



SUSTAINABILITY REPORT

EXECUTIVE SUMMARY

2021



INTRODUCTION

As a global recycling technology company, Plastic Energy is committed to promoting and upholding Environmental, Social, and Governance (ESG) principles and best practices.

We launched our first Sustainability Report in 2021 which set out our ESG goals and ambitions towards becoming a more sustainable company. This executive summary documents the progress made in 2021 towards our commitments.

We are continuously striving to find opportunities to improve and expand our ESG program, while maintaining realistic and achievable targets.

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 5 years.

Our team of technology specialists have developed a unique, patented TAC™ process which converts plastic, that would otherwise end up in landfill, incineration, or polluting our environment, into TACOIL™, which is used to create virgin-quality plastic (Plastic2Plastic™).

We are the first global company that have successfully and consistently produced enough chemical feedstock (oil) to enable conversion back into plastic.



MESSAGE FROM OUR CEO

As we continue our transition from a start-up to a successful established company, we want to ensure we continue to take the right steps to incorporate sustainability into every aspect of our business model.

The publication of our first annual sustainability report last year was a defining moment for us as a company. It established our firm commitment to the UN Global Compact mission and principles, and set us on the right direction towards becoming a more sustainable company.

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, and reducing the climate impact of plastic as a new resource.

We are now building on that goal by scaling up our technology to recycle more plastics in a more energy efficient and sustainable way.

Becoming more sustainable as a company will be an ongoing journey and there is still much further to go. The publication of our sustainability commitments is the first step of many more to come.

As our company continues to grow and evolve 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.

Carlos Monreal

Founder and CEO, Plastic Energy



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SUPPORTING THE UN SUSTAINABLE DEVELOPMENT GOALS

PLASTIC ENERGY PROVIDES A SOLUTION TO A GLOBAL ENVIRONMENTAL CHALLENGE
WHILE ALSO SIMULTANEOUSLY BENEFITTING WIDER SOCIETY

SDG 13 – Climate Action

Chemical recycling clearly supports climate action goals by reducing GHG emissions in our environment, 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 of 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 solutions.

SDG 8 – Decent Work and Economic Growth

The development of each plant directly creates local jobs within the chemical recycling plants, 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 the Global South (Asia), notable social benefits include the formalisation of the waste management sector and the associated social, economic and health benefits.

SUSTAINABLE DEVELOPMENT GOALS



UN GLOBAL COMPACT

Plastic Energy fully supports and is committed to the UN Global Compact's Ten Principles. We are working to improve in the areas of human rights, labour, the environment, and anti-corruption.

The table to the right shows that we have incorporated 10 principles of the UN Global Compact into our business strategy, culture, and day-to-day practices

	PRINCIPLES		PAGES
HUMAN RIGHTS	1	Businesses should support and respect the protection of internationally proclaimed human rights; and	6, 12
	2	make sure that they are not complicit in human rights abuses.	12
LABOUR	3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	6
	4	the elimination of all forms of forced and compulsory labour;	12
	5	uphold the effective abolition of child labour; and	12
	6	uphold the elimination of discrimination in respect of employment and occupation.	6, 7, 8
ENVIRONMENT	7	Businesses should support a precautionary approach to environmental challenges;	8, 11
	8	undertake initiatives to promote greater environmental responsibility; and	9, 10, 11
	9	encourage the development and diffusion of environmentally friendly technologies	9, 10
ANTI-CORRUPTION	10	Businesses should work against corruption in all its forms, including extortion and bribery.	12



PEOPLE

1. INCREASED MENTAL HEALTH AWARENESS AND TRAINING

It is important to have as consistent as possible an approach to mental health and wellbeing across teams. 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, 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 thoughtfully planned our training with an external and expert consultancy so that staff have the opportunity for self-reflection, and to acknowledge and learn about unconscious bias which we all hold, and to learn strategies to reduce their effect in the workplace.

3. LAUNCH OF COMPANY INTRANET TO STRENGTHEN COMPANY CULTURE

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

PEOPLE

- Increase diversity over the whole company, especially at our management and Board levels.
- Strengthen company culture and communication across offices and develop a global employee handbook.
- Develop training opportunities.



