



PURECYCLE TECHNOLOGIES, INC.
CORPORATE GOVERNANCE GUIDELINES

Approved as of

The following Corporate Governance Guidelines (the “Guidelines”) have been adopted by the Board of Directors (the “Board”) of PureCycle Technologies, Inc. (the “Company”) to (1) assist the Board and its committees in the exercise of their responsibilities to the Company and its stockholders and (2) provide a framework for the corporate governance of the Company within which the Board shall conduct its business. These Guidelines should be interpreted in the context of all applicable laws, the Company’s certificate of incorporation and bylaws, and other corporate governance documents.

ROLE AND FUNCTIONS OF THE BOARD OF DIRECTORS

The role of the Board is to provide oversight, counseling and direction to the Chief Executive Officer (“CEO”) and other members of senior management to ensure that management achieves the long-term strategic, financial and organizational goals of the Company while acting in a competent and ethical manner. The primary responsibility of the directors is to exercise their business judgment to act in a manner they reasonably believe is in the best interests of the Company and its stockholders.

In discharging these obligations, directors should be entitled to rely reasonably on the honesty and integrity of one another and the Company’s executives and its outside advisors and auditors. The directors shall be entitled to (i) reasonable directors’ and officers’ liability insurance on their behalf; (ii) the benefits of indemnification to the fullest extent permitted by law under the Company’s charter, by-laws and any indemnification agreements; and (iii) exculpation as provided by state law and the Company’s charter.

The Board may discharge its responsibilities either directly or by delegating them to its committees, except that the Board may not delegate any of its responsibilities which, under applicable law or the Company’s charter, may not be delegated to a committee of the Board. The Board and each Board committee shall have the full power and authority to hire, at the expense of the Company, independent financial, accounting, legal or other advisors, as necessary to fulfill their duties, without consulting or obtaining the approval of any officer of the Company.

The Board shall promote policies within the Company that encourage a corporate culture of openness, honesty, fairness and accountability. These policies also apply to the Board and to

relationships among and between the Board, stockholders and employees. The Board shall periodically review and amend these policies if needed.

The Board should recognize that the actual management of the business and affairs of the Company should be conducted by the CEO and other senior executives under his or her supervision and that, in performing the management function, the CEO and other senior managers are obliged to act in a manner that is consistent with the oversight functions and powers of the Board and the standards of the Company and to execute any specific plans, instructions or directions of the Board.

DIRECTOR QUALIFICATIONS

Independence.

A majority of the members of the Board must meet the criteria for independence set forth in the Nasdaq listing standards, except as otherwise permitted by such rules. Directors have an affirmative obligation to inform the Board promptly of any material changes in their circumstances or relationships that may impact their designation by the Board as independent. The Nominating and Corporate Governance Committee is responsible for conducting an annual evaluation of whether each member of the Board qualifies as independent under applicable standards and for presenting its recommendation to the Board. Based on this recommendation and any other facts and circumstances the Board deems appropriate, the Board will affirmatively determine and identify which directors qualify as independent.

Board Membership Criteria.

The Nominating and Corporate Governance Committee is responsible for periodically assessing, developing and communicating with the Board concerning the appropriate criteria required of Board members and the composition of the Board as a whole. This assessment should include factors such as independence; skill; integrity; diversity with respect to race, ethnicity, gender and sexual orientation; age; background and experience with comparable businesses and industries; the interplay of the candidate's experience with the experience of other Board members; the extent to which the candidate would be a desirable addition to the Board and any committees of the Board; and any other factors that the Nominating and Corporate Governance Committee deems relevant to the current needs of the Board.

The Company shall make its best efforts to actively seek Board diversity and consider women and underrepresented minorities, as defined in NASDAQ Rule 5065(f), as Board candidates. The Company will provide a graphic representation of current Board member diversity in its annual proxy statement, consistent with NASDAQ listing standards.

Service on Other Boards.

