

INEOS FPS

Environmental Public Statement 2023

Foreword

INEOS publishes a group sustainability report in relation to the legal entity INEOS AG, which is prepared in accordance with GRI (Global Resource Initiative) standards (GRI 1 Foundation 2021) and assured by KPMG. Our 2023 group report is available on our website.

As a subsidiary of INEOS AG, INEOS FPS is included within the reporting boundary of the INEOS group sustainability report. INEOS FPS publishes an Environmental Public Statement as a requirement of the Environmental Management Systems (EMS) OSPAR Recommendation 2003/5.

INEOS gathers sustainability data on a group-wide basis and applies uniform accounting and consolidation methods when preparing disclosures in accordance with INEOS' science-based methods and international standards. As such, the disaggregated figures disclosed in relation to INEOS FPS in this report are consistent with the aggregated figures in the assured 2023 INEOS AG report.

While INEOS has a federal governance structure, we have group-wide sustainability policies and targets that have been developed through our cross-business networks and ESG (Environmental, Social, Governance) committee and sanctioned by INEOS' owners. INEOS FPS operates in accordance with these group-wide standards, which are detailed in this report.

Group-wide policies include our Code of Conduct, Supplier Code of Conduct, SHEQ (Safety, Health, Environment & Quality) policy, 7 Life-saving Rules, 20 Safety Principles, INEOS Group Guidance Notes and ESG procedures. INEOS' climate targets to reduce operational emissions by 33% by 2030 (compared to 2019) and reach net-zero emissions by 2050 also apply at group level, as do our 2025 and 2030 polymer pledges.

INEOS businesses have their own site roadmaps to contribute to group-wide climate targets and are free to adopt complementary additional sustainability policies and targets.

INEOS FPS have a clear, achievable roadmap to reduce our emissions to net zero by 2045 in line with Scottish Government commitments to the Paris agreement.

INEOS FPS is committed to operating our facilities in a safe and responsible manner to prevent pollution and minimise our impact on the environment.

This is the Environmental Public Statement for INEOS FPS for 2023. The statement provides a summary of the environmental performance of our infrastructure.

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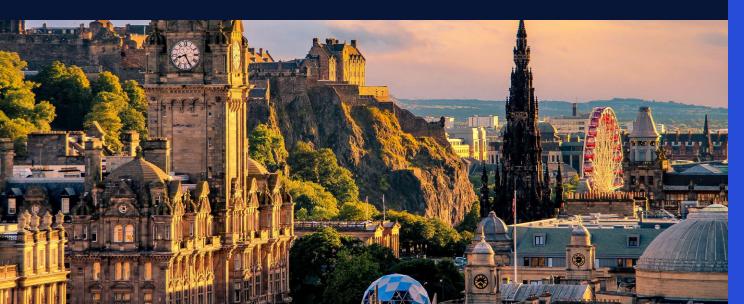
Net Zero Roadmap

We have a clear, achievable roadmap to reduce our emissions to Net Zero by 2045 in line with Scottish and UK Government commitments to the Paris Agreement to limit the rise in global temperatures to 1.5 °C. The Net Zero Roadmap is a live tool across all INEOS FPS' assets where new emission reduction ideas can be added, acting as a decision making process for investment and forms an integral part of our management system.

The Net Zero Roadmap is in alignment with the North Sea Transition Authority (NSTA) Stewardship Expectation 11 and the Emissions Reduction Action Plan (ERAP). The expectation focuses on the following areas:

- Creating a culture of Green House Gas (GHG) emissions reduction within the UKCS (United Kingdom Continental Shelf)
- Ensuring that GHG emissions reduction is considered throughout Industry lifecycle activities, supported by, amongst other things, improved energy efficiency, continued focus on maintenance, and a high level of production efficiency
- Collaboration between all relevant parties (including with the renewables sector) to support and progress
 potential energy integration developments such as electrification, carbon capture and storage and hydrogen
 to maximise emissions abatement potential

INEOS is determined to play its role in building a more sustainable future. INEOS FPS will progress to Net Zero through intensifying our focus on continuous energy optimisation and switching to cleaner energy sources as they become available at scale.



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The Net Zero Roadmap is a fantastic step in the right direction towards helping us achieve our sustainability targets.

"

Nicola Baillie, INEOS Scotland ESG Network (ISEN) Member

Our Commitments

INEOS are committed to playing a full and active part in the transition to net zero, not only through reducing the impact of our operations but by providing the products that support other industries and individuals to reduce their own impact on the climate.

Climate change



Advancing the transition to net zero in our industry

People in our



Safeguarding conditions and human rights

Circular economy (

Maximising resource

Water stewardship



Zero pollution

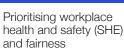


Governance



Maintaining the highest standards of ethics and compliance

Our people



value chain

efficiency and

eliminating waste

communities Respecting and supporting local

People in our



Our work is never so urgent or important that we can't take the time to do it safely and with respect for the environment.



Andrew Gardner, INEOS CEO

SAFETY, HEALTH, **ENVIRONMENT & QUALITY POLICY**

OUR COMMITMENTS

Excellence in Safety, Health, Environment and Quality are core values and we believe all incidents are preventable.

We will operate our facilities in a safe and responsible manner to prevent pollution and minimise the impact on the environment and the communities in which we operate. Personal & Process Safety is our number one priority and is the cornerstone of our safe, predictable and reliable operations, Should there ever be a conflict we will always choose safety over operational results.

We will meet, or where practicable, exceed all legislative requirements.

We will work openly and collaboratively with our partner businesses, customers and stakeholders to deliver the INFOS FPS sustainability road map, reducing emissions from our operations in line with INEOS Group and Scotland's net

We will play our part in the transition to a circular economy. working with our suppliers and partners to optimise the use of resources and minimise waste wherever possible.

We will ensure quality is at the heart of what we do and will develop, maintain and enact the requirements of our Management System to deliver business and stakeholder expectations, continually improving our business processe

We will assure Management System conformance, set appropriate improvement targets and openly communicate performance against these

In pursuit of these commitments, we will foster a working environment based on:

- · A culture where SHEQ excellence is embedded as part of our everyday activities
- . The systematic identification of hazards and the assessment and management of risk
- Documented processes with clearly defined accountabilities. and responsibilities
- Workforce engagement, focussed on collaboration, trust and strong communication, building positive attitudes and behaviours
- . Teams that thrive, supported by a structured wellbeing
- . The thorough investigation of incidents to identify root causes, capture learning and implement measures to prevent recurrence



Our work is never so urgent or important

OUR EXPECTATIONS

Everyone must play their part in delivering SHEQ excellence and we expect you to:

- Understand and comply with site rules, Life-Saving Rules (LSR), 20 Safety Principles and the FPS Management System requirements applicable to your job
- · Take accountability for your own safety and those around you by stopping unsafe acts and rectifying unsafe conditions
- . Lead by example and demonstrate positive safety

If in any doubt, we'll always support you to stop and seek advice





Andrew Gardner CEO

2023 Performance Overview



479

FPS employees



2.5 million

Total hours worked (contractor partners + employees)



