



# Green Finance Framework

November 2024

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# This is Agilyx

**Agilyx** was founded in 2004 to help solve a global pressing issue: **plastic waste**. Our mission is to use innovative technology for good and help solve the problem of plastic waste.

We believe that **Agilyx** can help solve one of the greatest environmental challenges. While many agree that plastic waste is an immense global challenge, only 10% of post-use plastic is recycled today. The rest ends up in landfills, incinerators and the environment due to its chemical complexity, contamination and an outdated infrastructure. By expanding the addressable range of recyclable plastics, and utilizing both chemical and mechanical recycling processes, we can enable global plastic circularity.

As our goal is to play a crucial role in accelerating the transition to a low-carbon economy, we have strengthened our business model to accelerate global change. We have developed plastic-to-plastic recycling technology with our customers.

In June 2024, **Agilyx** made a strategic shift from being primarily a developer of proprietary chemical conversion technology to an investment holding company focussed on feedstock management and waste conversion. This new direction aligns with our commitment to enable plastic circularity on a global and commercial scale and accelerate the shift to a low-carbon economy.

**Agilyx** has an office and lab in Portland, Oregon and has a European presence in Oslo, Norway with listing on Euronext Oslo Stock Exchange (ticker AGLX).

## PLASTICS BY THE NUMBERS



**50% of all plastics**  
ARE DESIGNED FOR SINGLE USE<sup>1</sup>



**1 million plastic bottles**  
ARE PURCHASED EVERY MINUTE GLOBALLY<sup>1</sup>



**~10% of 7 billion tons**  
OF PLASTIC WASTE HAS BEEN RECYCLED<sup>1</sup>



**5 trillion plastic bags**  
ARE USED EVERY YEAR GLOBALLY<sup>2</sup>



**400 million tons of plastic waste**  
PRODUCED ANNUALLY<sup>1</sup>

## Cyclyx, our joint venture

Our feedstock sourcing and management company, **Cyclyx**, was launched in 2021 to address the mixed waste plastic market. It is a joint venture with ExxonMobil and LyondellBasell, with corporate headquarters and lab located in Portsmouth, New Hampshire.

**Cyclyx** has developed the unique Cyclyx Circularity Center (“CCC”) offering, delivering facilities designed to handle all types of plastics (1-7<sup>1</sup> and non-classified plastics, as well as films, foams and rigids) and serve the entire plastic recycling market, whether it be chemical or mechanical.

**Cyclyx’s** sorting solution characterizes plastic waste according to its chemical components, enabling the development of custom feedstock recipes based on the customer’s needs and conversion processes. The first CCC is currently in advanced construction phase in Houston, Texas and expecting to be fully operational in Q2 2025.