A director who also serves as an executive officer of a public company may not serve on more than two U.S. public company boards, including the Company's Board. Other directors may not serve on more than four U.S. public company boards, including the Company's Board.

Exceptions to these limits will be approved on a case-by-case basis by the Board, upon a recommendation by the Nominating and Corporate Governance Committee.

Directors are expected to notify the Chairman of the Board and the Chair of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on the board of directors (or similar body) of another company (including non-profit or charitable organizations) to allow the Company to conduct a review to confirm that no actual or potential conflict exists. Directors are also expected to refrain from accepting any such seat if the Nominating and Corporate Governance Committee or the Chairman of the Board determines such position to be inadvisable and not in the Company's best interests.

Term Limits.

The Board does not believe that it should limit the number of terms for which an individual may serve as a director. While term limits facilitate Board refreshment, they can also result in the loss of experience and expertise that is critical to effective operation of the Board. Longer tenured directors can provide valuable insight into the Company and its operations. To ensure that the Board continues to evolve and benefit from fresh perspectives and ideas, the Nominating and Governance Committee shall evaluate the qualifications and contributions of each incumbent director before recommending the nomination of such director for an additional term.

Directors with Significant Job Changes.

When a director retires from his or her present employment, or a director's principal occupation changes substantially during his or her tenure as a director, that director shall notify the Chair of the Nominating and Corporate Governance Committee. For such purpose, serving as a chair of a board of directors does not constitute employment or principal occupation. The Nominating and Corporate Governance Committee, with the input of the CEO, will evaluate whether the director should remain a director based on an assessment of whether the director continues to meet the Board's membership criteria under the circumstances.

Majority Voting Policy for the Election of Directors.

Any incumbent nominee for director in an uncontested election (i.e., an election where the only nominees are those recommended by the Board) who receives a greater number of votes "against" his or her election than votes "for" such election (a "Majority Against Vote") will promptly tender his or her resignation following certification of the stockholder vote.

The Nominating and Corporate Governance Committee will promptly consider the tendered resignation and will recommend to the Board whether to accept the tendered resignation or to take some other action, such as rejecting the tendered resignation and addressing the apparent underlying causes of the Majority Against Vote. In making this recommendation, the Nominating and Corporate Governance Committee will consider all factors deemed relevant by its members including, without limitation, the underlying reasons why stockholders voted against the director (if ascertainable), the length of service and qualifications of the director whose resignation has been tendered, the director's contributions to the Company, whether by accepting such resignation

the Company will no longer be in compliance with any applicable law, rule, regulation or governing document, and whether or not accepting the resignation is in the best interests of the Company and its stockholders.

The Board will act on the Nominating and Corporate Governance Committee's recommendation no later than at its first regularly scheduled meeting following certification of the stockholder vote. In considering the Nominating and Corporate Governance Committee's recommendation, the Board will consider the factors considered by the Nominating and Corporate Governance Committee and such additional information and factors the Board believes to be relevant.

Any director who tenders his or her resignation pursuant to this provision will not participate in the Nominating and Corporate Governance Committee recommendation or Board consideration regarding whether or not to accept the tendered resignation. However, such director will remain active and engaged in all other Nominating and Corporate Governance Committee and Board activities, deliberations and decisions during this review process.

Board Leadership Structure

Chairman.

The Chairman of the Board will be selected by the Board. Any replacement shall be recommended by the Nominating and Corporate Governance Committee. The Board recognizes that the leadership structure and combination or separation of the Chief Executive Officer (the "CEO") and Chairman roles are driven by the needs of the Company, which may change over time. As a result, no policy exists requiring combination or separation of leadership roles. Currently, the roles of Chairman and CEO are separated, and it is the Company's intent to continue to have the two positions held by separate persons.

Lead Director.

