

Plastic Energy Sustainability Report

THIRD EDITION - 2023



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Message from our CEO

As we head into 2023, the world continues to face uncertainty and upheaval. Multiple crises, such as energy price hikes, the increased cost of living, and strain on the world's resources, tell us that humanity must brace for global catastrophes and be prepared to tackle the challenges of the 21st century, by adapting to new ways of living.

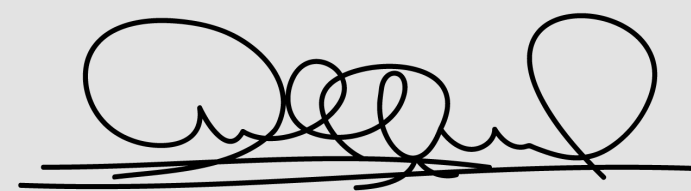
One way we can do this is by embracing circular models of growth. Businesses and governments in particular have the responsibility to create innovative, sustainable ideas to build investment in clean technology to mitigate the impact of the climate crisis.

At Plastic Energy, we use chemical recycling technology to help address the global plastic waste crisis. We recycle end-of-life plastics that would otherwise be sent to landfills or incineration, creating an oil feedstock, called TACOIL™, that replaces fossil oils in the production of new plastics. Our circular process reduces pressure on the world's resources and encourages brands and packaging companies to incorporate recycled content into their new plastic packaging. We now want to build on our mission to help end the global plastic waste problem, by encouraging the adoption of our recycling technology, both through direct investments and licensing, and also by scaling up to build bigger and more efficient recycling plants.

Although chemical recycling is a relatively new technology, with the right investment and policy conditions, its potential can be maximised. In October last year, we joined the Cleantech Scale-up Coalition, a network of organisations working to scale the next generation of clean technologies in Europe by making cleantech a priority for policymakers.

As we publish our third sustainability report, we continue to strive to incorporate our sustainability commitments at every level of the company. These commitments include improving on the way we set out our performance against our environmental, social and economic sustainability goals each year.

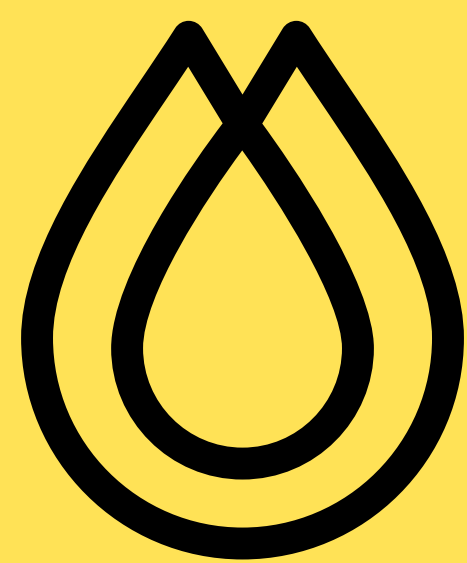
As Plastic Energy continues its global mission to reduce plastic waste, we know that it will take time, effort and dedication. The growth of the business must go hand in hand with our original mission, to tackle the global plastic waste challenge. By embracing our sustainability commitments and targets, I believe Plastic Energy will continue to thrive and deliver the change needed to create a better world.



Carlos Monreal
Founder and CEO, Plastic Energy



2022 sustainability progress



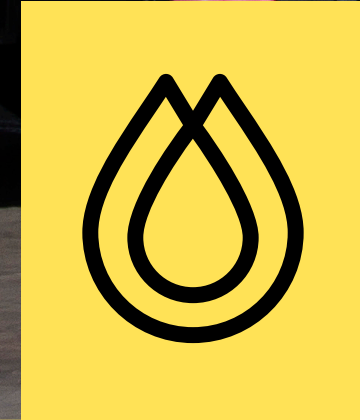


About Plastic Energy

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 7 years.

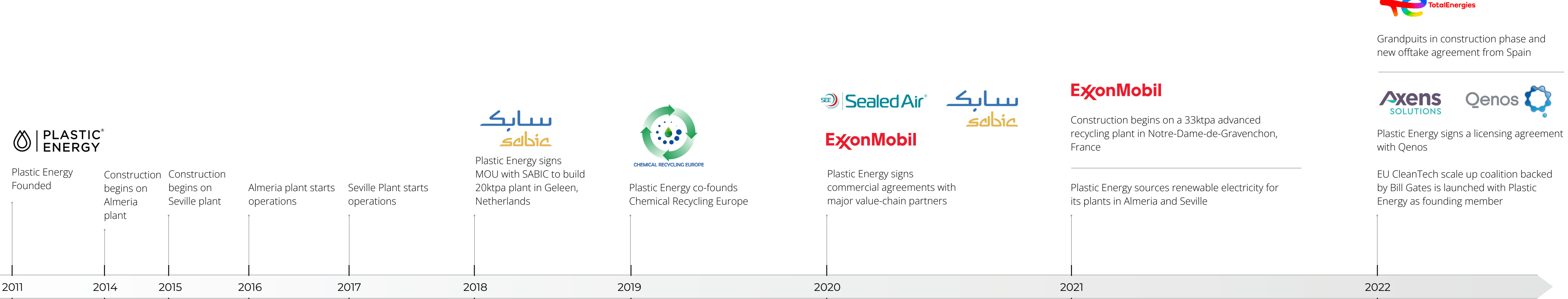
Our team of technology specialists have more than 50 years' combined experience in developing our unique, patented TAC™ process for the treatment of plastic waste. This converts end-of-life plastics that would otherwise end up in landfill, incineration, or polluting our environment, into TACOIL™, which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

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



Company timeline and milestones

OPERATIONAL BUILD-OUT OF DISRUPTIVE TECHNOLOGY



ONGOING ACCELERATING COMMERCIALISATION



Mission and vision



Our vision

- Creation of a circular economy for plastic waste by diverting plastic waste away from landfills, incineration and our oceans
- Reduce countries' dependence on fossil fuel
- Support countries in reaching recycling targets, reducing CO2 footprints, and achieving international sustainability goals
- Boost local economies and communities through the creation of new jobs
- Achieve net zero by 2050



Our mission

- Play a significant role in solving the global plastic waste problem
- Be a world leader in chemical recycling
- Process 5 million tonnes of plastic by 2030
- Increase our number of operational plants globally



Expanding our research & development capabilities

Launch of new labs at Loughborough University

For 10 years, Plastic Energy has developed a close partnership with Loughborough University to further accelerate the development of our innovative chemical recycling process. Plastic Energy's team of skilled researchers and technical staff, who previously worked in a shared laboratory space within the University's Chemistry Department, now work in a new state-of-the-art facility at Loughborough University Science and Enterprise Park (LUSEP), which is now the R&D hub for further development and optimisation of Plastic Energy's unique chemical recycling technology. In this new facility, a growing team of chemists and data scientists test new plastic waste feedstocks and work to deliver high-quality TACOIL™, whilst continuing to reduce the energy use of the recycling process.



Advancing chemical recycling in Asia

Agreements with major Asian petrochemical companies to build more capacity for recycling end-of-life plastics

Republic of Korea

Plastic Energy signed a licensing agreement with SK Geo Centric to be the technology provider for its new advanced recycling plant in South Korea. This plant is expected to have an annual feedstock capacity of 66ktpa and will be located within the SK Geo Centric (SKGC) Advanced Recycling Cluster in Ulsan, a ground breaking initiative to combine multiple advanced recycling technologies on the same site. Plastic Energy and SKGC will also collaborate on developing additional recycling projects across Asia.