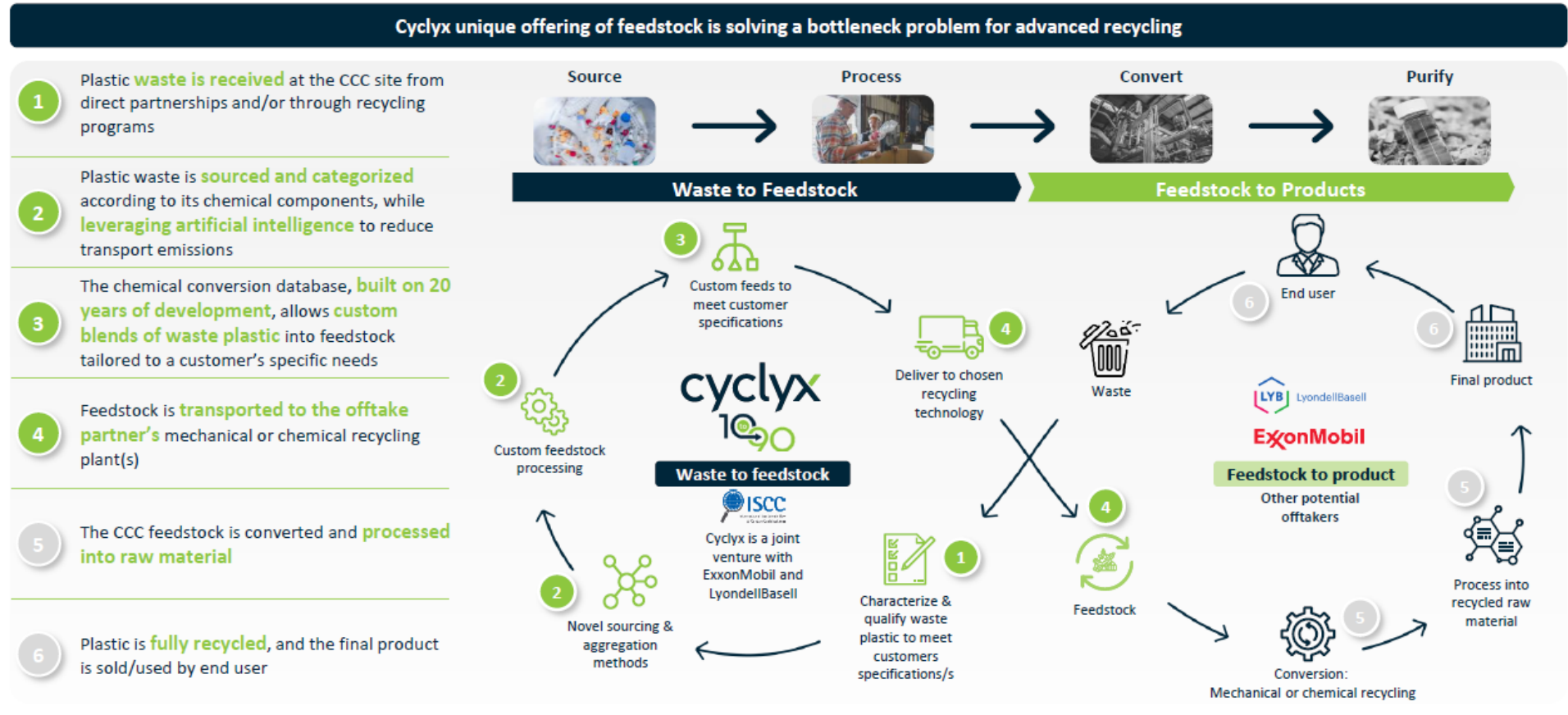
In 2022 **Cyclyx** launched its mission brand **10to90**<sup>®</sup>, a series of takeback and engagement programs designed to divert waste plastics away from landfills and into a CCC where the waste can be prepared for recycling, with the ultimate goal of increasing plastic recycling rates its current level of 10% to 90%.



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<sup>1</sup> Recyclable plastic usually comes with a recycling symbol with a 1, 2, 3, 4, 5, 6, or 7 stamped in the center. The number is a resin identification code used to help recycling plants sort materials. Source: [What Do Numbers 1-7 On Recyclable Plastics Mean? \(greenmatters.com\)](https://www.greenmatters.com/what-do-numbers-1-7-on-recyclable-plastics-mean/)

## The path to plastic circularity



# Sustainability at Agilyx

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**Agilyx** is addressing two critical global environmental priorities: the plastic waste crisis and climate change. Our solutions can help shift plastic from a linear economy to circularity, aiding the transition to a lower-carbon future.

We are committed to accelerating the transition to a more circular economy while minimizing the environmental footprint of our processes. Our focus is to alleviate the bottleneck of feedstock availability to the entire recycling industry and deliver **Agilyx** technology for partners to build new chemical recycling facilities. This supports our long-term vision to increase the rate of plastic recycling from 10% to 90%.

We acknowledge that we need to be mindful of our own carbon footprint and conduct our business in a way that minimizes harm to the planet. We are currently not reporting on our Scope 1, 2 or 3 emissions, but work to quantify our GHG footprint continues as we build capacity and define our internal processes to ensure internal procedures are relevant, complete, consistent, transparent and accurate.

We believe collaboration is essential to understanding different perspectives throughout the industry, and we continue to expand our collaborations and partnerships with diverse stakeholder groups to create a more inclusive work environment overall.

With over 100 full-time employees working passionately each day, the **Agilyx** group aims to create and maintain a positive workplace environment that fosters growth, innovation and the success of our people. We are committed to non-discrimination in recruiting and all employment practices, providing equal access to training and career development irrespective of race, class, gender, sexuality, religion or nationality. We are also committed to gender equity throughout our organization.

# Agilyx and Green Financing

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This Green Finance Framework (the “Framework”) enable us to finance our commitment to help solve the problem of plastic waste with Green Bonds and Green Loans<sup>2</sup> (collectively the “Green Finance Instruments”).