The Board will select a lead director from the independent directors if the positions of Chairman of the Board and CEO are held by the same person or if the Chairman is another non-independent director. The lead director will: (i) develop, in collaboration with the Chairman and CEO, an annual set of topics to be addressed in Board agendas with a focus on the areas of board responsibility; (ii) review and consult with the Chairman on the quality, quantity and timeliness of information sent to the Board; (iii) preside over executive sessions of independent Board members; (iv) lead the Board's evaluation of the CEO in conjunction with the Compensation Committee; (v) call meetings of the independent members of the Board; (vi) communicate feedback to the Chairman from sessions of the independent directors; (vii) provide advice and counsel to the Chairman and other senior management, where appropriate; (viii) maintain availability for communications with major stockholders and other stakeholders, as appropriate; (ix) consult with the Chairman on the retention of outside consultants retained specifically for the Board, and authorize the retention of consultants when engagement for directors at the exclusion of the Chairman is deemed appropriate in the lead director's judgment; (x) coordinate with the Chairman

on development of crisis management procedures; and (xi) serve as interim chairman in the event of an unforeseen vacancy in the Board Chairmanship. .

Board Committees

The Board currently has the following standing committees: Audit and Finance; Compensation; Nominating and Corporate Governance; and Operational Excellence Committee. Subject to “controlled company” status and any permissible phase-in period, in accordance with Nasdaq listing standards, the Audit and Finance, Compensation, and Nominating and Corporate Governance Committees are composed entirely of independent directors. Audit and Finance and Committee members must meet additional independence standards under SEC and Nasdaq rules. The Board may, from time to time, establish or maintain additional or alternative committees that it determines to be necessary or appropriate.

A brief description of each committee’s duties are as follows:

- *Audit and Finance Committee*: The responsibilities of the Audit and Finance Committee generally include, but are not limited to: (1) assisting the Board in its oversight of (a) the integrity of the Company’s financial statements, (b) the Company’s compliance with legal and regulatory requirements, (c) the independent auditors’ qualifications, independence, and performance, and (d) the performance of the Company’s internal audit function; (2) preparing the Committee’s report to be included in the Company’s annual proxy statement; (3) advising and consulting with management and the Board regarding the financial affairs of the Company; (4) appointing, compensating, retaining, terminating, overseeing and evaluating the work of the Company’s independent auditors; (5) reviewing strategies and plans for significant transactions, including discussion of possible transactions and their financial impact and various reports on pending and completed transactions; and (6) reviewing the Company’s financial outlook and plans for financing its working and long-term capital requirements, including minimum cash requirements and liquidity targets and the Company’s capital plan (capital allocation, funding, and capital expenditures).
- *Compensation Committee*: The responsibilities of the Compensation Committee generally include, but are not limited to: (1) establishing the Company’s policies, programs and procedures for compensating and providing benefits to its officers and non-employee directors; (2) administering the Company’s equity and cash incentive plans (including reviewing, recommending and approving stock option and other equity incentive grants to officers); and (3) preparing the Committee’s report to be included in the Company’s annual proxy statement.
- *Nominating and Corporate Governance Committee*: The responsibilities of the Nominating and Corporate Governance Committee generally include, but are not necessarily limited to: (1) identifying individuals qualified to become members of the Board, consistent with criteria approved by the Board; (2) recommending candidates (a) for election as directors at annual meetings of stockholders and (b) to fill Board vacancies and newly-created director positions; (3) recommending whether incumbent directors

should be nominated for re-election to the Board upon expiration of their terms; (4) developing, recommending and annually reviewing the Guidelines and overseeing corporate governance matters applicable to the Board and the Company’s employees; (5) overseeing an annual review and evaluation of the Board and its committees; (6) assessing and making recommendations to the Board regarding appointments to committees of the Board and (7) oversee the Company’s policies, objectives and initiatives regarding corporate social responsibility matters.

- *Operational Excellence Committee.* The responsibilities of the Operational Excellence Committee generally include, but are not limited to: (1) reviewing the Company’s manufacturing, project execution, technical and distribution processes, management systems, and results; (2) reviewing management’s metrics on process and personnel safety; (3) reviewing environmental performance, including compliance with permitting and natural resource usage; (4) reviewing product quality and quality management; (5) reviewing , reliability and capacity utilization; and (6) reviewing management’s oversight of capital project execution.,

Committee Membership.

