INEOS STYROLUTION

LIVING SUSTAINABILITY. TOGETHER.

SUSTAINABILITY REPORT 2021

BESUCHER

M. SHPAK



Overview 02 Message from our CEO 03 Board members' view 04



Our commitment to sustainability 05



....

Shaping the future with sustainable styrenics 22

are with sustainable styreflics 22

3

Ø

Ensuring safe and resource-efficient operations 38

Upholding safety as our core value 39 Reducing our environmental footprint 44



57 Valuing our people

- 58 Engaging and developing our employees
- 64 Driving sustainability along the value chain
- 67 Supporting the communities in which we live and work

70 Managing our business responsibly

- 71 Ensuring fair business practices
- 75 Making sustainable growth a reality



81 Annexe

- 81 About this report
- 82 Our material aspects & boundaries
- 83 GRI index



Message from our CEO & Board •••• members' view Shaping the future with Ø Ensuring safe and Managing

> our business responsibly

Annexe (

MESSAGE FROM OUR CEO

INEOS Styrolution consists of people that care. We care for our customers, and we can only be successful by making them successful. We are mindful of our responsibility to be a positive force in society, to protect our planet, and to run our business sustainably. This ambition to be sustainable drives us every day.

In concrete terms: we have set a goal to transform to a net-zero emissions business by 2050. This means that we are switching to 'green' power made from renewable resources like wind and solar energy, substituting renewable feedstock instead of fossil-based resources, and optimising our production sites.

Our styrenics products meet all the requirements to become a role model for many polymers, based on their recycling capabilities and their ability to be produced from renewable

raw materials.

We want to change styrenics for good: by producing it using renewable and recycled materials, reducing our dependence on fossilbased sources, and minimising plastic pollution and waste. And we are making it easier for our customers to switch to products made using our recycled or renewable materials. Our ambition is to sell half a million tonnes of INEOS Styrolution ECO products in 2030.

We have set our sustainability sights high and are working hard to bring these solutions to market. I am proud to see that with every introduction of a new drop-in solution from our ECO range of products, we are proving

> ourselves as the most reliable partner to our customers – helping them achieve their goals, as well as ours.

During the past year, we introduced our new sustainability strategy, developed a global roadmap to

We want to change styrenics for good: by producing it using renewable and recycled materials, reducing our dependence on fossil-based sources, and minimising plastic pollution and waste. reduce our carbon emissions, and scaled up our ECO offerings. We took action across all our material topics, including ensuring a safe, inclusive workplace and maintaining high standards of business practice.

Our exemplary sustainability initiatives and our transparent reporting have been recognised externally, with a platinum rating by EcoVadis for the second year in a row. This is a noteworthy acknowledgement of our vision and dedication, and will continue to be a key driver of our resiliency and success moving forward.

Our styrenics products meet all the requirements to become a role model for many polymers, based on their recycling capabilities and their ability to be produced from renewable raw materials. However, while we are investing resources into developing a circular and net-zero future, we also need the right foundation to be successful. A clear and uniform regulatory framework, a level playing field and reliable access to waste and bio-feedstock will offer the necessary investment security for the entire value chain.

As CEO, I strive to turn our promises into action. But this cannot be achieved in isolation. It not only requires a great team like the colleagues working at



INEOS Styrolution, but also cooperation, the right frameworks, and partners that share our vision. Therefore, we look forward to your continued support and collaboration as we advance on our journey of *Living Sustainability. Together.*

Sincerely yours,

S.M. Je-

Steve Harrington CEO INEOS Styrolution

Our commitment to sustainability Shaping the future with sustainable styrenics Ensuring safe and resource-efficient operations Valuing our people

Message from our CEO & Board

members' view

••••

Ø

Managing our business responsibly

Annexe (

BOARD MEMBERS'

Our goal is to get to zero. Net zero emissions by 2050, with zero injuries, zero spills, and zero incidents. We are now working on implementing this goal with a clear roadmap that

goal with a clear roadmap that includes integrating renewable sources of feedstock and energy, optimising our production processes, and implementing energy reduction projects across all our production sites.