PEOPLE

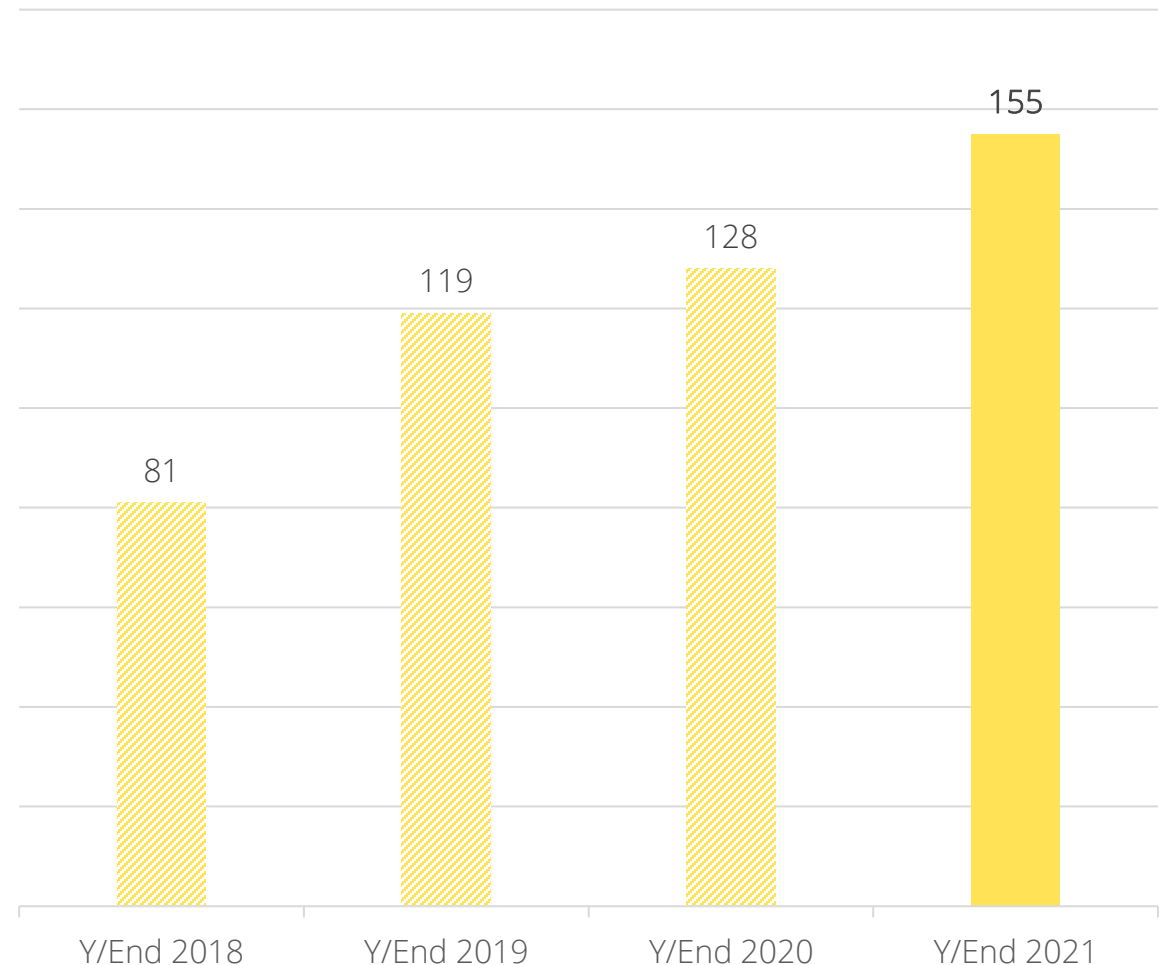
In 2021, our global team grew by 21% from 128 to 155 employees across our offices in Europe, Asia, and North America.

We expect to see our workforce grow in 2022, as more of our projects break ground.

In terms of gender diversity, 26% of our global workforce are female. We are striving to improve our gender balance across the company, especially at the management and Board levels.

We understand the importance of setting ourselves realistic aims when thinking about diversity, without losing ambition. We are resolved to small, consistent, strides and credible commitments.

PLASTIC ENERGY GROUP TEAM GROWTH
2018-2021



HEALTH & SAFETY

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 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 program 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.