Board committee assignments and chair positions are reviewed each year by the Nominating and Corporate Governance Committee, and committee members and committee chairs are appointed by the Board upon the recommendation of the Nominating and Corporate Governance Committee. The Board recognizes the importance of continuity and experience in committee membership but generally favors rotation of committee members and committee chairs where appropriate and practical. The Board does not believe that rotation should be mandated as a policy.

Committee Meetings and Charters.

Committee meetings are generally held in conjunction with full Board meetings. The charters of the Audit and Finance, Compensation, Nominating and Corporate Governance and Operational Excellence Committees are published on the Company’s website.

Board Meetings

Schedule.

The Board will meet as frequently as it may determine necessary or appropriate in light of the circumstances and in accordance with the schedule determined by the Chairman of the Board. The Board may meet in person, telephonically or by other communications equipment by means of which all persons participating in the meeting can hear each other. Directors are expected to adequately prepare for and attend all scheduled Board and committee meetings, as relevant. Directors are expected to attend the Company’s annual meeting of stockholders.

Agenda and Meeting Materials.

An agenda and meeting materials will be distributed to all directors before Board and committee meetings with sufficient time for directors to review and reflect on key issues and to request supplemental information as necessary. At least annually, the agenda should reserve time to address the following areas: corporate strategy, management of significant risks, including reputational risk, material corporate responsibility matters, stockholder proposals and key stockholder concerns. Regularly scheduled Board meetings should include presentations from management on appropriate topics such as status updates on operational activities, commercial supplier and customer agreements, global expansion, and technological developments.

Executive Sessions

An executive session of the non-management directors will be held in conjunction with each regular meeting of the Board. If the Board includes non-management directors who are not independent, executive sessions comprised only of independent directors will also be scheduled in conjunction with each regular meeting of the Board.

Director Access to Management and Independent Advisors

The Board must have accurate, complete information to do its job, as the quality of information received by the Board directly affects its ability to perform its oversight function effectively. Directors should be provided with, and review, information from a variety of sources, including management, Board committees, outside experts, auditor presentations and other reports. The Board and its committees have the right at any time to retain independent financial, legal or other advisors for the purpose of assisting with their oversight duties, and the Company will provide appropriate funding for such purposes.

Effective corporate directors are diligent monitors, but not managers, of business operations. Directors should have access to management, as needed, to fulfill their oversight responsibilities. Any meetings outside of regularly scheduled meetings that a director wishes to initiate with management should be coordinated through the Chairman of the Board or the CEO.

Additionally, management shall report to the Board, on a quarterly basis or more frequently as appropriate, about: (i) the Company's actual or expected financial performance, including the Company's ability to execute on its business plan; and (ii) the Company's recycling process, including its ability to source feedstock.

Director Orientation and Continuing Education

The Nominating and Corporate Governance Committee will establish and periodically evaluate an orientation program for new directors and a continuing education program for existing directors. Such programs may include presentations by appropriate executives and opportunities for directors to visit the Company's principal facilities in order to provide greater understanding of the Company's business and operations. In addition, the Nominating and Corporate Governance

Committee may arrange for directors of the Company to attend outside educational programs at the Company's expense pertaining to the directors' responsibilities.

Director Compensation and Performance

Compensation Policy and Review.

It is the policy of the Board to offer non-employee directors a mix of equity and cash compensation as compensation for their Board service in the form of annual cash retainers, meetings fees and equity grants. The Company's non-employee director compensation program is designed to attract and retain highly qualified directors by ensuring that non-employee director compensation is competitive relative to market practices, addresses the time, effort, expertise and accountability required of active Board membership, and aligns directors' interests with those of stockholders through the equity component of the compensation program. Employee directors do not receive compensation for their Board service.