The Framework is aligned with the ICMA Green Bond Principles<sup>3</sup> (“ICMA GBP”) and the LMA/LSTA Green Loan Principles<sup>4</sup> (“LMA GLP”), which defines the assets and projects that can be financed by Green Finance Instruments. The Framework also outlines the process to evaluate, select, track and report on such investments.

Each Green Finance Instrument issued under this Framework should refer to this Green Finance Framework in their relevant transaction documentation. **Agilyx** may, over time, decide to replace this Framework with a new and updated Framework, but new versions of the Framework shall have no implications for any outstanding Green Finance Instruments issued under this version of the Framework.

## 1. Use of Proceeds

Net proceeds from Green Finance Instruments issued under this Framework will be used to finance a portfolio of assets and projects, in whole or in part, that are environmentally friendly or contribute to the transition towards low-carbon and climate-resilient societal development which comply with the criteria listed below (“Green Projects”).

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<sup>2</sup> May also include Green Bank Guarantees.

<sup>3</sup> [Green-Bond-Principles-June-2022-060623.pdf \(icmagroup.org\)](#)

<sup>4</sup> [Green Loan Principles\\_23\\_February\\_2023.pdf \(lma.eu.com\)](#)

Green Finance Instruments can be used to finance capital expenditures (“CAPEX”) for new Green Projects, including those not yet commissioned and in operation at the date of the issuance of a Green Finance Instrument, and to refinance existing Green Projects.

Green Finance Instruments can also finance and/or refinance acquisitions of Green Projects or investments in share capital of companies and partnerships where at least 90% of the revenues for such acquired companies and/or partnerships can be attributed to Green Projects, subject to retaining an ownership of minimum 50%.<sup>5</sup>

Green Finance Instruments issued under this Framework may also finance and/or refinance operating expenditures (“OPEX”) related to a Green Project, subject to a look-back period of maximum three years.

For the avoidance of doubt, Green Finance Instruments will not be used to finance investments linked to fossil energy generation, research and/or development within weapons and defence, potentially environmentally negative resource extraction, gambling or tobacco.

The Green Projects have been mapped against the relevant category set out in the ICMA GBP and LMA GLP and mapped against the environmental objectives in the ICMA Green Project Mapping<sup>6</sup>, as well as against relevant activities set out in the EU Taxonomy Regulation<sup>7</sup>.

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<sup>5</sup> If ceasing to meet this threshold or subject, any relevant Green Project allocated funds to will be deemed losing its eligibility and treated according to “3. Management of proceeds”.

<sup>6</sup> [Green-Project-Mapping-June-2021-100621.pdf \(icmagroup.org\)](#)

<sup>7</sup> [Sorting and material recovery of non-hazardous waste \(europa.eu\)](#)



## Green Projects

<b>ICMA GBP / LMA GLP Category:</b>	Pollution prevention and control
<b>ICMA environmental objective:</b>	Climate change mitigation
<b>EU Taxonomy activity:</b>	<p>Collection and transport of non-hazardous waste in source segregated fractions</p> <p>Sorting and material recovery of non-hazardous waste</p>
<b>Green Project criteria:</b>	<p>Investments and expenditure related to research &amp; development of technology and solutions, and the construction, installation, operation, improvement, repair and maintenance of facilities connected to:</p> <ul style="list-style-type: none"> <li>- Plastic waste collection</li> <li>- Plastic waste handling and sorting, including chemical characterization and custom compounding of waste plastics as feedstock for further advanced recycling</li> </ul>

## 2. Process for project evaluation and selection

To ensure the transparency and accountability around the selection of Green Projects, **Agilyx** has established an internal Green Finance Committee responsible for the project evaluation and selection process. The Green Finance Committee consists of members from the Management, Operations and Finance teams in **Agilyx**. All decisions by the Green Finance Committee will be made in consensus.

**Agilyx** has a formal process to approve all investments. The investment approval process requires both economical and risk-based assessments. The risk-based assessment divides risks in different categories, including but not limited to, potential environmental risks, such as pollution of soil and groundwater (by microplastics or other discharges) in the proximity of our plastic waste recycling facilities as well as any potential physical risks which could threaten the integrity of our facilities, and potential social risks such as health and safety of our personnel at our recycling facilities, personnel employed by suppliers which are transporting plastic waste to our facilities and people living in the community in which we operate. The relevant risks are evaluated with regards to probability and consequence given the respective investment alternatives.

