



**PURECYCLE TECHNOLOGIES, INC.**  
**OPERATIONAL EXCELLENCE COMMITTEE**  
**CHARTER**

Adopted as of July 31, 2024

**I. PURPOSE**

The purpose of the Operational Excellence (the “*Committee*”) is to assist the Board of Directors (the “*Board*” or “*Board of Directors*”) of PureCycle Technologies, Inc. (the “*Company*”) in carrying out the Board’s overall responsibility relating to capital project execution and manufacturing and delivering PureCycle products and services.

**II. COMMITTEE MEMBERSHIP**

The Committee shall consist of a minimum of three directors designated by the Board.

The Board of Directors may appoint one member to be the Chair of the Committee. If the Board fails to appoint a Chair, the members of the Committee shall elect a Chair by majority vote of all members. The Chair will chair all regular sessions of the Committee and set the agenda for Committee meetings.

The members of the Committee shall serve until their successors shall be duly elected and qualified. Any member may be removed, with or without cause, by the Board of Directors at any time.

**III. COMMITTEE MEETINGS**

The Committee shall meet at least once quarterly, or more frequently as it deems appropriate and as circumstances dictate. Any member of the Committee may request a special meeting of the Committee. Meetings may take place in person or by teleconference, videoconference or other means of electronic communication permitted under Delaware law. The Chair of the Committee shall, in consultation with the other members of the Committee and appropriate officers of the Company, establish the agenda for each Committee meeting. Each Committee member may submit items to be included on the agenda. Committee members may also raise subjects that are not on the agenda during any such meeting. The Chair of the Committee or a majority of the Committee members may call a meeting of the Committee at any time. Except as otherwise provided by law, the presence of a majority of the then-appointed members of the Committee shall constitute a quorum for the transaction of business, and in every case where a quorum is present, the affirmative vote of a majority of the members of the Committee present shall be the act of the Committee. The Chair of the

Committee shall supervise the conduct of the meetings and shall have other responsibilities, which the Committee may designate from time to time. The Committee may invite management to all or any portion of a meeting of the Committee in its discretion. Minutes of each meeting will be prepared by such person as may be designated by the Chair of the Committee and will be circulated to the Board.

#### **IV. RESPONSIBILITIES**

The responsibilities of the Committee shall include:

1. The Committee shall review the Company's manufacturing, project execution, technical and distribution processes, management systems, and results. The Committee shall provide oversight and guidance to drive continuous improvement in the areas of "Operational Excellence" as noted in the following paragraphs 2 through 7. The Committee shall review both leading and lagging metrics and relevant benchmarks to help establish strengths and weaknesses of the Company's operations. The Committee shall have the authority to engage, at the Company's expense, outside industry benchmarking resources and qualified consultants to better assess the Company's performance relative to peers. The Committee shall support management's goals of achieving top quartile performance compared to appropriate petrochemical, specialty chemical, specialty plastic, or plastics industry recycling peers.
2. Safety: Safety is a key element of Operational Excellence. The Committee shall review management's metrics on process safety and personnel safety and compare them to industry benchmarks published by the American Chemistry Council (ACC) or the American Fuels and Petrochemical Manufacturers (AFPM). The Committee shall assess results versus top quartile performance and help access continuous improvement progress. The Committee will arrange for management to report and present a root cause analysis and corrective action plan for all serious process safety events and personnel safety events or near misses. Management will use the AFPM matrix for the purpose of defining "serious" incidents.
3. Environmental: The Committee shall review management metrics on environmental performance. Management shall report emissions and operating permit compliance to the Committee annually. The Committee shall review quarterly all "Notices of Violation," and evaluate management's root cause and corrective action recommendations. The Committee shall review Life Cycle Analysis (LCA) calculations annually for operating plants and for projects at final investment decision (FID). The Committee will compare the LCA results with benchmarks for virgin resins and other recycling technologies, providing guidance to drive improvement. The Committee shall review other uses of natural resources like annual water consumption and solid waste generation on a per unit of production basis supporting continuous improvement.
4. Quality: Product quality and quality management systems are an essential element of Operational Excellence. The Committee will review management plans and their recommended schedule to apply for a well-accepted quality management system including, but not limited to, the International Standards Organization (ISO). The Committee will

review management quality incident investigations for any event costing or estimated to cost more than \$250,000 to correct.