0.16

Occupational Safety and Health Administration (OSHA) injury rate



75.4 Mbbls

Total million barrels (Mbbls) transported through our pipeline



4.35 kgCO₂e/boe

Scope 1&2 CO₂ intensity



100%

System Availability



3.0%

Waste to landfill meeting Scotland's Zero Waste target



0

Minor internally reportable environmental events



64.1%

Flaring reduction



44.9%

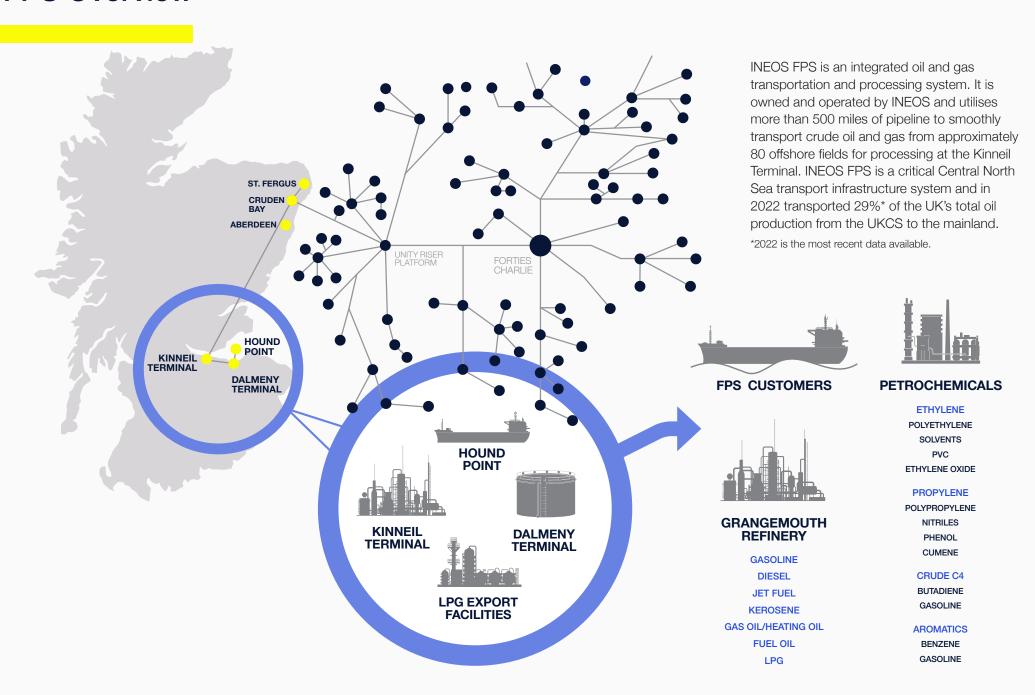
Scope 1 CO₂ emissions reduction



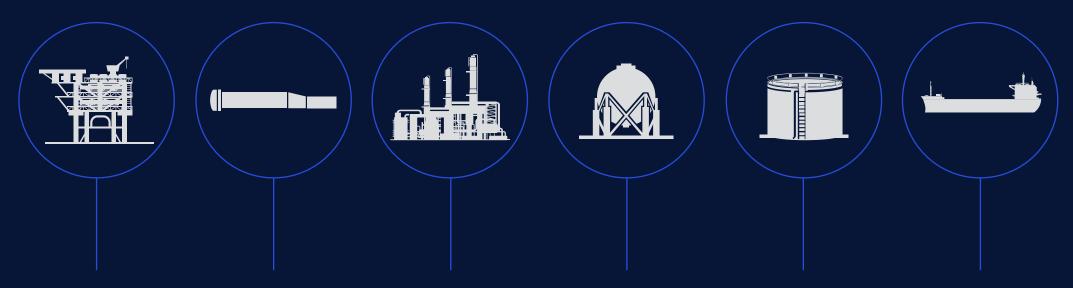
73.3%

Hydrocarbons discharge reduction

FPS Overview



Overview of Sites



Unity

The Unity Platform is located in Block 21/9d of the United Kingdom continental Shelf under licence P2333 in the North Sea in 122 metres of water. The platform is a 'Not Permanently Attended Installation' (NPAI) and is a gathering hub with pig reception facilities.

Cruden Bay / Landline

The Cruden Bay terminal is a key part of the INEOS FPS infrastructure and is the transition point from our subsea to onshore pipeline. From there, the FPS Landline, measuring 36 inch diameter, travels 209 kilometres south to the Kinneil Terminal at the Kerse of Kinneil, Grangemouth.

Kinneil

Crude oil stabilisation, gas processing and treatment is undertaken at the Kinneil Terminal.

LPG

Propane and butane products are exported via pressurised storage at Grangemouth to the INEOS FPS LPG storage and export terminal at Grangemouth Docks.