Malaysia

Plastic Energy is developing a TAC™ plant with Petronas Chemicals Group in Malaysia, with the target to reach Final Investment Decision (FID) in 2023.

Indonesia

ExxonMobil, PT Indomobil Prima Energi (IPE) and Plastic Energy signed a partnership at the sidelines of the G20 Bali Summit in 2022 to assess the implementation of advanced recycling in Indonesia to recycle up to 100 ktpa of end-of-life plastics.



Demonstrating plastics circularity

Collaborations with key petrochemical and consumer goods stakeholders

LyondellBasell / Albéa Tubes / L'Occitane en Provence

Albéa Tubes and LyondellBasell launched ground breaking cosmetic tubes and caps for L'OCCITANE en Provence's "almond" range, supporting the circular economy. The packaging is made by Albéa Tubes with CirculenRevive polymers from LyondellBasell, made from Plastic Energy's TACOIL™.

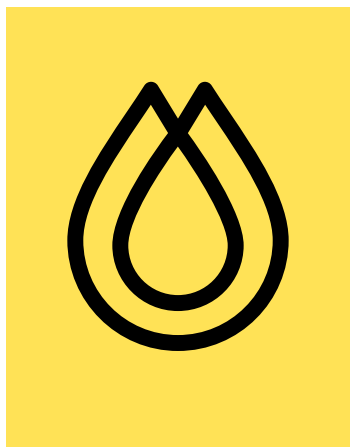
When re-designing two tubes of its "almond" product range, L'Occitane en Provence teamed up with cosmetic tubes specialist Albéa and polymer supplier LyondellBasell to provide a resource friendly solution to use recycled polymers in new, plastic packaging.



Kraft Heinz / SABIC / Berry Global / Tesco

Kraft Heinz and its expert partners – Plastic Energy, Tesco, SABIC and Berry Global – have developed new Heinz Beanz Snap Pots which are made from 39% post-consumer recycled soft plastic, collected from customers at Tesco's in-store collection points. The plastic collected was recycled by Plastic Energy, and converted into TACOIL™, which was used by SABIC to create certified circular polymers, which Berry Global converted into packaging for Heinz Beanz.

The new Heinz Beanz Snap Pots were designed and developed by Heinz's R&D team to be more sustainable while retaining what makes them so popular with consumers: their convenience, handy snappable format, microwaveability and ability to ensure the product remains fresh.



Plastic Energy awards and accolades in 2022

ICIS Top 40 Power Players in the Chemical Industry

Carlos Monreal named for the third year in a row

PwC Net Zero Future50

Industry, Manufacturing and Resource Management Category

Spain – Flag of Andalusia

Plastic Energy wins Environmental Award

Malaysia – Petronas Focused Recognition Awards

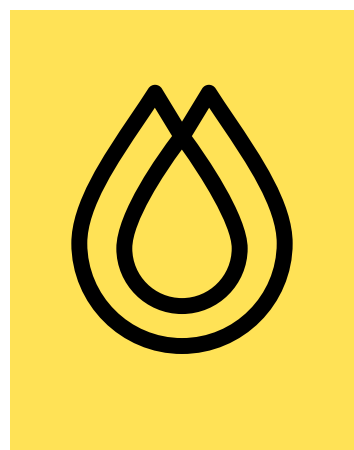
Manager of Projects Wahab Aziz wins Focused Recognition Awards

Zero Waste Awards

4 Stars in the Circular Economy Category

Global Good Awards

One to Watch in the Circular Economy Category



Participation in industry conferences

Advocating for plastics circularity at major sustainability conferences around the world

Barcelona

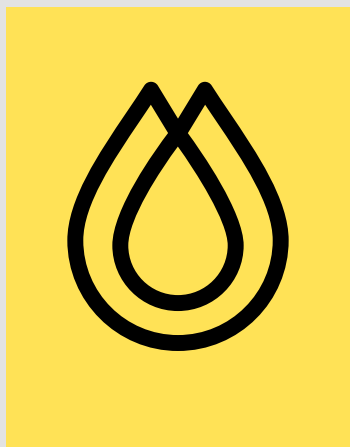
Sustainability in Packaging Europe
1-4 November 2022

Berlin

ESF Europe 2022: Energy & Sustainability Forum
21-23 March 2022

Brussels

Chemical Recycling Europe Annual Conference 20
13 and 14 October 2022



Projects – Europe

France

Le Havre

Currently under construction is a 33ktpa TAC™ plant in France. In addition, we have a collaboration agreement with ExxonMobil, who will be the TACOIL™ offtaker for this plant.

Grandpuits

Also currently under construction is a 15,000 tpa joint venture recycling plant with TotalEnergies in France, at their Grandpuits site.

This is in addition to an existing agreement for TotalEnergies to be a TACOIL™ offtaker for Plastic Energy's plants in Spain and the US.

The Netherlands

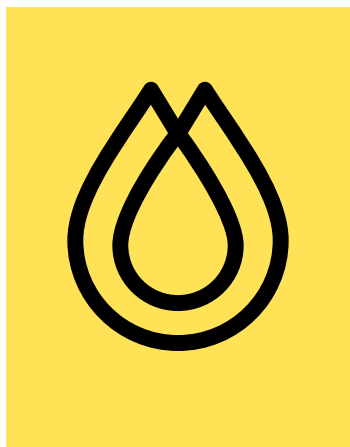
We have a 20,000 tpa recycling plant in collaboration with SABIC in Geleen, The Netherlands. This joint venture, SABIC Plastic Energy Advanced Recycling, is also currently under construction.

United Kingdom

We opened new research and development labs at Loughborough University in December 2022. This will be the hub for Plastic Energy's work on further development and optimisation of our patented TAC™ technology.

Spain

Plastic Energy and TotalEnergies have an agreement to build a 33,000 tpa TAC™ plant in Spain. This will be Plastic Energy's third plant in Spain, in addition to plants in Seville and Almeria.



Projects – Asia Pacific

Australia

In 2022 Plastic Energy signed a feasibility study, alongside Axens, to be the technology provider for Qenos advanced recycling project in Australia.

Indonesia

ExxonMobil, PT Indomobil Prima Energi (IPE) and Plastic Energy signed a partnership at the sidelines of the G20 Bali Summit in 2022 to assess the implementation of advanced recycling in Indonesia to recycle up to 100 ktpa of end-of-life plastics a year.

Republic of Korea

Plastic Energy signed a third-party license agreement with SK Geo Centric (SKGC) for an advanced recycling plant in South Korea. SKGC's plant is expected to have an annual capacity of 66 ktpa and will be located within their Advanced Recycling Cluster in Ulsan, which is a ground breaking initiative to combine multiple advanced recycling technologies on the same site. Plastic Energy and SKGC will also collaborate on developing additional recycling projects across Asia.

Malaysia

Plastic Energy is developing a TAC™ plant with Petronas Chemicals Group in Malaysia, with the target to reach Final Investment Decision in 2023.

We have also expanded our Malaysia office space to include more capacity for engineering works for our projects in Asia Pacific.



Our sustainability strategy



Our sustainability strategy

Sustainability is at the heart of our technology and business development strategies

As part of our sustainability strategy, Plastic Energy is committed to integrating Environment, Social, and Governance (ESG) principles throughout our company. We seek to apply these principles and drive sustainable change across our operations by:

- Reducing the environmental footprint of our operations and reaching our net zero by 2050 target;
- Complying with the law, wherever it applies, including health, safety and environmental and social legislation and align with industry best practice;
- Respecting human rights, enforcing the prohibition of slavery and child labour;
- Providing a safe and healthy work environment;
- Acting with integrity, transparency, and accountability in our management structures, policies and processes;
- Promoting diversity and inclusion and practicing non-discrimination (whether on grounds of gender, race, religion, age, disability, or sexual orientation) in the recruitment process at all levels of the organisation;
- Acting responsibly with respect to the environment;
- Making ESG risk assessment a core part of our due diligence process when evaluating new business partners or opportunities
- Conducting our business in an ethical and socially responsible manner;
- Being a responsible member of the communities in which we operate.



Our sustainability strategy

In 2023, Plastic Energy appointed its first Chief Sustainability Officer to lead the company's sustainability strategy together with the CEO. The sustainability team coordinates our initiatives and implements the company's ESG policy. The team cooperates closely with Plastic Energy's teams in charge of technology development as well as operational controls for the environment, health and safety. It has overall responsibility for implementing the sustainability strategy.

The sustainability team provides regular reporting to the CEO and the senior leadership team on progress towards our commitments as well as potential ESG risks and strategies to mitigate these.

An external Audit and Risk Committee (ARC) meets quarterly to ensure continuous oversight over the company's business activities. The company's sustainability strategy is reviewed once a year by the ARC during one of their quarterly meetings.

We also maintain a Corporate Risk Register to keep track of potential risks to the company. This document is reviewed by the Executive Committee, Board, and ARC on an annual basis.



Our ESG policy

In 2022, Plastic Energy adopted its ESG policy which lays out the approach we take to managing and mitigating ESG risks. We believe that a systematic approach to ESG risks allows us to manage any risks that might arise from our global business operations and take early mitigating action in case we need to.

The document also outlines our policies regarding the following governance topics:



Anti-bribery and corruption

Preventing fraud, bribery and corruption within the Plastic Energy business is a priority for the Board of Plastic Energy Global – this is evidenced by compliance being a fixed item agenda for all board meetings and by the appointment of a group Compliance Officer.

There is a robust **Anti-bribery and Corruption (ABC) policy** which sets out the group's approach and expectations in relation to the following: fraud, bribery, corruption, and sanctions. ABC Policy applies to Plastic Energy, subsidiaries, all employees, directors, and those working 'for' and 'with' Plastic Energy.

The ABC Policy is complemented by the group's **Gifts & Hospitality Policy, as well as a Whistleblowing** policy with an external hotline.

Compliance training is regularly provided to the Board of Plastic Energy Global, the Senior Leadership Team and employees. Training is territory specific but provided by a reputable external law firm.

All material customers, suppliers and partners are required to complete a **Know Your Customer (KYC)** Questionnaire which includes a number of compliance questions e.g. whether adequate policies are in place or details of any breaches. The group also has a **delegated authority** in place for entering into contracts and arrangements with third parties.

The company seeks the advice of an external law firm and specialist compliance and sanctions lawyers as and when required.





Data protection

Plastic Energy operates strict cyber risk and data protection policies to ensure that personal data of our employees is processed fairly, lawfully, and transparently. Our policy abides by the relevant data protection regulations in the jurisdictions in which we operate. The company is also certified to the Cyber Essentials standard.

Internally, the company has IT security in place to protect devices and systems which hold data, and employment agreements incorporate data protection undertakings. With external suppliers and customers, the company has agreements in place which require compliance with data protection law.

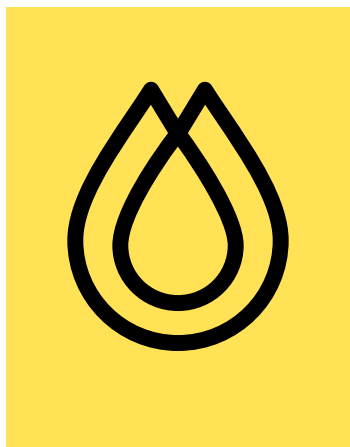


Tax

With operations and offices across the UK, Europe, USA, and Asia, Plastic Energy has a dedicated Head of Tax who is responsible for ensuring Plastic Energy complies with relevant taxation obligations, accurately accounts for taxes when due, and carries out tax planning.

UN Sustainable Development Goals (SDGs)

Plastic Energy supports the UN SDGs and we are a signatory of the UN Global Compact.



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. It also reduces the currently high risk of environmental leakage and unsustainable approaches associated with landfills and dumpsites.



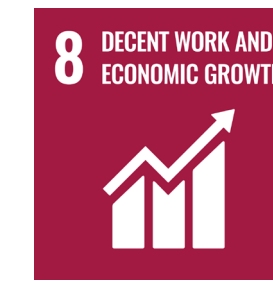
SDG 12 – Responsible Production and Consumption

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 recycling solutions.



SDG 8 – Decent Work and Economic Growth

The development of each plant directly creates local jobs, as well as indirectly creates jobs in the surrounding areas (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, 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 continue to maintain high standards in support of human rights, labour, the environment, and anti-corruption.



PRINCIPLES		PAGE	
HUMAN RIGHTS	1	Businesses should support and respect the protection of internationally proclaimed human rights; and	33
	2	make sure that they are not complicit in human rights abuses.	33
LABOUR	3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	33
	4	the elimination of all forms of forced and compulsory labour;	33
	5	uphold the effective abolition of child labour; and	33
	6	uphold the elimination of discrimination in respect of employment and occupation.	33
ENVIRONMENT	7	Businesses should support a precautionary approach to environmental challenges;	39
	8	undertake initiatives to promote greater environmental responsibility; and	39
	9	encourage the development and diffusion of environmentally friendly technologies	39
ANTI-CORRUPTION	10	Businesses should work against corruption in all its forms, including extortion and bribery.	18