5. Reliability and Capacity Utilization: Reliable operations drive safety, environmental, quality, and profitable performance. The Committee shall review management metrics on operating rates and capacity utilization, and lost opportunity from downtime events. The Committee shall review management incident reports for reliability related outages that cause a combined loss of more than \$0.75 million including both costs to repair and lost opportunities from production downtime. The Committee shall support management's development of benchmarking from third parties like IHS and others on operating comparison within the virgin resin and recycling producers. The Committee may utilize other third-party consultants and benchmarking organizations to assess reliability and cost performance (e.g., Phillip Townsend Associates Incorporated (PTAI)).
6. Efficiency: Management shall present yield, energy, variable cost, fixed cost and other efficiency metrics they deem appropriate to the Committee annually. The Committee shall review and provide guidance to management on improvement. The Committee may engage consultants (e.g., PTAI) to review fixed and variable cost performance.
7. Capital Project Execution: Efficient capital project execution is essential to the Company's growth and performance. The Committee shall review annually high-level Company project execution results and process improvements. The quarterly Committee meetings shall include a review of key metrics of all projects above \$50 million. The Committee shall require a 5-phase capital project development and execution process consistent with definitions from Independent Project Analysis (IPA) for all projects above \$5 million. The Committee will review management recommendations and recommend appropriate approvals to the Board consistent with the Company's DOA to advance projects through each stage-gate. (stages include: (1) scoping studies, (2) development of options to a recommendation and +/- 25% cost and schedule estimate, (3) Front End Engineering and Design (FEED) for +/- 10% cost and schedule estimate for final investment decisions (FID), (4) Execution Engineering-Procurement-Construction (EPC) commissioning and start-up, and (5) review of performance on cost, schedule, operability and profitability). The Committee will review cost, schedule, and operability benchmarks for all projects over \$50 million. The committee may use third party resources (e.g., IPA or Pathfinder) as appropriate.
8. Additional Strategic Areas: Paragraphs 1-7 above form the key elements of Operational Excellence for the Committee to provide guidance and support to management. In addition to those elements, the key strategies, actions and results for 1) feedstock acquisition, 2) international and JV operations, and 3) technology development and protection should be reviewed at least annually with the Committee.
9. Risk Management: The Committee shall be responsible for determining, implementing, and assessing risk management with respect to the elements of Operational Excellence detailed in paragraphs 1-8 above. The Committee shall review and provide guidance to management on improvement and shall be responsible for evaluating material risks relating to these elements and compliance with applicable laws and regulations. If the Committee

identifies a material compliance, disclosure, or other risk, the Committee shall report the same to the Audit and Finance Committee or the full Board, including specific recommendations regarding proposals for mitigating these risks, as well as relevant considerations relating to public disclosures of these risks.

10. Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with the Charter of the Committee. In addition, the Committee shall annually review and reassess the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee considers necessary or valuable.
11. Discharge any other duty or responsibility assigned to the Committee by the Board.

Consistent with the listing requirements of the NASDAQ Stock Market or any other stock exchange on which the Company's shares may be listed or traded, this Charter will be included on the Company's website and will be made available to the Company's Corporate Secretary.

## **V. RESOURCES AND AUTHORITY**

The Board of the Company has constituted and established the Committee with authority, responsibility and specific duties as described in this committee charter.

The Committee may, in its sole discretion, retain or obtain the advice of industry operations or project consultants. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any such consultant, independent legal counsel or other adviser retained by the Committee. The Company must provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to a such consultant, independent legal counsel or any other adviser retained by the Committee. The Committee may select such consultants, legal counsel or other adviser to the Committee, other than in-house counsel, only after taking into consideration all factors relevant to that person's independence from management. Such an assessment shall be made at least annually. The Committee will not be required to implement or act consistently with the advice or recommendation of its consultants, legal counsel or other advisor, and the authority granted in this charter will not affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties.

## **VI. DELEGATION**

The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee.