

UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS

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Table of Content

Company Profile	3
Clariter History and Structure	3
Clariter Vision, Mission and Values	4
Supporting the UN Sustainable Development Goals (SDGs)	5
CEO Commitment	6

Protecting Human Rights

Principle 1: Business should support and respect the protection of internationally
proclaimed human rights7
Principle 2: Business should ensure that they are not complicit in human rights abuses7

Safeguarding Labour Rights

Principle 4: Business should support the elimination of all forms of forced	
and compulsory Labour	8
Principle 5: Business should support the effective abolition of child Labour	8
Principle 6: Business should support the elimination of discrimination in respect	
of employment and occupation	8

Environmental and Sustainability Stewardship

Principle 7: Business should support a precautionary approach to environmental challenges10
Principle 8: Business should undertake initiatives to promote greater
environmental responsibility
Principle 9: Business should encourage the development and diffusion
of environmentally friendly technologies12

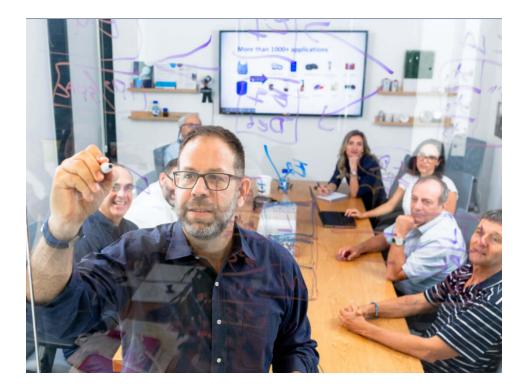
Abolishing Corruption

Principle 10: Business should work against corruption in all its forms, including	
extortion and bribery	12

Company Profile

Clariter is a global clean-tech company that created a revolutionary process to address the world's plastic waste problem. Since its formation in 2003, Clariter's technology has provided a new alternative for plastic recycling. While the industry is currently turning recycled plastic into new plastic, energy, or fuel, Clariter's unique process transforms plastic waste into high-value, pure industrial products: oils, waxes, and solvents. These are used as ingredients to make a multitude of sustainable consumer end-products, e.g. car wax and shoe polish, that pro-actively clean the planet. Clariter ends the lifecycle of plastic waste and reduces the demand for fossil fuels, thereby driving a sustainable economy and a clean industry.

Clariter's mission is to change the world by reducing plastic waste, increasing resource productivity, providing a more competitive economy, and reducing environmental impact while creating social development.



Clariter History and Structure

Clariter was born in 2003, when a group of scientists led by entrepreneur Dr Ran Sharon and chemist Professor Andrzej Bylicki developed a special process to break down plastic waste into high-purity materials, such as advanced waxes, oils, and solvents, that can be applied to many industries to reduce oil-dependent materials.



Clariter's Industrial-scale Plant, located in East London, South Africa, is specifically designed to serve as a production plant, R&D and training facility, and flagship demonstration site. Through this plant, Clariter helps service providers, suppliers, licensees, and clients establish business plans, ensuring that its customers gain a complete understanding of the final product's properties. The facility also allows for specific product testing as per the customer's preferences.

The plant facilitates economic development for the country and social development by creating local jobs, knowledge transfer, and development of small & medium enterprises.

Eighteen years later, Clariter is thriving, and expansion is underway. The company currently operates in several locations, including Poland, the Netherlands, Israel, and South Africa. The company is scaling up by developing full-scale plants locally and globally.

Sustainability is at the core of Clariter, and we continue to improve on and apply practices that control and reduce the environmental impacts of their operations.

To operate as sustainably as possible, addressing the world's pressing challenges as a part of the circular economy, Clariter has implemented an integrated sustainability management system. In 2020 they invested in stakeholder engagement mechanisms to determine the wants and needs of their stakeholders. After reviewing their policies, Clariter established a coherent sustainability strategy for the coming years with an effective yearly action plan to ensure they achieve their impact KPI goals.

CLARITER VISION AND MISSION

VISION

Clariter's mission is to turn a global problem into a sustainable solution by building as many plants around the world as we can, and by providing viable tools for countries to tackle the issues of plastic pollution, dependency on crude oil, and the need for job creation.

MISSION

Clariter's mission is to create valuable, pure petrochemical products from problematic plastic waste, and to clean the Earth of plastic waste while being profitable.

> THE FUTURE CAN BE DIFFERENT. IT WILL BE DIFFERENT. WITH CLARITER.