PIERRE MINGUET President Operations



Beyond the high standards we set for ourselves in the area of financial reporting, we also aspire to the same levels of transparency when reporting on our environmental, social and governance (ESG) performance. With these efforts, we want to inform our stakeholders of our actions, build implementation momentum, and ensure external accountability around all aspects of our ESG initiatives

MARKUS FIESELER Chief Financial Officer



The transition to net zero requires coordination, collaboration, and collective action. We value the partnership needed to drive this change and are committed to engaging with our customers, suppliers, and other key stakeholders to promote the innovations needed for a net zero future. Together, we want to drive actions that support our climate ambition, enhance circularity, and match our customers' expectations.

ROB BUNTINX President Asia-Pacific

We want to future-proof the styrenics industry by addressing the challenge of plastic waste. We are therefore working with the entire value chain including customers, suppliers, sorters, recyclers, technology providers as well as research institutes - to significantly increase recycling rates and reduce the carbon footprint of our products as quickly as possible. We are convinced that our sustainable styrenics products will support the shift to a circular and low-carbon economy.

ALEXANDER GLÜCK President Europe Middle East & Africa



Demand for sustainable products and solutions has increased significantly especially as our customers are setting ambitious sustainability targets for themselves to use more renewable and recycled raw materials. And we want to make sure that they achieve it: by investing in innovative recycling technologies, securing reliable access to renewable and recycled feedstock, scaling up circular solutions, and bringing best-in-class sustainable products to market.

GREG FORDYCE President Americas



OUR COMMITMENT TO SUSTAINABILITY

-

We make stateof-the-art styrenics products that help create a safer, healthier, sustainable, and more productive world.

Our ambition is to have a positive impact on people and the planet.

INEOS STYROLUTION AT A GLANCE

INEOS Styrolution is the leading global styrenics supplier with a focus on styrene monomer, polystyrene, ABS, and styrenic specialties. As of December 31, 2021, the company operated 20 manufacturing sites in Belgium, Canada, China, France, Germany, India, Mexico, South Korea, Thailand, and USA, with six R&D centres and 24 sales offices around the globe.

INEOS Styrolution has four headquarters around the world – the EMEA headquarters for specialties in Frankfurt am Main, Germany, the EMEA headquarters for commodities and standard products in Rolle, Switzerland, the American headquarters in Aurora, USA, and the Asia-Pacific headquarters in Singapore.



Message from

Our commitment

to sustainability

Shaping the future with

Managing

Ø

our CEO & Board



OUR PRODUCT SCOPE IN THE STYRENICS VALUE CHAIN

Our product portfolio now includes **INEOS Styrolution ECO, our family of** sustainable products. It comprises products made from post-consumer recycled material as well as renewable feedstock and complements our existing portfolio of standard styrenics products and specialties.

Clearlux[®]

ASA & ASA+PC

- Luran[®] S ECO
- Luran[®] SC
- (EMEA & Asia only)
- Absolan[®] (Asia only)
- Luran[®] ECO
- Lustran[®] (Americas only)

- SBC Styrolux[®]
- Styrolux[®] ECO
- Styroflex[®]
- Styroflex[®] ECO
- Clearblend®
- NAS[®] ECO

INEOS

(ECO

STYROLUTION

- **SMMA & MBS**
- (Americas & Asia only)

- NAS[®]

- K-Resin[®]
- - Zylar[®]





Managing our business responsibly

Annexe

OUR SUSTAINABILITY FOCUS

For many years, INEOS Styrolution has been working on implementing our sustainability ambitions, with a strong track record of projects and achievements. However, we understand that we, as any other person, company or community, need to step up even further to master the challenges we are facing. Therefore, we developed a new sustainability strategy in 2021, laying out how we want to improve further in the years ahead.

It is built around the performance and capabilities of our people, products, and stakeholders. Our materials are essential in many applications, having strong benefits for users and often a more favourable footprint than alternative materials.

This performance ambition especially extends to our ECO products, the range of products made from recycling or attribution of bio-feedstock. For us, being sustainable does not mean lower quality or reduced product properties and capabilities. We want to foster change by offering our customers sustainable drop-in solutions for their applications.

