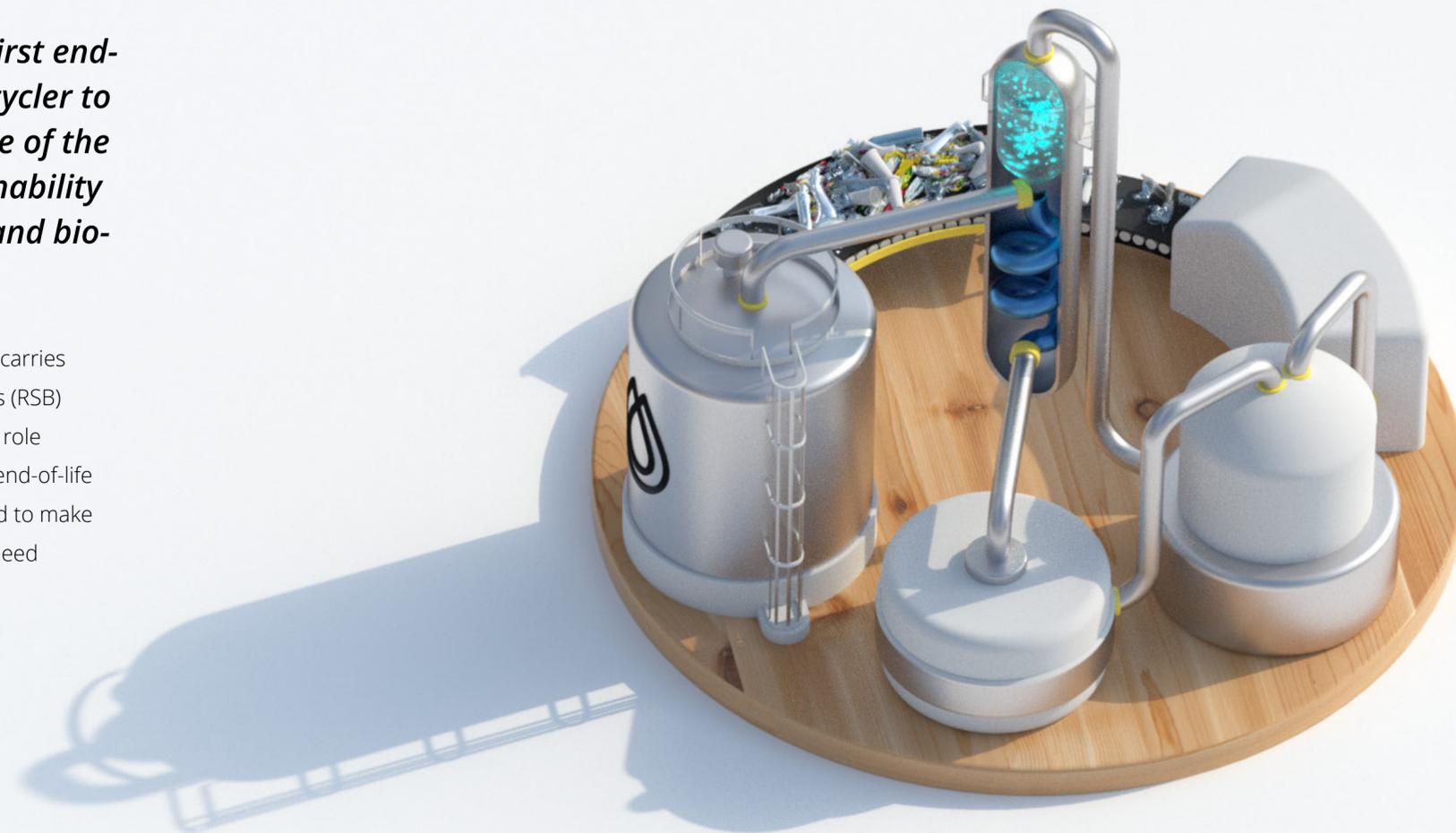
We are proud to operate the world's first waste plastic conversion facility with ISCC PLUS certification.

The production line certified according to the ISCC PLUS Standard recycles plastic waste into a valuable product, contributing to reduced virgin feedstock consumption. This is verified and confirmed by a third party.



We have also become the first end-of-life plastics chemical recycler to achieve certification for one of the world's most robust sustainability standards for the circular and bio-based economy.

Our recycling facility in Seville, Spain now carries a Roundtable on Sustainable Biomaterials (RSB) certification, demonstrating its important role in the circular economy by transforming end-of-life plastics into recycled oils that can be used to make virgin-quality plastics, thus reducing the need for fossil resources.





TECHNOLOGY DEVELOPMENT

As our project pipeline grows, Plastic Energy continues to have a relentless focus on innovation and continuous optimisation of our technology. Our technology team has a step-wise technology development roadmap for the next designs to achieve larger scale, better products, lower-cost, and lower environmental impact.

Our R&D programme currently focuses on maximising yield and delivering a higher-quality product. Better technology performance in turn improves product quality and process efficiency.

With industrial plants in Spain and a long-standing partnership with the world-class laboratories at Loughborough University, Plastic Energy is uniquely placed to test our R&D projects in real-world conditions at our own operational commercial-scale plants. The process of innovation starts at our laboratories, where we test various new plastic waste feedstocks

and introduce new process conditions. Following promising laboratory results from various tests at our R&D centre at Loughborough University, an initial trial will then be carried out at Plastic Energy's production facility in Spain. As a result, Plastic Energy can successfully implement innovation in commercial plants. We are currently moving to a larger laboratory space in Loughborough University to allow for more R&D activities.