Supporting the UN Sustainable Development Goals (SDGs)

Clariter's vision, mission, and values support the United Nations 2030 Agenda for Sustainable Development and use the 17 Sustainable Development Goals (SDGs) as a reference for defining their priorities.

The company significantly contributes to the goals that are clearly linked to their sector, activity and impact, the economy and the environment, and the expectations of their stakeholders.

Consequently, and as part of their commitment to the 2030 Agenda, Clariter has prioritized the SDGs based on the areas in which they can make the most significant contribution.



Their operations and business model strongly focus on addressing the following goals:

- **SDG 9 Industry innovation and infrastructure:** Their innovative patents transform plastic into clean oils, waxes, and solvents.
- **SDG 12 Responsible production and consumption:** Their operational setup focuses on the Circular Economy principles related to SDG 12.
- **SDG 13 Climate action:** Through their operations and business, they mitigate climate change by offering alternate solutions to oil-dependent industries.
- Their business management systems work to advance SDG 7 Affordable and clean energy, SDG 8 Decent work and economic growth and SDG 15 Life on Land.
- **SDG 17 Partnerships for the goals:** For Clariter, the most efficient manner of contributing to the 2030 Agenda is by collaborating with other public and private institutions to exchange knowledge and technologies.

CEO COMMITMENT

HE ANTÓNIO GUTERRES

Secretary-General United Nations New York, NY 10017 USA

Clariter: Participation in the UN Global Compact

Dear Mr Secretary-General,

I am pleased to confirm that Clariter, a global clean-tech company that has created a revolutionary process to address the world's plastic waste problem, supports the Ten Principles of the United Nations Global Compact with respect to human rights, labour rights, the environment, and anti-corruption.

Clariter boasts almost 20 years of ethical and responsible business practices and has always made significant efforts to support broader societal advancement in our business approach as we have expanded globally over the years. We strongly identify with the principles and objectives of the UN Global Compact and feel that these are in full alignment with our business activities to date and how we expect to proceed in the future.

In this letter, I express Clariter's intent to support and advance the Global Compact principles within our sphere of influence. We commit to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company and intend to continue to align our support with the broader development goals of the United Nations, wherever possible, in partnership with other like-minded organizations. We undertake to make a clear statement to all internal and external stakeholders of this commitment, in accordance with the UNGC guidelines.

We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the ten principles and commit to producing a Communication within one year of our acceptance and annually thereafter.

Sincerely yours,

Ran J. Sharon Chief Executive Officer Clariter

Protecting Human Rights

PRINCIPLE 1: BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY-PROCLAIMED HUMAN RIGHTS.

PRINCIPLE 2: BUSINESS SHOULD ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES.

Clariter employees are required by company policy to respect the human rights of other employees and/or suppliers. Employees must treat their colleagues and co-workers with respect and dignity and shall not subject any employee to:

- corporal punishment
- · sexual, physical, psychological, or emotional abuse
- verbal harassment
- · any other form of discrimination or mistreatment

Clariter is committed to upholding all laws, regulations, and practices designed to protect human rights in all business activities around the globe. Clariter strictly opposes all forms of discrimination and actively recruits individuals without regard for race, gender, nationality, religion, sexual orientation, or other personal indicators of identity.

Clariter is strictly committed to practices that prevent all forms of discrimination and harassment. Clariter is committed to upholding the strictest ethical standards and promoting human rights in the industry by adhering to all major human rights treaties. They also strive to cooperate with companies that promote such values.

PROVIDING A WORKING ENVIRONMENT WHERE EVERYONE THRIVES AND GROWS

Clariter, by its nature, creates a nurturing "family" within the company who all share the same interests and values. They work to make all employees feel that they are an important and integral part of the Clariter family and have therefore initiated several policies to ensure uniformity throughout their various locations:

• **Induction policy**: Clariter aims to maintain proper induction and onboarding to integrate new employees into the company.

- Long service policy: Clariter recognizes and values the contribution of their employees. Recognition is given to staff members who joined Clariter either at its inception or in the early years and have enjoyed a long tenure there. The loyalty, commitment, and strong professional skillset displayed by these individuals are key factors in Clariter's success. In recognition of their valued contributions, Clariter commits to celebrating their employees who have reached specified tenure milestones by providing a system of awards for long service achieved whilst working for Clariter.
- Harassment & violence policy: Clariter's workplace is founded on mutual respect and does not permit anyone to compromise this foundation, doing their part to prevent harassment and workplace violence so that everyone feels safe within a supportive and productive workplace.

MAINTAINING A SAFE AND HEALTHY WORKPLACE FOR ALL

A culture of safety

Clariter prioritizes creating a safe and healthy working environment for all its employees throughout its sites and facilities worldwide, an important factor as a responsible employer that cares about its employees, their lives, and their workplace. They are constantly trying to improve the environment and set an objective of zero accidents while complying with standards exercised by the world's leading companies relating to aspects of safety, hygiene and the creation of a safe working environment.

Clariter invests considerable resources in building a culture of organizational safety where work safety serves as a cornerstone in all aspects of the company. Clariter trains and qualifies employees and managers to provide them with safety skills and methods for preventing hazardous situations and accidents.

Clariter is strict about compliance with all legislative instructions concerning safety and invests numerous resources in safety beyond baseline compliance.

First and foremost, Clariter invests in the creation of a culture of safety and wellbeing at work, based on developing awareness, training and risk prevention.

All employees are required to familiarize themselves with the requirements of the Health and Safety Policy and to ensure that they always follow this policy.

Safeguarding Labour Rights

PRINCIPLE 3: BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING.

Clariter respects the right of employees to freely form associations and engage in collective bargaining.

PRINCIPLE 4: BUSINESS SHOULD SUPPORT THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR.

Clariter strongly supports the elimination of all forms of forced labour and declares that all Clariter employees worldwide exercise their own free will and are not coerced into any form of employment in any way. All employees are free to leave the company at any time.

PRINCIPLE 5: BUSINESS SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR

The nature of Clariter's business is such that it requires highly-educated and skilled individuals. Manufacturing sites for the company's products are strictly regulated and managed to the highest professional standards. Clariter strongly supports the elimination of child labour in any form and declare that no children below the age of 17 are employed in any of Clariter's business operations.

PRINCIPLE 6: BUSINESS SHOULD SUPPORT THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION.

Clariter is committed to maintaining a work environment in which every single employee can contribute to the success of the business with his or her own unique expertise. This is clearly demonstrated by Clariter's **Recruitment and Selection Policy** which applies to every operational location of Clariter throughout the world. The policy guides the recruitment process and prioritizes, first and foremost on an individual's suitability for the intended role based on an understanding of their skills, competencies, professional experience, and relevant qualifications.

Clariter's employees are considered the company's number one stakeholders and their biggest and most valuable asset, and as a company, Clariter strictly adheres to the **Respecting Diversity and Fair Treatment Policy**. Clariter proactively seeks and promotes diversity. They create a supportive work environment in which their team, composed of a rich range of professional experiences, nationalities, religions, and ethnicities, collaborates in peace and unity. Clariter employees acknowledge that they are familiar with the diversity principle within Clariter and/or their suppliers' organizations, respectively.

Accordingly, Clariter employees shall not discriminate, either directly or indirectly, against any Clariter employees or suppliers' employees with regard to such employees:

- race
- age
- religion
- sexual orientation
- any other characteristics protected under the law
- political preferences
- wealth
- family background
- physical abilities
- disability
- gender

All Clariter employees are to ensure that they maintain and promote a work environment that is inclusive and free of discrimination.

GENDER PARITY AND LGBT+ Clariter's Senior Management aims for gender parity and constantly works to improve the company's gender parity index while also openly supporting LGBT+ causes and employees.

RELIGIOUS HOLIDAYS: Operating in various jurisdictions, Clariter respects all religious holidays.

By the year 2025, Clariter is committed to:

- implementing proactive measures to prevent discrimination during the recruitment phase, wherein candidates are not required to specify gender/race/religion/age for recruitment selection. They will also conduct awareness trainings and newsletters to prevent discrimination and/or harassment.
- auditing internal controls to prevent discrimination and/or harassment.
- providing working conditions and infrastructure to accommodate employees with disabilities (e.g., work stations), if applicable.
- enforcing a whistle-blowing policy on discrimination and harassment, with measures to promote wage (e.g., equal pay for equal work), gender, and racial equality in the workplace, as an equal opportunity employer.
- achieving at least 30% of females among executives
- ensuring effective monitoring of inequalities and ensuring fair wages
- introducing a Corporate Culture Innovator Award
- (Employee of the Year award Clariter Superhero)

THE FUTURE CAN BE DIFFERENT. IT WILL BE DIFFERENT. WITH CLARITER.

Environmental and Sustainability Stewardship

PRINCIPLE 7: BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES.

Clariter is committed to caring for the environment and the planet.