GOALS

SAFETY

Utilise auditing results to develop HSE Improvement Plans for the projects to improve performance.

Utilise corporate audit results to ensure that consistent standards are applied throughout the company.

HSE Management System will be further developed in line with ISO 45001 and ISE 14001 requirements.



TECHNOLOGY

1. REDUCING AND OPTIMISING OUR CURRENT PLANT EMISSIONS

We implemented wastewater treatment facilities and further systems to reduce air emissions in our plant in Almeria.

The initial results from the implementation have been positive, and we will continue to monitor and assess these environmental upgrades with a view to implementing them at our plant in Seville in the next year.

2. OUR PLANTS IN SPAIN NOW USE RENEWABLE ENERGY

We have secured contracts for 100% renewable energy for our commercial plants in Seville and Almeria for three years from January 2022.

3. RSB (ROUNDTABLE ON SUSTAINABLE BIOMATERIALS) CERTIFICATION & REACH REGISTRATION ACHIEVED

We received and achieved RSB certification for our plant in Almeria, as well as receiving full REACH registration for our TACOIL™ and light oils.

4. DEVELOPING MORE VALUE-ADDED PRODUCTS FROM OUR PROCESS

We have been continuing our work on converting the char into a value-added product, and are currently engaged with over 20 companies across a variety of industries to explore the use of pyrolysis char as an alternative to traditional virgin minerals.

During the course of our work we have seen several advantages of our pyrolysis char over conventional virgin materials and have filed three patents to protect potential future business opportunities in areas where performance benefits have been observed.

GOALS

TECHNOLOGY

- Continue reducing environmental impact of plants as Plastic Energy develops.
- Source renewable energy for all our existing and upcoming plants.
- Establish a net-zero roadmap by the end of 2022.
- Develop LCAs for our new plant designs by 2023.
- Achieve net-zero by 2050.

UPGRADES

- Implement systems to further reduce emissions in Seville.
- Improve wastewater treatment at the plant in Seville.



PROJECTS & PARTNERSHIPS

1. WE COMPLETED A SIGNIFICANT FUND RAISE TO ACCELERATE THE GLOBAL EXPANSION OF OUR RECYCLING TECHNOLOGY AND PLANTS

In 2021, we completed a €145 million fundraise to support and accelerate the development of our global projects.

2. STRATEGIC LICENSING PARTNERSHIP WITH AXENS TO EXPAND THE REACH OF OUR TECHNOLOGY

We announced a strategic collaboration with Axens to increase recycling rates and decrease plastic waste. As part of the partnership, Axens will market and licence our patented advanced recycling technology.

3. TWO OF OUR PROJECTS IN EUROPE HAVE BEGUN CONSTRUCTION

Two of our projects broke ground in 2021. The first was our 33kta project with SABIC in the Netherlands, and the second was our 33kta project with ExxonMobil in France.

4. PARTNERSHIP IN THE USA WITH FREEPOINT ECOSYSTEMS AND TOTALENERGIES

We signed a strategic partnership with Freepoint EcoSystems and TotalEnergies to build an advanced recycling plant in Texas. The project will aim to convert 33kta of post-consumer plastic waste into our TACOIL™.

GOALS

MARKET EXPANSION

By 2030, we aim to process up to 5 million tonnes of plastic waste per year across Europe, Asia, and the US.

CIRCULAR ECONOMY

We will continue to support the circular economy of plastics through our recycling infrastructure development, our involvement in policy and advocacy, and through value-chain collaboration.