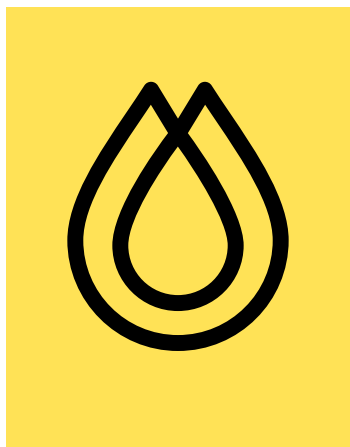
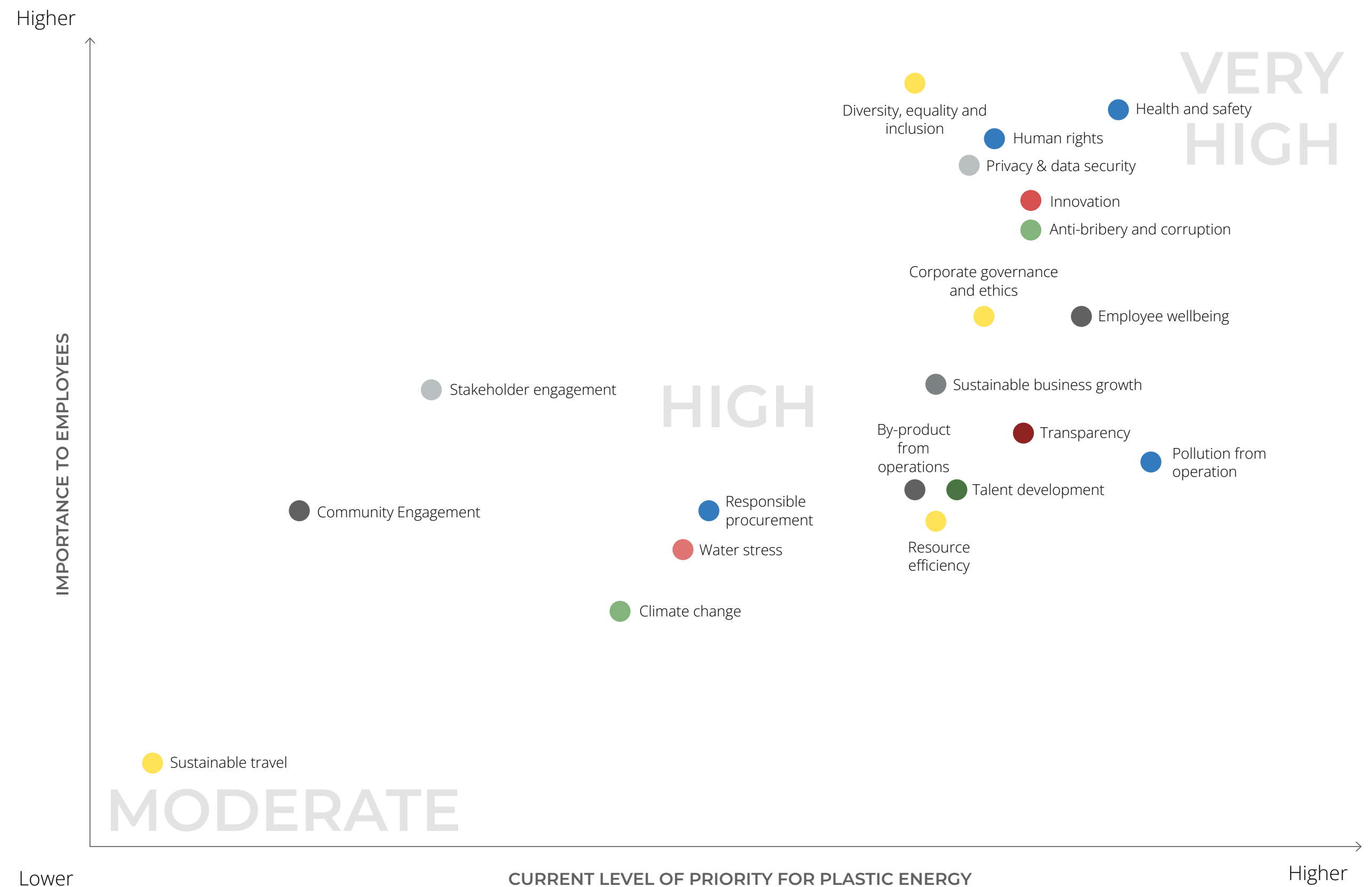
Materiality matrix

Plastic Energy conducted our first internal materiality assessment to help identify what the company should particularly focus on in our efforts to become more sustainable.

The materiality assessment consisted of a survey where Plastic Energy's employees were asked to first rank the material topics which they felt were important for Plastic Energy to focus on, and then rank the same topics according to the level of priority which they felt Plastic Energy was currently giving to these topics.

The results of the assessment are displayed in the materiality matrix below. The vertical y-axis indicates the level of importance our employees feel Plastic Energy should give to the topic, and the horizontal x-axis indicates how our employees feel Plastic Energy is currently prioritising these topics.

We plan to expand our materiality assessment in the future to include external stakeholders.



TACOIL™ supports a circular economy for plastics



We have proven that it is possible to give a second life to plastic waste through chemical recycling.



I. Commercialisation of Magnum ice cream tubs and Knorr pots made with recycled content on the European market



II. Philadelphia cream cheese packaging in Europe made with recycled materials started in 2022



III. In 2021 Vinventions launched its Blue Line of wine closures made from recycled plastic



IV. In 2020 REN Clean Skincare used recycled resins in its packaging for Evercalm Global Protection Day Cream



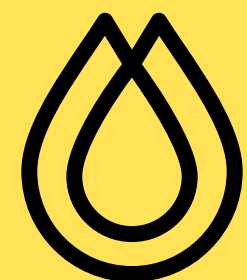
V. The Eco Straw was Tupperware's first product to use chemically recycled plastic



VI. Full closed loop example using post-consumer plastic from tesco which was turned into cheese packaging



VII. In 2022, Heinz Beanz microwaveable snap pots were made with 39% recycled post-consumer soft plastic



Active engagement with stakeholders

Advocating for policies to scale chemical recycling and plastics circularity

We engage with a range of stakeholders to highlight the benefits of the circular economy and the role that chemical recycling can play. This includes working with likeminded industry players to advocate for policies which support a circular economy for plastic waste.

Plastic Energy collaborates with stakeholders across the entire value chain through various forums and partnerships. We advocate for 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 the circular economy policy agenda.



What we advocate 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
- Adoption of a comprehensive UN Plastic Treaty with binding measures along the entire lifecycle of plastics including the scaling of recycling infrastructure globally and recognition for chemical recycling as a complementary solution alongside mechanical recycling

As part of our policy and advocacy efforts, Plastic Energy published a Q and A in a bid to clarify some of the misconceptions around chemical recycling. Our Head of Policy and Sustainability, Adela Putinelu and our CEO, Carlos Monreal, have authored a policy article on the importance of ambitious recycled plastic targets for packaging ahead of the publication of the EU Packaging and Packaging Waste Regulation proposal



We are active as part of:



WRAP UK Plastics Pact



EU CleanTech Scale Up Coalition



Polyolefin Circular Economy Platform (PCEP)



Chemical Recycling Europe (CRE)



British Plastics Federation



We are signatories of:



Ellen MacArthur Foundation's New Plastics Economy Global Commitment



UN Global Compact



Policy focus

The importance of mass balance to scale-up chemical recycling

At the heart of the circular economy for plastics is the creation of a secondary materials market to reduce the reliance on virgin resources. To replace the use of virgin plastics, we need to create a stable supply of recycled plastics on the market so that both downstream and upstream users and manufacturers can integrate recycled plastics and recycled feedstocks into their product offering. This has significant environmental benefits in terms of greenhouse gas savings from using circular, recycled feedstocks and transitioning away from incineration and landfill so that we can recycle all plastics and keep these valuable resources in circulation for as long as possible.

This year has seen a landmark proposal from the European Commission, the Packaging and Packaging Waste Regulation, which aims to set mandatory recycled content targets for packaging, pushes the supply chain to make all plastic packaging recyclable by 2030 and introduces new re-use and re-fill targets, amongst other measures aimed at better design and harmonised recyclability guidelines. Plastic Energy is very supportive of these measures as they will boost the circularity of plastic packaging and provide incentives that will help boost the recycled plastics market.

However, there are other important elements that are currently missing from the policy framework to tackle recycled plastics. One key area is how do we track and verify the flow of recycled plastics in the supply chain that arise from chemical recycling?

Currently, certification schemes are providing a strong framework that ensures the traceability and third-party verification for chemically recycled plastics along the supply chain. However, as volumes of recycled plastics increase and chemical recycling is scaling up, the next step is to have this framework adopted into legislation. This will enable a higher uptake in the market and provide a strong investment signal that chemical recycling is a key enabler for plastics circularity.

Mass-balance is a chain of custody model that has been used for decades to distinguish between certified, renewable, fairtrade or circular feedstocks or products and non-certified ones so that the volumes can be traced and certified accurately as they move along complex manufacturing supply chains. For example, mass-balance has been successfully used in determining the quantities of renewable energy being added to electricity grids and has been instrumental in demonstrating how electricity is being increasingly decarbonised.