Proposed changes in Board compensation will initially be reviewed by the Compensation Committee, but any changes in the compensation of directors will require the approval of the Board. The Compensation Committee will periodically review the status of Board compensation in relation to the factors described above, as well as other factors the Committee deems appropriate. The Compensation Committee will discuss its review with the Board. The Compensation Committee will also establish minimum stock ownership guidelines for directors, if any.

Annual Performance Review and Self-Evaluation.

At least annually, the Nominating and Corporate Governance Committee will oversee an evaluation of the performance of the Board and each director. As part of this process, the Board will conduct a self-evaluation to determine whether the Board and its committees are functioning effectively. The evaluations will be based on such objective and subjective criteria, as the Board deems appropriate.

The Nominating and Corporate Governance Committee shall annually evaluate the performance of the Chairman of the Board and, if deemed appropriate, recommend replacing the Chairman of the Board.

Succession Planning

The Board has the primary responsibility for succession planning and management development, and will review and discuss such topics on at least an annual basis, and more frequently as it deems appropriate. The Board should identify, and periodically update, the qualities and characteristics necessary for an effective CEO and other senior leaders. With these principles in mind, the Board should periodically monitor and review the development and progression of potential internal candidates against these standards. The Board's goal is to have in place a long-term program for effective senior leadership development and succession, as well as short-term contingency plans

for emergency and ordinary course contingencies, such as the departure, death, or disability of the CEO or other senior leaders.

Communication with Third Parties

The Board believes that management speaks for the Company. It is expected that Board members would not speak for the Company, absent unusual circumstances (or as required by regulations, Nasdaq listing standards or the Board), and that directors will adhere to such confidentiality policies as may be adopted by the Board from time to time.

The Board believes that effective communication with the Company's stockholders is important, and has established means for the Company's stockholders and other interested parties to contact the Chairman of the Board or the independent directors as a group. Information regarding how to contact the Chairman of the Board or the independent directors is posted on the Company's website.

CODE OF BUSINESS CONDUCT AND ETHICS

The Board shall adopt and maintain the Code of Business Conduct and Ethics (the "Code") for the directors, officers and employees of the Company in compliance with Securities and Exchange Commission requirements. The Code shall be posted on the Company's website. The purpose of the Code shall be to focus the directors, officers and employees on areas of ethical risk, provide guidance in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and help foster a culture of honesty and accountability. Each director and employee should annually acknowledge their review of, and continued compliance with, the Code.

Each director shall act at all times in accordance with the requirements of the Code. Waivers of the Code for any officer or director may only be made by the Board or by a Board committee composed of independent directors. Any waiver for an officer or director must be posted on the Company website and otherwise disclosed as required by law.

The Board will oversee management's implementation of an annual training program for employees that will include relevant topics such as ethical behavior, human resources policies and employee relations, and conflicts of interest. Upon completion of training, the person receiving the training shall provide a written certification of completion of the training. The General Counsel/Chief Compliance Officer will keep a record of all written certifications and shall promptly notify employees who fail to provide annual certifications and their supervisors..

REPORTS OF IRREGULARITIES

Any reports of concerns regarding accounting, internal auditing controls, or other irregularities or concerns whether financial or otherwise shall be brought to the attention of the Chairman of the Audit and Finance Committee. These reports are confidential and may be anonymous if the reports are submitted to the Audit and Finance Committee through the procedures established by the Audit and Finance Committee. The Board shall be notified of these reports at every quarterly Board meeting or sooner, if necessary.

The Board will oversee management's implementation and maintenance of a whistleblower hotline intended to encourage interested parties to bring forward ethical and legal violations to the parties identified in the Whistleblower Policy so that action may be taken to resolve the problem. In accordance with the Whistleblower Policy complaints may be presented to the applicable committee of the Board, in consultation with and under the supervision of the Company's legal counsel, and presented to the full Board. The Company will publish its Whistleblower Policy on the Company's website.