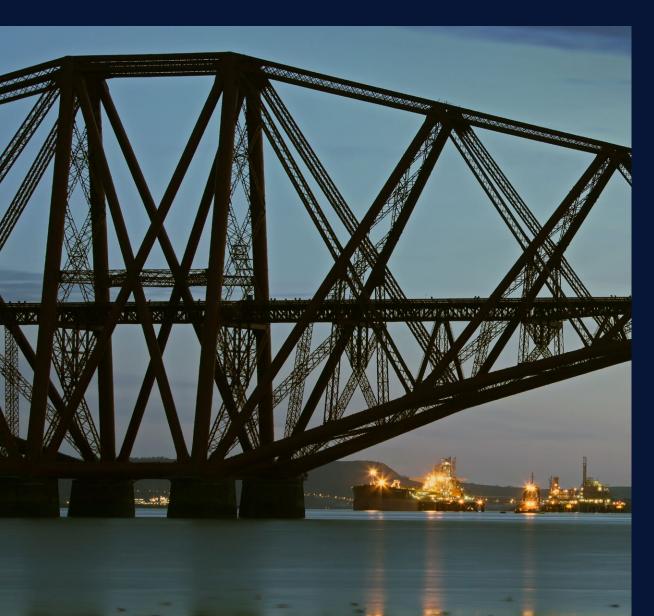
Dalmeny

From Kinneil, a 30 inch landline transports
Forties Blend stabilised crude oil 19 kilometres east to the INEOS
FPS crude oil storage installation at Dalmeny (near South Queensferry).

Hound Point

Two crude oil loading jetties at Hound Point in the Firth of Forth are connected to Dalmeny approximately 5 km away by 48 inch and 40 inch loading pipelines.

Environmental Management System



INEOS FPS operates an integrated management system, which embeds our EMS.

The EMS enables us to:

- Meet, or where practicable, exceed relevant environmental legislative requirements;
- Identify and manage the environmental performance of our operations;
- Work closely with our supply chain to minimise indirect environmental impacts associated with our operations;
- Continuously improve our EMS to reduce emissions to air, land and water and minimise our use of resources, monitoring any local impacts of our emissions.

In relation to our offshore Unity platform, the EMS is independently verified in line with the requirements of the 'OSPAR Recommendation 2003/5 to promote the use and implementation of Environmental Management Systems'.

The next EMS OSPAR verification is scheduled for 2024. The next section outlines our environmental performance throughout 2023 including:

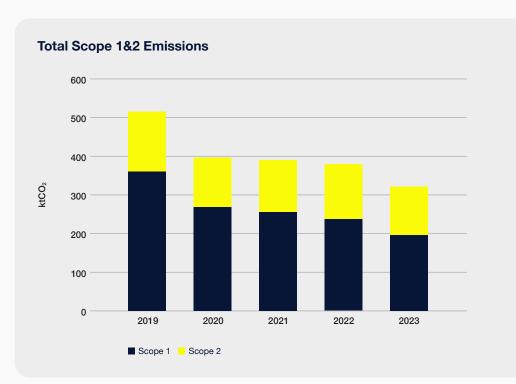
- Climate Change
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Climate Change

The chart below illustrates the Scope 1 $\rm CO_2$ emissions from Kinneil, RLPG & Unity. Kinneil & RLPG operate under a UK ETS permit and a Pollution Prevention and Control (PPC) permit.

At Kinneil, energy is required to heat incoming unstabilised crude and compress the gas that is drawn off for further processing. To achieve this Kinneil relies on electric turbines, gas turbines as well as fired heaters.

The Scope 1 CO₂ emissions from RLPG come from a result of flaring activities from storage tank boil off and propane requirements for the on-site heater (5.3 ktCO₂).



The Unity Scope 1 CO₂ emissions (0.28 ktCO₂) are also included, which results from the combustion of diesel for power generation on the platform.

Scope 2 CO₂ emissions are a result of our sites' electricity and steam requirements.