As a member of Chemical Recycling Europe, Plastic Energy has advocated alongside 30 other associations in the value chain for the need for policymakers to adopt a mass-balance chain of custody model into legislation this year. We believe that policymakers can and should enable the rapid scale-up of chemical recycling as part of the transition to a circular economy and mass-balance is a key enabling condition for this.



Strategic partnerships

Plastic Energy at the forefront of European Cleantech scale-ups

The end of 2022 marked an important milestone for Plastic Energy as part of our strategic stakeholder engagement programme. Plastic Energy, together with other cross-sectoral technology scale-ups, co-founded and launched the Cleantech for Europe Scale-up Coalition. We are proud to be part of this important policy and advocacy partnership, supported by Bill Gates' Breakthrough Energy, to provide solutions for industrial decarbonisation in critical sectors such as recycling, battery storage, hydrogen deployment and electric vehicles.

The launch took place in Brussels in the presence of Bill Gates, the EU Energy Commissioner Kadri Simson and the CEOs of eight leading European cleantech scale-ups.

Adela Putinelu, Head of Policy and Sustainability is coordinating Plastic Energy's presence and activities as part of the Cleantech for Europe Scale-up Coalition. These involve participation in workshops and policy events with industry and regulators, forging common policy positions to advocate for key changes in regulation to support scale-ups, removing regulatory barriers to market entry and accelerating the deployment of low carbon solutions.

In January, our CEO Carlos Monreal took part in a panel debate during the first Cleantech for Europe summit in Brussels where he discussed how to accelerate the transition to a net zero economy and make Europe the front-runner for low carbon technology and innovation. The conference was opened by Margrethe Vestager, Executive Vice-President of the European Commission.



Health and Safety



Health and Safety

We are continuously improving on HSE throughout our operations for a safe environment for all our employees.

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

Plastic Energy has established robust HSE processes and procedures. Our Head of Health and Safety oversees our HSE Policy and ensures implementation of our management model, which is based on continual improvement. This model includes an annual HSE review and update, communications throughout Plastic Energy's workforce and a system of performance measurement.

With over a decade of operational experience, our safety statistics have demonstrated a reduction of 89% for our RIR (Recordable Incident Rate), and 94% for our Lost Time Incident rate between 2019 and 2022.



'Safety First' in everything we do

ISO accreditation

To optimise our company operations, Plastic Energy has achieved accreditation for both ISO 9001, which sets out the criteria for a quality management system to ensure consistent, quality service from the company, and ISO 14001, which maps out an environmental management system for the company to abide by, ensuring that our environmental impact is continually being measured and improved.

Plan, Engage for Safety

Plastic Energy has launched an interactive 'Plan, Engage for Safety' programme, overseen by our HSE manager, which focuses on improving how work is planned as well as developing a strong HSE culture within the company.

The programme will promote initiatives on HSE topics such as hazard spotting / reporting, reducing energy and CO2, first aid awareness, and mental health.

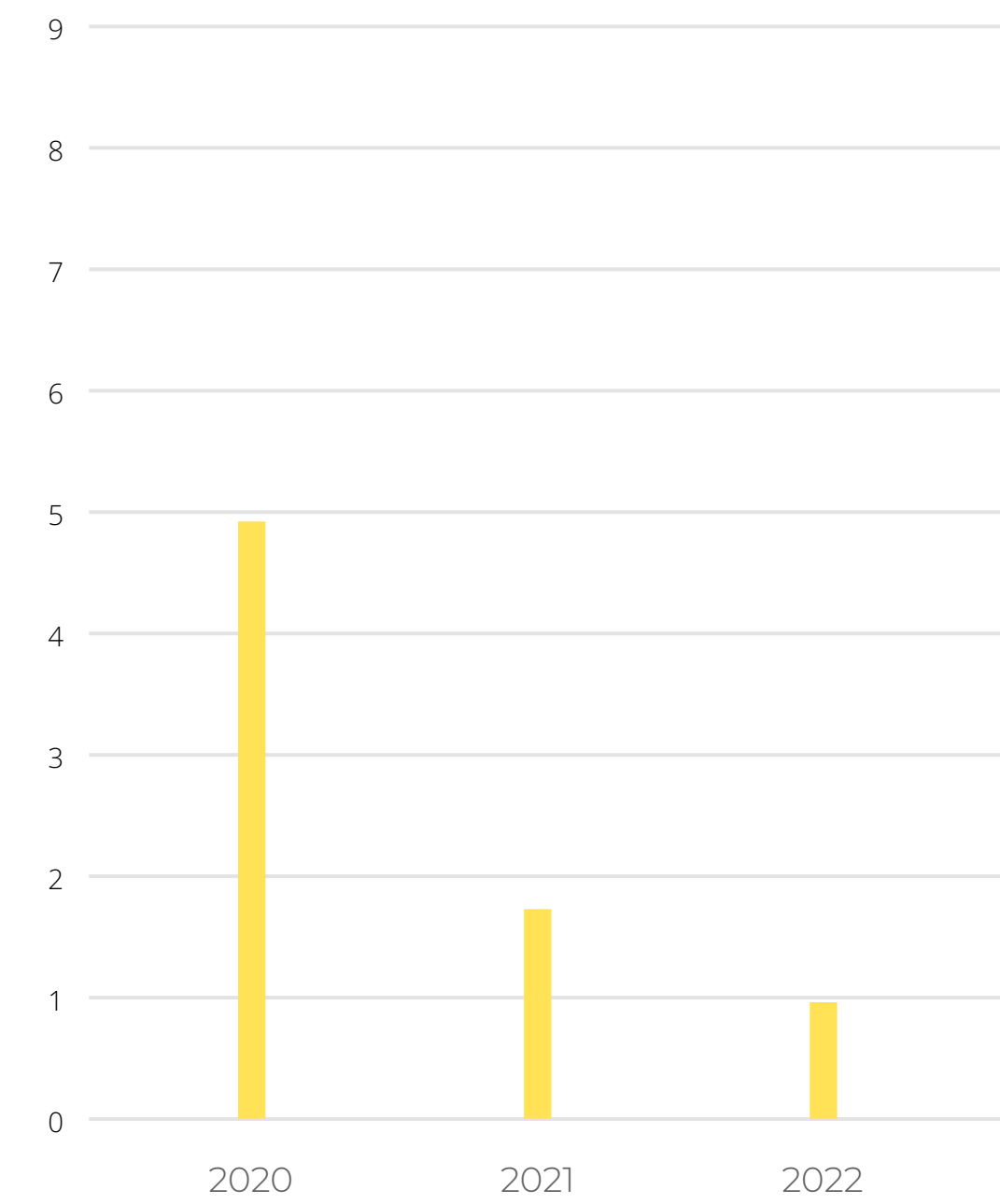
Continuous safety training at our sites

Safety is a top priority at all our recycling plants and offices. Employees in our plants are required to undertake mandatory initial training, followed by regular ongoing training alongside regular risk assessments. This training focuses specifically on hazard prevention, safety aspects for new machines, or any technological aspects, and serves as a regular reminder on first aid and emergency responses. In addition, Plastic Energy has established strict rules and mandatory procedures to keep our visitors safe during plant visits, while minimising disruption so each plant can continue to operate safely.

For our operating plants, all safety related issues are reported monthly to the management team, while any safety incidents are reported as soon as practical after their occurrence. Since 2020, Plastic Energy has 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 each incident and how best to prevent them from happening in the future.