Out of the pool of assets and projects eligible to be financed with Green Finance Instruments, **Agilyx** will only include such assets and projects that comply with the Green Project criteria defined in the “Use of Proceeds” section of this Framework and which are deemed to be acceptable from an overall ESG risk perspective by the Green Finance Committee. The Green Finance Committee holds the right to exclude any Green Project already funded by Green Bonds, which is further described below under Management of Proceeds.

The Green Finance Committee will keep a register of all Green Projects and, to ensure traceability, all decisions made by the committee will be documented and filed.

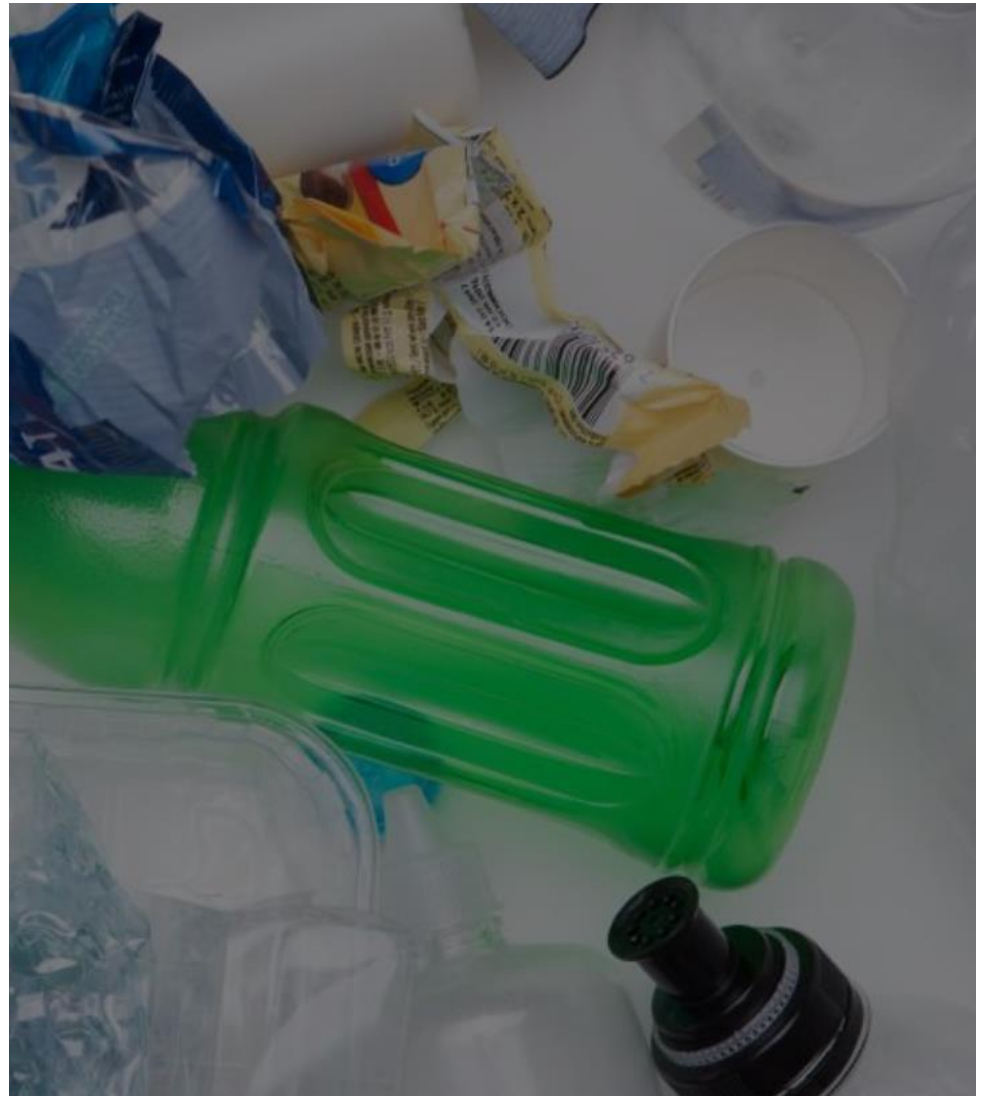
The Green Finance Committee is responsible for overseeing this Framework and defining the Green Project criteria included herein. It is also responsible of assessing if an update of this Framework is deemed to be required.