PLANET

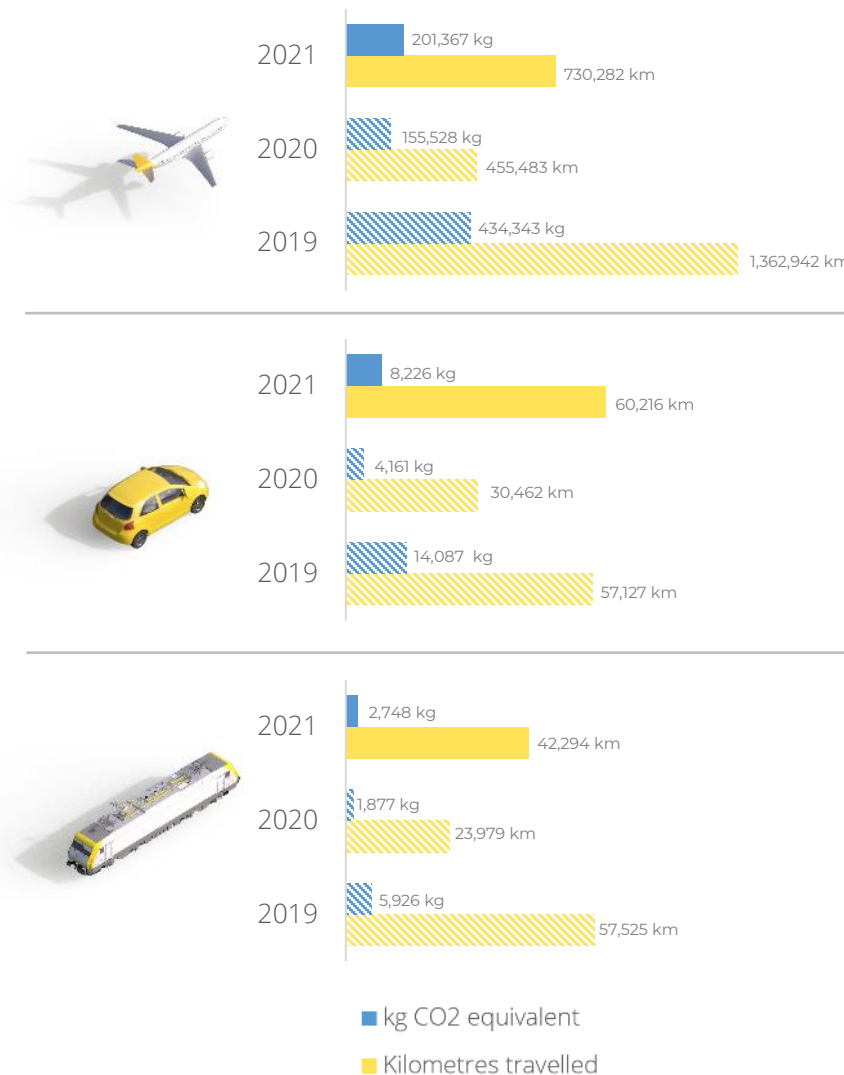
1. PROMOTING CARBON NEUTRAL TRAVEL ACROSS THE COMPANY

As COVID-19 travel restrictions have eased across the world, travel has increased from 2020 levels. In order to alleviate our travel emissions, we have offset our emissions for 2021 and have travel policies in place to encourage lower carbon travel options.

2. ACTIVE ENGAGEMENT WITH POLICY AND INDUSTRY STAKEHOLDERS TO SUPPORT CHEMICAL RECYCLING

We have been developing our policy strategy, and have contributed to several policy submissions to facilitate chemical recycling projects in Europe, the USA, and Canada.

PLASTIC ENERGY TRAVEL EMISSIONS (2019-2021)



GOALS

TRAVEL

Harmonise our travel booking system to enhance transparency and facilitate comparable reporting year-on-year.

SUSTAINABILITY

Establish a climate action and ESG roadmap by the end of 2022.

CIRCULAR ECONOMY

We will continue to support the circular economy of plastics through our recycling infrastructure development, our involvement in policy and advocacy, and through value-chain collaboration.



GOVERNANCE

1. COMPANY TRAINING ON ABC RISKS AND ISSUES

We completed training on Anti-Bribery and Corruption (ABC) risks and issues with our Board, Senior Management Team, and 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 PROVIDE ADDITIONAL OVERSIGHT

We assembled an audit and risk committee to provide additional oversight over the company's business affairs.

GOALS

- Create more independence and division of responsibility between the leadership of the Board and the executive leadership team to strengthen and embed a structure of controls in the company's culture.
- Provide ongoing training on ABC risks and issues.
- Adopt compliance and KYC questionnaires for all third parties engaging with the business.
- Expand the Board to include executives, non-executives, and stakeholder representatives through a formal appointment process.
- Adopt a human rights policy and a supplier code of conduct in 2022.





PLASTICENERGY.COM

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