Safety performance in 2022

Our OSHA rate in 2022 was 0.97, down by 43% from 2021.



OPERATIONAL SAFETY STATISTICS

■ OSHA Recordable Incident Rate (RIR)



People



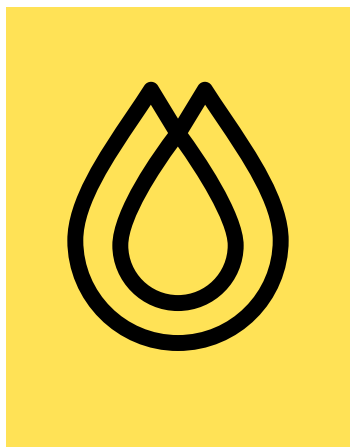
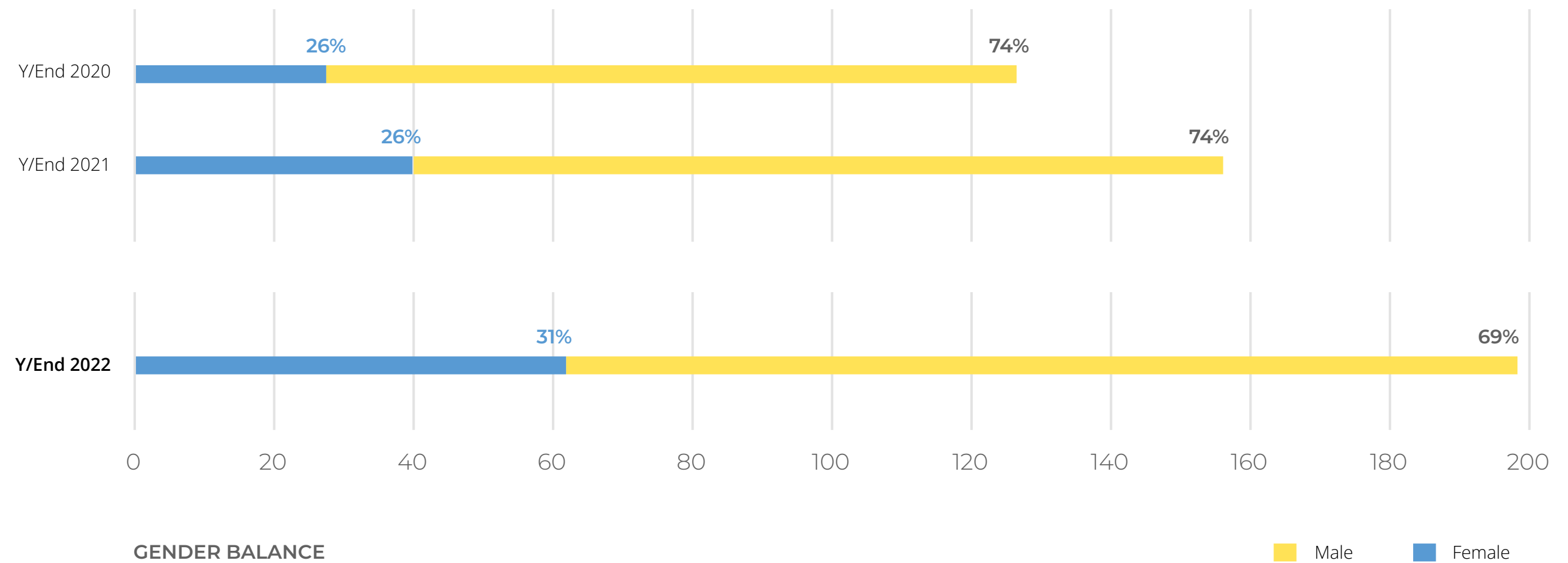
People

Diversity and inclusion

The number of employees who identify as female has increased from 26% to 31% in 2022.

Plastic Energy embraces and values diversity in all its forms, whether it be gender, age, ethnicity, sexual orientation or cultural or religious background. Equal opportunity is integral to our recruitment process, as we aim to develop a community of diverse talent. We champion pay equity and mutual respect, promoting an environment of fairness and equality.

Plastic Energy has a global training initiative for all of our colleagues to learn, or refresh their knowledge, about the core foundations and principles of equality, diversity and inclusion (E,D&I).



Human rights

We are committed to ensuring the rights of all people working at our company and the supply chains we interact with.

Our vision is to use our recycling process to enable countries to reach recycling and environmental targets while also boosting local economies and communities through the creation of new jobs.

We recognise that to achieve our vision successfully, we must ensure that the human rights of our employees, those we work with and the communities in which we operate are upheld and protected across our business and supply chain.

Ensuring we meet this standard will be even more important as we explore business opportunities in emerging markets such as Indonesia.

In 2022, we established our Human Rights policy which sets out our overarching human rights principles and commitments which we integrate into our business policies and processes.





Talent development

At Plastic Energy, we want everyone to feel confident in their role, and to feel motivated to continually improve and broaden their knowledge and skills. Personal Development Plans are a key aspect of performance review discussions, and our employees are invited to reflect upon their professional goals and identify the kinds of work activity or external training that could help them gain the new skills and knowledge they are seeking.

It is important to us that our approach towards training and development opportunities is fair and unbiased and that all development requests are considered carefully. We also place great value upon knowledge-sharing within our wider team and encourage informal learning sessions across the business.



A culture of community and collaboration

With more colleagues working across the globe, we have embraced new ways of communicating.

Promoting a culture where communication, collaboration and respect thrive, is essential to driving positive outcomes for our stakeholders, including our employees, clients, and the communities in which we live.

We offer a hybrid working option so that employees have more flexibility to choose the environments in which they can work best.

With more colleagues working remotely and internationally, we have adopted new ways to foster community and communication between all our employees.



Yammer – a way for colleagues from different offices to connect with one another

We started using Microsoft Yammer to help work colleagues connect and socialise with each other. The Yammer newsfeed also creates a social platform for employees to share photos of company events or new company updates.

Monthly Lunch and Learn sessions

Every last Friday of the month, an employee will give a presentation on a topic that is relevant to the company. Topics can range from their role in the company, to chemical recycling and plastics.



Strava group for Plastic Energy employees

This year, Plastic Energy created a Cycling and Running Club on Strava for Plastic Energy employees. The fitness app is a fantastic tool for businesses to promote group collaboration, as it allows employees working remotely to connect with one another.



Community engagement

We recognise that the local communities where we operate are also important stakeholders to us. In 2022, our operational team who work at our Seville plant raised €1000 for Asociación Todos Juntos, a local charity which supports people with disabilities.



Giving back

Plastic Energy is a Jubilee Partner for the Tree Council, helping to support the 'Queen's Green Canopy' in 2022. The Tree Council planted 500 trees and 100 metres of hedgerow on behalf of Plastic Energy.

Plastic Energy also took part in a corporate partner tree planting event in a community allotment in Petersfield, UK, in November 2022.

Plastic Energy is a principal supporter of the British Spanish society, a charity which awards scholarships and bursaries to post-graduate students each year.

In 2022, Plastic Energy employees raised €2,816 for Zerca y Lejos, a charity with health and education projects in northeast Cameroon.