### 3. Management of Proceeds

An amount equal to the net proceeds from issued Green Finance Instruments will be earmarked for financing and/or refinancing of Green Projects.

The Finance department at **Agilyx** will endeavour to ensure that the aggregate investment in Green Projects always exceeds the total amount of Green Finance Instruments outstanding. Net proceeds from Green Finance Instruments awaiting allocation to Green Projects will be held as cash or in short-term money-market funds for which, if practically possible, the exclusions listed in the “Use of Proceeds” section above will apply.

If proceeds from any Green Finance Instruments are allocated to a Green Project which is sold or for other reasons loses its eligibility by not meeting the criteria in this Framework, the relevant funds will be relabelled “unallocated” and allocated towards another qualifying Green Project as soon as practically possible.



## 4. Reporting

To enable investors and other stakeholders to follow the development of the Green Projects funded by Green Finance Instruments, a Green Finance Report will be made available on our website. The Green Finance Report will include an Allocation Report and an Impact Report and will be published annually<sup>8</sup> as long as there are Green Finance Instruments outstanding or until full allocation.

### Allocation Report

The Allocation Report will include the following information.

- The nominal amount of Green Finance Instruments outstanding.
- Amounts invested in Green Projects and the amount of net proceeds awaiting allocation (if any).
- The share of financing new Green Projects versus refinancing of existing Green Projects.
- The share of CAPEX versus OPEX. In case of allocation to OPEX, the distribution over the look-back period (amount or per cent).
- A brief description of Green Projects that have been funded by Green Finance Instruments.

### Impact Report

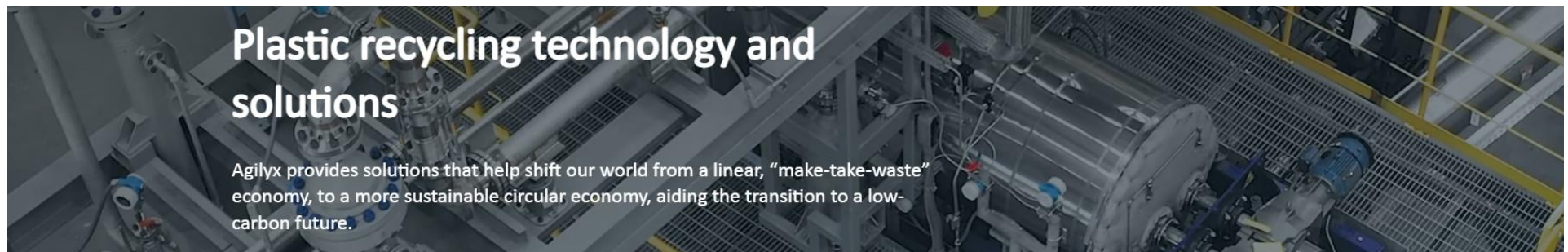
The Impact Report aims to disclose the environmental impact of the Green Projects financed under this Framework. Impact reporting will be aligned with the portfolio approach described in “Handbook – Harmonized Framework for Impact Reporting” (June 2023) where impact will be aggregated for each project category and, depending on data availability, calculations will be made on a best effort basis with transparency of the assumptions being applied.

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<sup>8</sup> If not earlier, the Green Finance Report will be published in connection with publishing our Annual Report.

For projects under construction, calculations may be based on preliminary estimates. The impact assessment will, where applicable, be based on the metrics listed below:

- Actual volumes of plastic waste collected (tonnes/year).
- Installed waste sorting capacity (tonnes).
- Actual volume of sorted waste (throughput in tonnes/year) and share of recycled plastic waste to become feedstock for recycling (%).
- Estimated annual reduction and/or avoidance of GHG emissions (tonnes of CO<sub>2</sub>e).



# External review

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## Second-Party Opinion

**Agilyx** has obtained a Second-Party Opinion (the “SPO”) from S&P Global Ratings (S&P) to confirm the transparency of this Green Finance Framework and its alignment with the ICMA Green Bond Principles and LMA/LSTA Green Loan Principles.

The SPO will be made available on our website together with this Framework.

## Post-issuance verification

An independent auditor appointed by **Agilyx** will provide a limited assurance report confirming that an amount equal to the net proceeds from issued Green Bonds has been allocated to Green Projects as defined in this Framework.

This report will be made available on our website.

# agilyx<sup>®</sup>

The Integrated Solution for Plastic Waste