Being dedicated to safety remains our highest priority. This dedication does not stop with the strong safety efforts at all our sites, it also extends towards having a positive impact on the wellbeing of direct and indirect stakeholders, as we strive to offer products that have a positive impact on people and planet. Our products reduce emissions and save energy as they make our customers' products lighter, more durable, and more resource-efficient. In addition, they are used in many essential products and applications, such as in the healthcare industry.

But it is not only our products, it's also how they are made. In our new sustainability strategy, we have set ourselves the highly ambitious goals of achieving net zero emissions by 2050 and target an intermediary milestone of already reducing our scope one and two greenhouse gas (GHG) emissions by 45% compared to the 2019 baseline by the year 2030.

Our focus industries are driven by sustainable megatrends such as ...

DEMOGRAPHIC CHANGE DIGITALISATION CLIMATE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS CHANGE RESOURCE SCARCIT **CIRCULAR ECONOMY RISING LIVING** MARINE LITTER EFFICIENC **STANDARDS** IN EMERGING AND URBANISATION **DEVELOPING COUNTRIES** 먐 RECYCLING **RENEWABLE ENERGY** RENEWABLE FEEDSTOCK **OUR VISION OUR MISSION** deliver long-term value to our customers and stakeholders. We do this by operating in a safe, environmentally and socially responsible manner to provide sustainable styrenics solutions across

OUR APPROACH

Styrenics are simply essential to creating a safer, healthier, and more sustainable way of life. Styrenics provide solutions to global societal challenges such as resource scarcity, urbanisation, rising living standards and population growth.

More versatile than glass, paper, wood, or metal, styrenics meet our needs with less material input and less energy consumption during production – ensuring a lower carbon footprint. Its light weight and durability help reduce the weight of cars, which results in reduced fuel use. It insulates buildings, contributing to lower energy consumption. Packaging made from styrenics is safe and hygienic and helps to reduce food waste by preserving food and significantly extending its shelf life.

Some of our products have become even more indispensable in the fight against COVID-19. Our styrenics materials are being used to produce safety equipment such as safety goggles, face shields and disinfectant dispensers as well as medical and surgical devices such as COVID-19 detection kits, intubation devices, infusion sets and blood pressure monitors.

Our roadmap to a circular, low-carbon economy

We are taking a stepwise approach to accelerate the transition to a circular, low-carbon economy. In our sustainability strategy, we have broken down our ambitions into a clear roadmap.

4 OPTIMISATION Process optimisation, energy efficiency, logistics efficiency, digitalisation

3

OS)

. Te

FEEDSTOCK SWITCHING Renewable materials

Ko S

CIRCULARITY Mechanical recycling and advanced recycling

 2

 VIEL SWITCHING

 Renewable electricity, hydrogen

 (development ongoing with INEOS Group)

6

CARBON OFFSET

neutralising the impact

of residual emissions

0

CARBON CAPTURE/

Development ongoing

with INEOS Group

STORAGE

5

Message from

Our commitment

to sustainability

Shaping the future with

Ensuring safe and

Managing

Ø

our CEO & Board

OUR ROADMAP TO A CIRCULAR, LOW-CARBON ECONOMY

CIRCULARITY As a first step, we are working to close the

Message from

members' view

Our commitment to sustainability

Shaping the future with

Managing

our CEO & Board



loop at the end-of-life phase of our products. We recognise that

recycling is the core of a circular economy. Therefore, we have invested in mechanical and advanced recycling of our polystyrene and ABS products, which we believe will significantly reduce our carbon emissions, reduce waste, and keep valuable materials in use for longer. On the one hand, we have recycling processes with a lower GHG footprint compared to fossilbased feedstock; on the other hand, we avoid end-of-life treatment and allow for multiple recycling rounds. Moreover, we collaborate with the entire value chain including sorters and recyclers to ensure a consistent, highquality supply of post-consumer styrenics that we can recycle.



based on renewable energy. All three of our production sites in Germany -Cologne, Ludwigshafen, and Schwarzheide switched their power consumption to renewable electricity in January 2022. This means a reduction of almost 53,000 tonnes of indirect carbon emissions a year, which is 14% of our carbon footprint in EMEA in 2020, and equivalent to the power used more than 15,000



FEEDSTOCK SWITCHING

Ð We have talked about our aim in shifting to a circular economy above. This makes waste our new feedstock. We have set up organisational responsibilities internally for sourcing waste from the waste value chain. We are cooperating with partners in that value chain and actively work on bringing more styrenics waste back into plastics production.