Environment



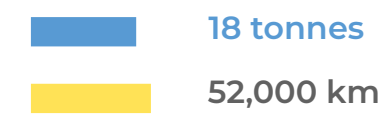
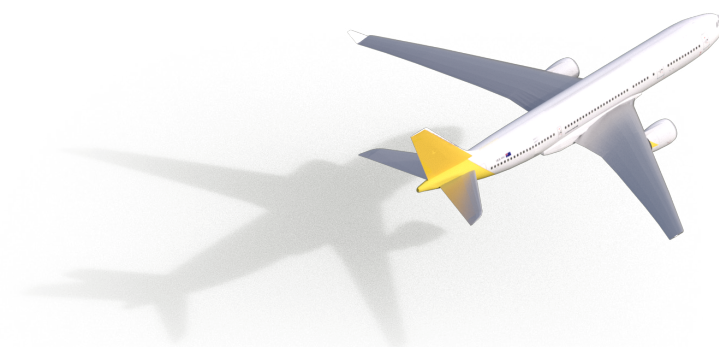
Environment

Our travel emissions

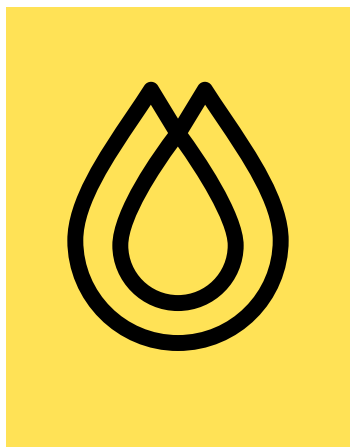
As a global company we are continually expanding, and business travel enables us to set up more projects across the world.

We have a sustainable travel policy in place to incentivise lower carbon travel over air travel, wherever practicable, as we recognise the significant impact this has. The policy allows employees to book a premium class when travelling by train.

We are continuously looking into ways to incentivise employees to prioritise lower-carbon travel, and educating teams on the impact that travel emissions have on the environment.



■ Distance travelled (km) ■ Carbon emissions (tkgCO2e)



Technology

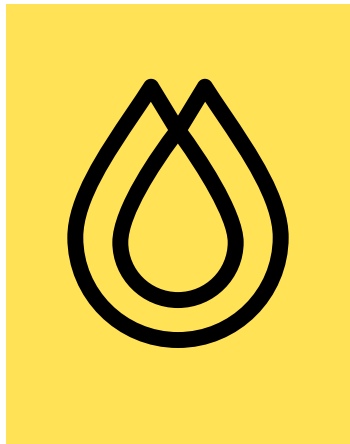
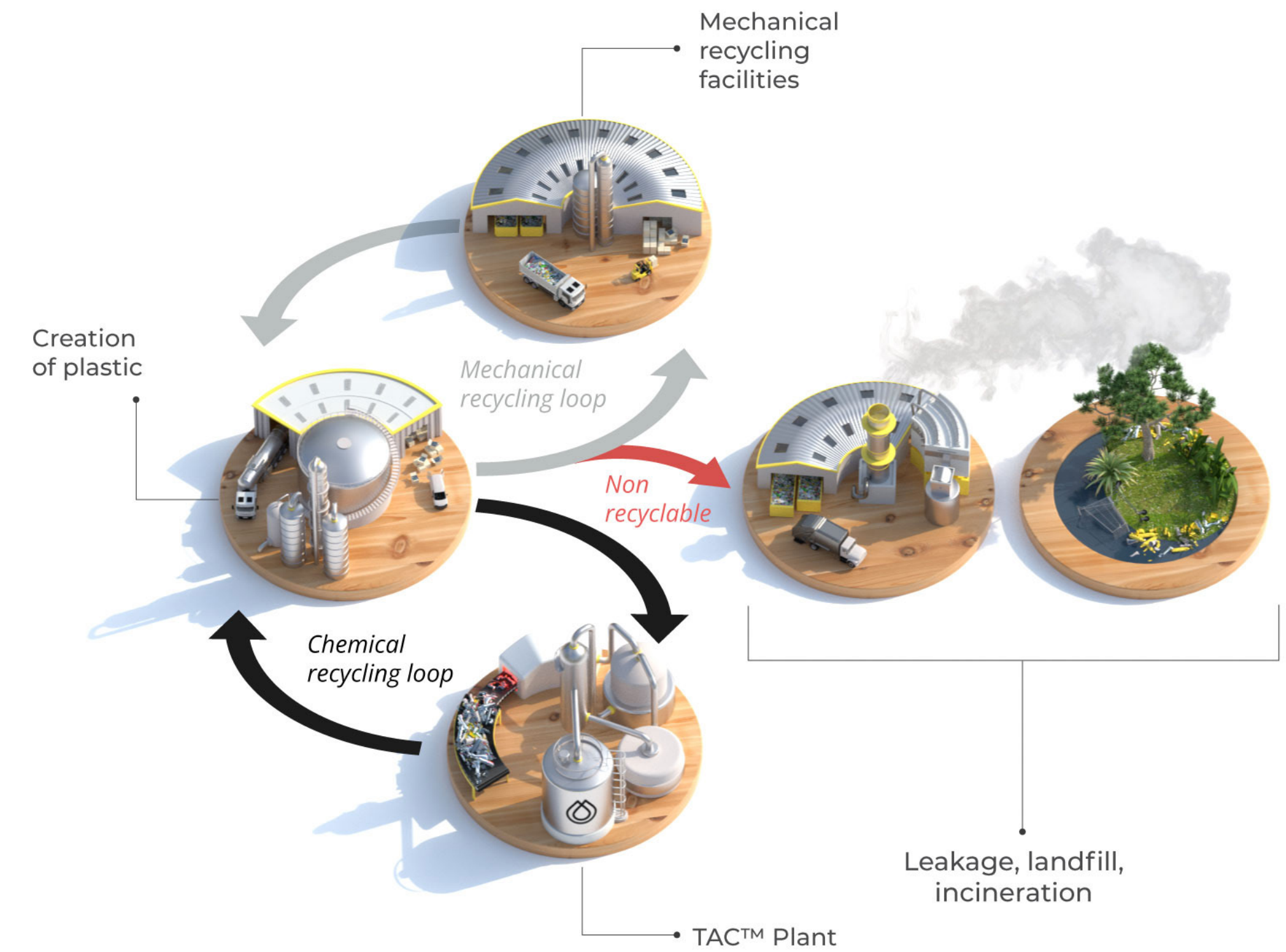
At Plastic Energy, we are dedicated to the creation of a circular economy that keeps resources in circulation, valorizes plastic waste for the production of new plastics and minimizes the use of virgin resources. Plastic Energy processes post-consumer plastic waste and produces a feedstock that is used by petrochemical companies to produce polymers which can then be used for food-contact plastic applications.

We seek to continually lower the impacts from all our current and future operations in areas that are related to energy use, water consumption, and waste generation.

Plastic Energy has demonstrated that recycling plastic waste through our process has a significantly lower carbon footprint, compared to incinerating plastic waste. Plastic waste

incineration is the current end of life management route for the mixed plastic waste that we are processing in our recycling facilities. Recycling these plastics instead is achieving significant carbon savings and keeping material resources in circulation.