The company is committed to being a clean-tech leader within the recycling industry by creating a positive environmental culture within its workforce. They extend this approach to any other persons affected by their operating practices and consistently take actions to minimize their ecological footprint. It is Clariter's policy to comply with all applicable environmental laws and to take reasonable precautionary measures to reduce the potential for the release of harmful substances. Clariter aims for zero harm to people and assets, as well as zero environmental impact. To do so, they use a risked-based, systematic approach.

Clariter consistently works to promote environmental care and increase understanding and awareness of environmental issues.

They are committed to ensuring that the impact of their activities is controlled, ill effects are prevented, and all business actions are monitored, to continuously improve their operations for the benefit of the environment.

Clariter identifies, assesses, and manages the elements of their operation that impact the environment.

In line with Clariter's sound business practice, Clariter:

- minimizes and, where possible, prevents pollution and works to reduce consumption of fuel, energy, and water.
- strives to reduce energy consumption from fossil fuel sources and participate in the shift to renewable energy whenever possible.
- reduces and disposes of industrial waste with minimal environmental effect.
- develops and maintains a management system that establishes responsibilities, objectives, targets, monitoring methods, and reviews processes regarding environmental performance.

- provides awareness training and, where necessary, job-specific training for their employees on environmental issues.
- considers environmental aspects in all investment and procurement decisions and throughout the supply chain.
- encourages suppliers and contractors to introduce programmes that support Clariter's environmental objectives and targets where their activities have a significant impact on the environment.
- considers and respects their stakeholders when managing their activities.
- supports innovation in environmental performance with the involvement of their stakeholders.
- requires that employees assist Clariter in achieving the above objectives where necessary.

PRINCIPLE 8: BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY.

Clariter shares society's concern about the effect that human activity has on the climate and are firmly committed to limiting the increase in the planet's global average temperature to 2°C at the end of this century with regard to pre-industrial levels.

They have identified 4 pathways for their contribution:

IMPROVING ENERGY EFFICIENCY AND ENERGY SAVINGS:

Clariter aims to closely monitor the energy consumption of their plants and offices and replace obsolete equipment with energy star-rated and enabled active power saving management capabilities.

Clariter maintains and nurtures a workplace with energy-efficient culture, and plan to distribute an online newsletter with energy consumption best practices; praise office energy-efficient behaviour such as turning off all devices, lighting and air conditioning when leaving the building, etc. and set office rules such as unplugging equipment that drains energy when not in use, especially before weekends (i.e. cell phone chargers, fans, coffeemakers, desktop printers, radios, etc.).

EMISSIONS REDUCTION:

Clariter aims to reduce CO_2 emissions from plant operations as well as their transport. To this end, the company are currently establishing the infrastructure to start monitoring the CO_2 emissions from their plant installations. They have already begun monitoring CO_2 emissions for business flights and issued a business travel policy that promotes teleconferencing or videoconferencing over business travelling.

MATERIALS, RESOURCES AND WASTE MANAGEMENT:

Clariter aims to optimize their use of plastic waste as a primary input resource for production. They optimize water consumption and ensure wastewater treatment before water discharge and are keen to reduce other types of waste generation through excellent waste management.



SUSTAINABLE PROCUREMENT

To promote environmental responsibility in their supply chain, Clariter recognizes their accountability in:

- integrating environmental criteria in their purchasing, distribution and contracting policies and practices.
- encouraging other organizations to adopt similar policies without indulging in anticompetitive behaviour in doing so.
- carrying out appropriate due diligence and monitoring of the organizations with which they have relationships while preventing compromise of the organization's commitments to environmental responsibility.
- considering providing support to SMEs, including awareness-raising on issues of environmental responsibility and best practice and additional assistance to meet responsible objectives;
- actively participating in raising the awareness of organizations with which they have relationships about principles and issues of environmental responsibility; and
- promoting the fair and practical treatment of the costs and benefits of implementing socially responsible practices throughout the value chain
- · implementing risk analysis for strategic purchasing

PRINCIPLE 9: BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES.

Clariter's main mission is to protect the environment by eliminating the volume of used plastics and to process this waste into high-value, desirable chemical products. As they share the aspiration of their stakeholders to maintain a healthy environment, they innovate to ensure that their actions meet the needs of the current and future generations, creating products that proactively clean the planet's plastic waste and reduce dependency on newly sourced fossil fuels. Their unique process transforms the majority of plastic waste types into three high-value industrial products: solvents, oils, and waxes. These go on to become a multitude of everyday consumer endproducts. Now, rather than using recycled plastic, we can all enjoy upcycled crude-free products.