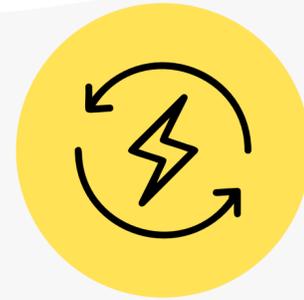
We have made significant advances in the syngas and waste heat management system to ensure higher safety, energy efficiency and lower environmental impact. The scaled-up plants will benefit from advanced automation, energy recovery to maximise energy use and increased processing capacity. We continue working with Siemens to guarantee that our system designs are to best practice and industry standards, as we minimise manual intervention and optimise unit operations through A.I.



GOALS TOWARDS ACHIEVING NET ZERO



- Continue reducing environmental impact of plants as Plastic Energy develops



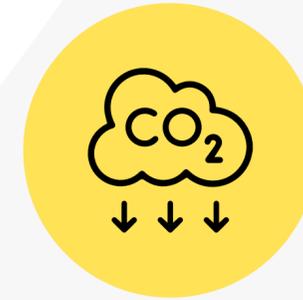
- Source renewable electricity for all our existing and upcoming plants



- Establish a technology roadmap to achieve net zero by 2023



- Expand our LCA for new plant designs by 2023

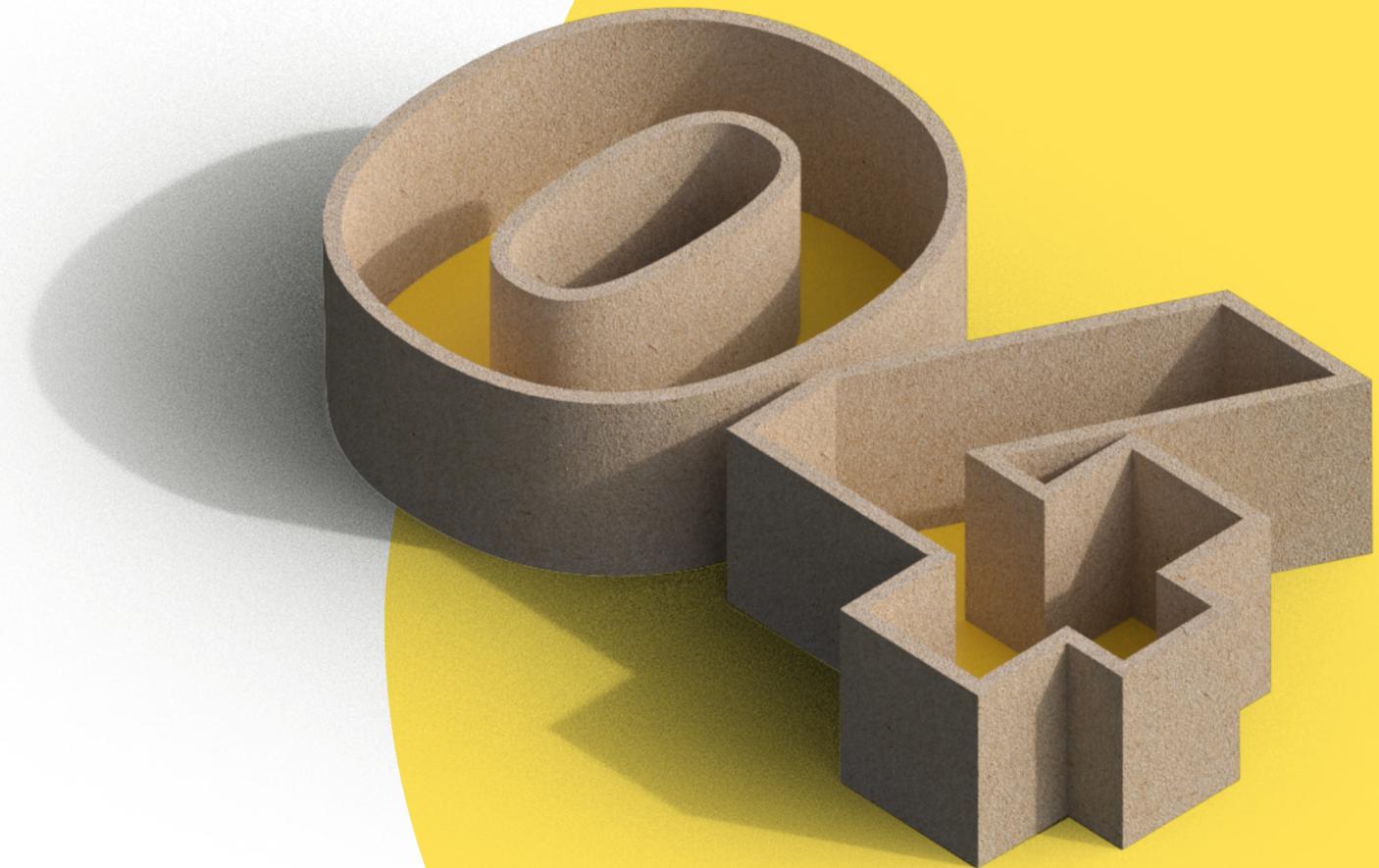


- Achieve net zero without avoided emissions by 2050



Conclusion

a note from our sustainability team



After laying the foundations with our first ever sustainability report in 2021, we aim to build on from our past objectives and create new sustainability goals for the future. As we increase our portfolio of recycling plants and scale-up our operations to recycle more plastic waste, our plants will become more energy efficient and sustainable with our growth.

By publishing a sustainability report year on year, we are affirming our commitment to these goals and demonstrating transparency, while acknowledging the work that still needs to be done to make our company inclusive and more sustainable in the years ahead.

For further sustainability enquiries, please contact sustainability@plasticenergy.com

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