Styrenics, and particularly polystyrene, are among the best sortable polymers and offer one of the largest ranges of recycling options, from mechanical recycling through dissolution, depolymerisation and other advanced recycling processes, making styrenics products well suited to become raw materials again after their intended use.

We also offer the integration of renewable feedstock as a replacement for fossil fuel that complies with the highest sustainability criteria. This bio-attributed approach uses fewer fossil resources and has a substantially lower GHG footprint (depending on the feedstock and polymers) when compared to styrene

produced from fossil feedstock. In cases of 100% substitution to bio-attributed feedstock, GHG savings can be greater than 100%. This allows us to reduce fossil fuel consumption as well as save GHG emissions. In comparison with certain types of biopolymers (which although bio-based, are not always recyclable), this approach supports the use of bio-feedstock as a drop-in solution in highly optimised, large-scale petrochemical installations.

Our parent company, INEOS, has launched a new clean hydrogen business to accelerate the drive to zero carbon emissions. We are liaising with the colleagues and assessing opportunities.

OPTIMISATION

We have defined a programme of measures to reduce scope 1 emissions at our production facilities. The first

phase of these investments, taking place until 2030, builds on proven technologies with a high technology readiness level, which we plan to implement mostly at our monomer plants. In addition to this, we are also incrementally improving our operations by efficiently using raw materials, optimising our production processes and implementing energy reduction projects, all as part of our operational excellence programmes. This is supported by

digital tools to measure relevant process data and optimisation based on these measurements. To keep the environmental footprint of our products low, we reduce the impact caused by transportation. Therefore, we rely on an intermodal distribution model of trains, ships, and trucks to find the most efficient route to distribute our products. We favour the use of rail and sea transport, rather than road-based transport and encourage our customers to order in bulk when possible, to further lower our transport footprint.

0

CARBON CAPTURE. **STORAGE & OFFSETS**

Together with the INEOS Group, we are looking at new technologies such as carbon capture and utilisation as well as using increasing amounts of hydrogen in our furnaces to reduce carbon emissions. The use of carbon offsets for

residual emissions is our last option.





CONTRIBUTION OF STYRENICS TO A CIRCULAR ECONOMY

We are accelerating our circularity agenda by upscaling our recycling approaches for ABS and polystyrene, building depolymerisation plants, collaborating on other advanced recycling approaches, and integrating renewable feedstock in our products. We are determined to pursue this agenda until we have recyclable and recycled content in all our products.

Contribution of styrenics towards a circular economy



OUR AMBITIOUS GOALS

We have set two ambitious goals to make the shift to a low-carbon, circular economy. Our first goal is to achieve net zero emissions by 2050, in line with the targets set out in the Paris Agreement. In order to reach this goal, we have set ourselves a roadmap that includes an expected milestone of 45% GHG reduction of our scope 1 and 2 emissions by 2030 (with 2019 as baseline).

Our second goal is to sell 500 kilotonnes of ECO products in 2030. With this, we hope to provide our customers with sustainable products that live up to their premium quality expectations.

Converting post-consumer waste to a raw material for our polymer production is our key challenge. Together with several technology providers, we have proven the technological and economic feasibility of polystyrene depolymerisation and upscaling is underway. We are also substituting fossil fuel with renewable feedstock that is certified and complies with the highest sustainability criteria. In addition, we have proven excellent environmental footprint for the solutions, where the GHG emissions are significantly lower compared with fossil production and has additional significant end-of-life savings.





UNDERSTANDING THE FULL IMPACTS AND COSTS OF OUR PRODUCTS

To be able to understand how sustainable a material is, we need to not only look at a product's use and "after-life". We need to look at the entire product cycle and account for all energy, raw materials and emissions used to make the product. Only then can we understand a product's true footprint and explore ways to minimise it.

We undertook two life cycle assessments (LCAs) of our polystyrene recycling process to compare the GHG footprint of recycled polystyrene compared to fossil-based polystyrene. Initial results of the German government-funded ResolVe project and an internal GHG calculation study predict CO₂ equivalent emission savings between 37% and 50%, respectively. Both these studies rely on assumptions and the best available data and are thus open to some inaccuracy.