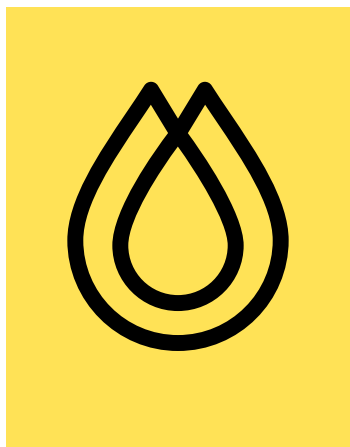
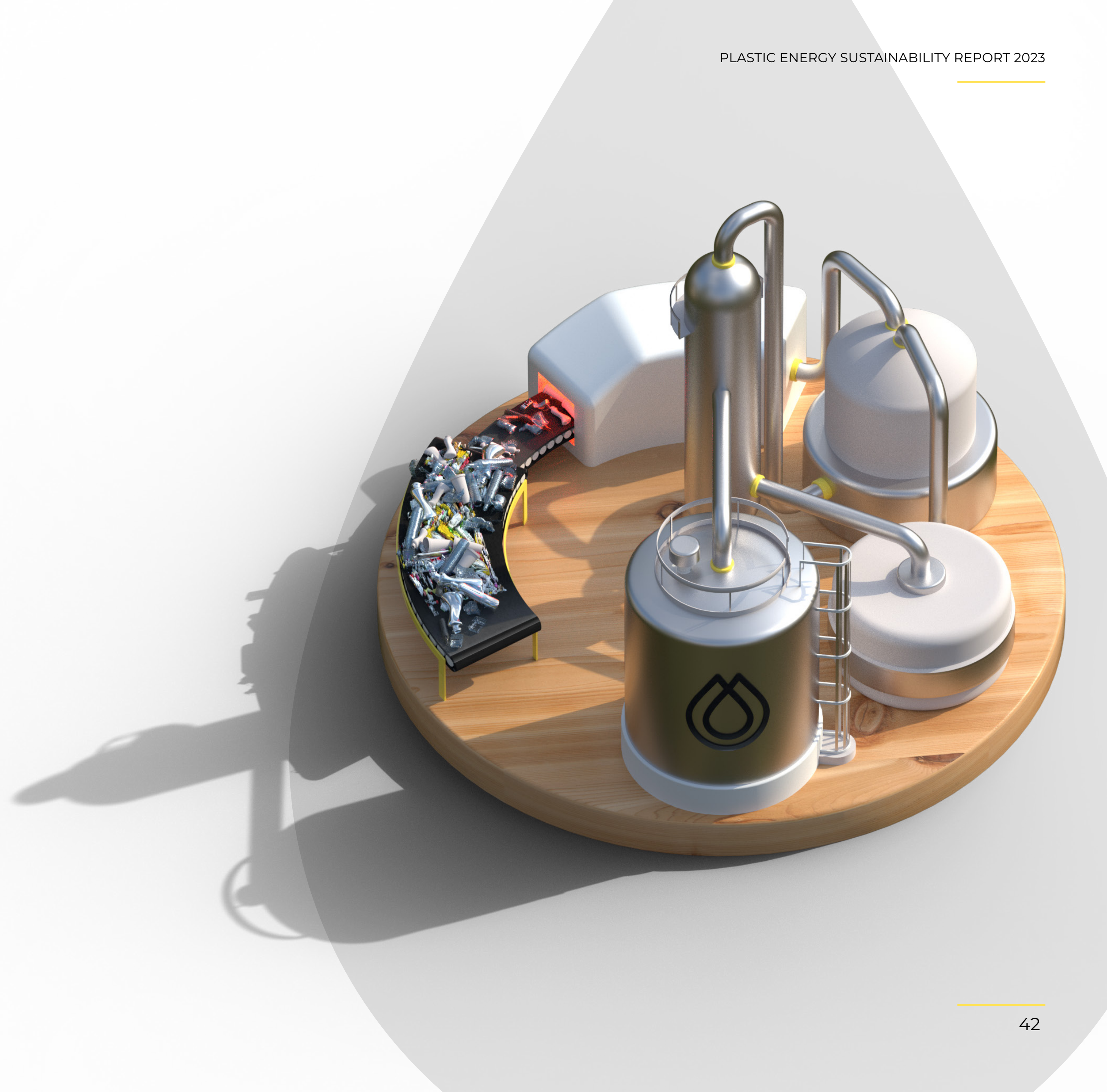
As part of our pledge to the Ellen MacArthur Foundation's New Plastics Economy Global Commitment, we have reported the quantities of plastic waste we recycled through our facilities. Since 2019, we have recycled 16,277 tonnes of plastic waste. This has helped achieve more than 17,000 tonnes of emissions savings compared to plastic waste incineration with energy recovery (Quantis LCA data).



Life Cycle Assessments (LCAs)

In order to understand the environmental footprint of our product better, LCAs are important tools to enable us to identify the impacts of our process and work to improve this to become more carbon and resource efficient.

We are in the process of developing Life Cycle Assessments (LCAs) for our latest technology generations which will help us further understand, reduce and optimise the environmental footprint of our TACOIL™.



Certifications

Plastic Energy is proud to be the first end-of-life plastics chemical recycler to achieve RSB and ISCC PLUS certification for our operational facilities in 2020 and 2019 respectively.



ISCC PLUS

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.



RSB Certified

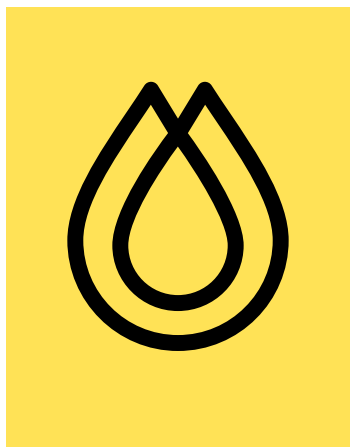
We are pleased to have become the first end-of-life plastics chemical recycler in 2020 to achieve certification for one of the world's most robust sustainability standards for the circular and bio-based economy. Our recycling facilities in Sevilla and Almeria, in Spain, now carry a Roundtable on Sustainable 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.



ISO

Plastic Energy Ltd. Has been certified to the ISO 9001:2015 (Quality Management) and ISO 14001:2015 (Environmental Management) standards by Bureau Veritas.

These internationally recognised standards ensure our products and services clearly meet the needs of customers through effective quality management systems and environmental management.



Looking ahead



Looking ahead

We began publishing an annual sustainability report three years ago to hold ourselves accountable to our sustainability commitments and to provide regular updates on our progress. As a young company, we are continuously working on improving the quality of our reporting and striving towards greater transparency and accountability.

Looking ahead, we have identified key areas of focus:

1. Formalise sustainability reporting

We currently strive towards formalising our sustainability and ESG reporting in line with future compliance requirements and to meet the expectations of our investors, business partners, and other stakeholders. We also recognise that a formal reporting structure will enable better mitigation of risks from an ESG perspective and higher ambition, accountability, and transparency from a sustainability perspective. We recognise the importance of double materiality for our business in the long-term and are looking to formalise reporting through a standard that accounts for both ESG risks and sustainability impacts. Double materiality does not only consider the inward impact of sustainability issues on our company, but also the outward impact of our company on the wider world.

2. Expand R&D efforts to reduce the environmental impact of our technology

In line with our Net Zero commitment and strategy, we have been exploring ways of optimising the environmental impact of our technology. Through dedicated R&D efforts in our facilities, as well as laboratory testing, we are looking at ways to reduce energy use, increase processing capacity and maximise process yields. Overall, these will improve the environmental footprint of our process and product.

3. Conduct further Life Cycle Assessments (LCAs) to accurately assess the footprint of our product

We are in the process of developing Life Cycle Assessments (LCAs) for our latest technology generations which will help us understand and optimise the environmental footprint of our TACOIL™.

Sustainability is not a straightforward or swift journey. However, we recognise that our recycling process has its own environmental impacts and we are committed to reducing these. As an industry leader in chemical recycling, we believe that we have a responsibility to recycle plastic waste with the lowest environmental footprint possible.