Furthermore, just recently, Clariter won Frost & Sullivan's 2021 Technology Innovation Leadership Award in the European chemical upcycling of plastic waste Industry. (click here for further details). Frost & Sullivan's report further indicates that compared to other waste treatment routes for polyolefins, Clariter's upcycling process shows significant benefits. The company's unique technology has achieved a **net negative carbon footprint**, meaning it does not add to but rather depletes carbon from the planet. Currently, no other recycling technology can really clean the planet, as opposed to simply reducing pollution.

Rollout plans for several new Clariter facilities across Europe and the Middle East have begun. Together these will transform 300,000 tons of plastic waste and produce over 250,000 tons of pure, clean, high-value products every year.

In doing so, Clariter is pro-actively cleaning the planet of plastic waste, creating environmentallyfriendly, fossil-free products, and empowering the industry to meet sustainability regulations, reduce carbon footprint, create jobs, and build stronger communities.

Abolishing Corruption

PRINCIPLE 10: BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY.

Business integrity, ethical conduct, and full compliance with the many laws and regulations that govern Clariter's business are essential to Clariter's philosophy. Accordingly, Clariter expects the same attitude from its employees, consultants, subcontractors, and service providers.

Clariter has established robust governance bodies with highly professional competencies. The company adopted two policies, which together encompass all aspects of its business activity:

- 1. The Code of Business Principles
- 2. Business Integrity Policy

With these two policies, the company commits itself to:

- maintaining the highest standards of integrity in all its business affairs.
- conducting itself fairly, honestly, lawfully, and with integrity in all its business affairs and relationships.
- requiring all Clariter employees and any and/or all companies that do business with Clariter to adhere to the same standards.

Maintain a zero-tolerance approach to -

- Bribery
- Corruption
- Human rights violations
- · Unfair discrimination and the violation of fair labour practices

In addition, Clariter is bound by the laws of relevant jurisdictions which govern its conduct globally. Without limitation, every Clariter employee must fully comply with all anti-corruption laws of the countries in which the company does business. Employees are strictly prohibited from offering, giving, or promising anything of value, directly or indirectly, to obtain the influence of foreign officials, candidates, or political parties, even if such is the local practice. These laws are applicable, by extension, to Clariter's agents and distributors. Clariter is fully committed to eradicating corruption from all its business and business transactions. Clariter's employees confirm, warrant, acknowledge and/or undertake that they shall:

- reject and proscribe corruption, extortion, embezzlement, and/or bribery.
- refrain from offering third parties any benefits that would assist Clariter employees in any dealings with such a third party. Such benefits shall include but shall not be limited to any -
 - gifts or any sort of remuneration
 - · compensation or benefits of whatever kind, e.g., donations
 - financial fraud
 - money laundering
 - extortion or facilitation payments, which could be interpreted as illegal and/or as constituting a corrupt practice

Clariter and its employees are required to avoid any actions that may reasonably create a perception that favourable treatment of third parties shall be obtained or given in exchange for personal financial gains. Business courtesies include gifts, gratuities, meals, refreshments, entertainment, or other benefits, from persons or companies with whom Clariter does or may do business, having a value greater than \$100. Such courtesies may not be accepted unless approval is obtained from the Management Board.

Clariter and its employees shall neither offer, give, nor accept, gifts that constitute, or could reasonably be perceived as constituting, unfair business inducements that would violate laws, regulations, or policies of Clariter or of their customers, or would cause embarrassment or reflect negatively upon Clariter's reputation. The prudent course of action is to refuse a courtesy from a supplier when Clariter is involved in choosing or reconfirming a supplier, or under any circumstances that would create an impression that offering courtesies is the way to enter into cooperation with Clariter.

Employees may accept unsolicited gifts other than money, provided that such gifts conform to the reasonable ethical practices of the marketplace, support the legitimate business interests of the company, and are reasonable and appropriate under the circumstances. Such gifts include flowers, fruit baskets, and other modest presents that commemorate a special occasion; and gifts of nominal value, such as calendars, pens, mugs, caps, and t-shirts (or other novelty, advertising, or promotional items. Generally, employees may not accept compensation, fees, or money of any amount, from entities with whom Clariter does or may do business. Tangible gifts (including tickets to a sporting or entertainment event) that have a market value greater than the equivalent of \$100 may not be accepted unless approval is obtained from the Management Board.

All gratuities, including invitations to events, other than normal promotional items, in order to be accepted, require prior approval from the Management Board in the form of resolution or otherwise in writing and must be recorded in the employee's personal record. No employee may allow a family member to accept such gratuity in order to circumvent the prohibition contained here.





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