Since 2019, INEOS FPS has reduced Scope 1 CO₂ emissions by 44.9% and Scope 2 by 19.9% (2023). This has been delivered through:

- Significant asset investment targeted on areas that improve reliability and emissions performance e.g. compression.
- Investing in digital solutions such as real-time emissions monitoring software, enabling improved understanding of potential emissions reduction opportunities.
- Continuous improvement of our EMS to reduce emissions to air, land and water and minimise our use of resources.
- A planned reduction in throughput from offshore customers resulting in emissions reduction.

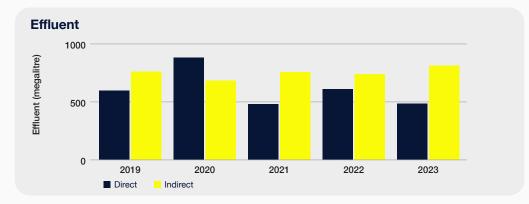


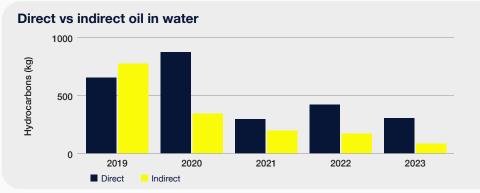
Water Stewardship

The below graph illustrates the direct and indirect effluent discharges to the environment from Dalmeny and Kinneil. Direct effluent describes output to the environment and indirect to third parties. Both the direct and indirect effluent discharges are authorised as part of their PPC permits and Trade Effluent Consents.

There are no regulated discharges of oil or produced water to sea from the Unity Platform.

Since 2019, the quantity of hydrocarbons discharged has **reduced by 73.3%**, achieved through closing operational inefficiencies. In 2023, FPS conducted a water baseline assessment to identify further opportunities in reducing our water consumption.





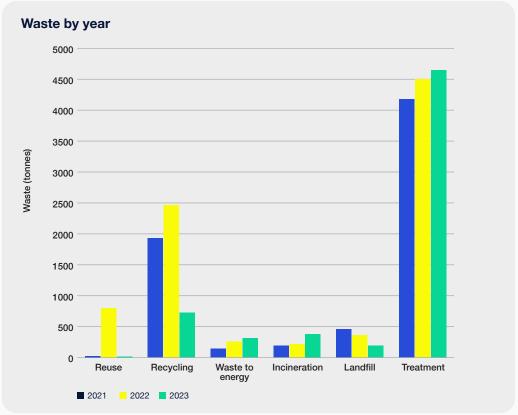


Circular Economy: Waste Management



INEOS FPS work closely with our waste contractors to reduce waste. All INEOS FPS waste is segregated for the appropriate disposal route.

The chart below illustrates the waste data for all FPS facilities from 2021 to 2023. In 2023, INEOS FPS continued to divert general waste from landfill in line with Scotland's Zero Waste target of 5% to landfill by 2025 and strive to achieve further reductions by monitoring areas of new technology with our contractor partners.



Flaring Activities

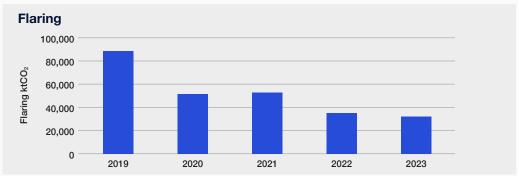
Gas flaring refers to the controlled combustion of excess gas that cannot be processed by the plant. This can be due to unavailability of processing capacity, or as a safety measure to regulate pressure within the plant, reducing the risks of gas ignition. Flaring at Kinneil can occur during shutdown / restart of processing trains, as a result of equipment reliability issues, or to reduce system pressures for safety purposes.

Kinneil operates under a Flaring Consent which is approved by the North Sea Transition Authority on an annual basis. Flaring has reduced at **Kinneil by 64.1%** since 2019, this has been delivered through:

- Significant asset investment targeted on areas that improve reliability and emissions performance e.g. compression
- Continuous improvement of our EMS to reduce emissions to air, land and water and minimise our use of resources
- A planned reduction in throughput from offshore customers resulting in emissions reduction
- Efficient gas management between the INEOS Grangemouth petrochemical businesses to reduce product disposal constraint flaring

Additionally, INEOS FPS installed a low noise flare tip on the Train 1 Elevated Flare in 2023, further reducing the impact on the community.

INEOS FPS are currently constructing a new ground flare system at our Kinneil facility which will reduce the impact of noise and light pollution to our surrounding community.





Environmental Compliance

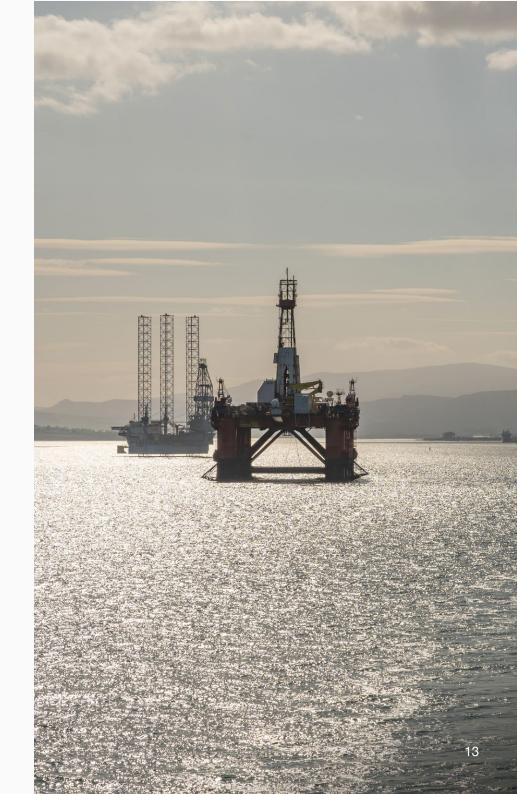
INEOS FPS has a number of legal obligations associated with the operation of our infrastructures environmental performance which we must conform to.

During 2023, Unity had **zero** PON1 (release to sea of oil or offshore chemicals) and PON2 (Loss of deposition of materials to sea) reports to the regulator.

Environment – Externally Reportable 2023

INEOS FPS Site	OPPC (Oil Pollution Prevention and Control)	PON10 (Consent to Locate)	UK ETS (Emissions Trading Scheme)	PPC (Pollution Prevention Control)
Unity	0	0	N/A	N/A
Kinneil/ RLPG	N/A	N/A	1	2
Dalmeny/ Hound Point	N/A	N/A	N/A	1
Cruden Bay	N/A	N/A	N/A	1
PLPG	N/A	N/A	N/A	0
Landline	N/A	N/A	N/A	N/A

In total, there were five externally reportable non-compliances against the FPS environmental permits in 2023. The non-compliances were technical or minor permitted emissions limit value breaches and did not result in a negative impact on the environment.



People in our Communities

The INEOS Group Sustainability Strategy is to manufacture essential products needed to address global challenges, such as climate change, resource scarcity, and pollution, while minimising our negative impacts on the environment and people around us.

As part of continuously improving in line with the <u>INEOS Group Sustainability Strategy</u> and the FPS Annual Safety, Health, Environment and Quality plan, some of the key activities we have delivered in 2023 are highlighted below:

Environment Society **Economy** Incorporating emissions Providing high quality Supporting the industrial reduction projects into the jobs and training, symbiosis at our Net Zero Roadmap as well as wider Grangemouth sites personal development Switch to 100% renewable Managing business opportunities to our electricity across our North risks and pursuing employees assets and Dalmeny opportunities to ensure Supported our local INEOS FPS' continued Continued investment to community with the economic success minimise impact of flaring STEM Summer School Improving the efficiency Continuous steam leak and with Forth Valley of our operations with repair reduction strategy College, classroom investment in new (679 tCO₂e reduction) visits and providing technology such as Drive continuous funding to Emissions Al and environmental improvement local projects Power BI amongst contractor partners through Supplier Relationship and Performance Management (SRPM) Baseline assessment of our water cycle





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