Styrenics Circular Solutions (SCS), of which we are a founding member, has also conducted a comparative LCA into three different recycling technologies: mechanical recycling, dissolution, and depolymerisation (monomer recycling). All three technologies confirmed significant CO₂ savings for recycled food-quality polystyrene.

We also have a whole portfolio of carbon footprint data on multiple grades and a whole range of feedstock sources. By including input from recyclers and renewable feedstock producers, we have been able to explore a wide range of possible feedstock combinations and how they affect the carbon footprint of the final products. We have set a highly ambitious goal to achieve net zero emissions by 2050. However, to provide our customers with products with the lowest footprint, we also need to examine our upstream scope 3 emissions. One way to help do this is through LCAs and product carbon footprints (PCFs).

LCAs allow producers to assess the environmental footprint of their products across multiple criteria. So far, we have strongly focused on PCFs, however, we understand the importance of a full impact assessment. We are currently underway with an LCA project in which we aim to develop representative figures for our key product groups. This will help our customers make better informed choices on sustainable solutions.

PCFs measure the environmental impact of our products from cradle to gate, based on GHG emissions. It is the most established method to determine the climate impact of a material. The assessments of our depolymerisation process show a GHG reduction of 24% to 49% compared to conventional production depending on the type of polymer produced. The assessments of our bio-attribution process can show GHG reductions of 80% to over 100% for our "best-in-class" grades compared to conventional production. Savings of over 100% are possible because the bio-naphtha originates from plant material. All our PCFs comply with ISO 14040 and have been independently verified by Ethos Research and by Scientific Certification Systems (SCS Global Services) as part of the site audits conducted by the Roundtable of Sustainable Biomaterials (RSB). Our PCF data can be used by our customers to calculate the PCF of their applications and help them achieve their ambitious sustainability targets.



Message from

members' view

Our commitment to sustainability

Shaping the future with

Managing

Ø

our CEO & Board



Annexe

OUR SUSTAINABILITY TEAM AND WORKING STRUCTURE

We have a dynamic sustainability team that leads our sustainability efforts across all our business areas. For each key business area listed, we have established a work stream staffed with global and regional experts, driving the implementation of our sustainability programme. The ultimate responsibility for steering and aligning our company-wide sustainability strategy lies with the management board, the highest decision-making authority in the company.

The global sustainability department sets targets, gives strategic guidance, creates, and implements initiatives and ensures backing by the management board. In addition to our central decision structure, we use existing regional and global structures to share information and take decisions related to sustainability topics.



DETERMINING WHAT IS MATERIAL

We undertook a materiality assessment in 2021 in order to implement an effective approach to sustainability management and to ensure that our sustainability strategy addresses the expectations of our stakeholders. We examined external benchmarks, current trends, and developments, and then preselected the topics that we deemed most important for our stakeholders as well as most relevant to our business. External and internal stakeholders were identified based on their impact on our business operations and their knowledge of our business activities. All our key stakeholders represented a wide variety of functions, regions, and business segments. The selected internal and external stakeholders then reviewed and prioritised relevant sustainability topics.

Our material topics were finalised based on the degree of stakeholder interest and potential business impact. We have developed key performance indicators (KPIs), targets and actions to measure our progress qualitatively and quantitatively. We use the materiality assessment findings to prioritise the sustainability topics in our report so that it responds to our stakeholders' needs and expectations. We will review this with our stakeholders every three years to confirm relevance and appropriateness.

Our material topics





Managing our business responsibly

Annexe

THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (UN SDGs) are essentially a materiality assessment of our planet and lay out a path to end extreme poverty, address inequality and injustice, and protect the earth. These goals provide guidance and direction on sustainable development for both industry and society. We strongly believe that we can contribute positively to these goals through our concerted sustainability actions. We prioritised focusing our efforts on the SDGs where we could make the most impact.

- OUR PRIORITY IS TO ADDRESS THE FOLLOWING SDGS



AS PART OF OUR EFFORTS TO ENSURE A SUSTAINABLE BUSINESS, WE ALSO ADDRESS THE FOLLOWING SDGS



MAPPING OUR MATERIALITY TOPICS AND KEY FOCUS AREAS TO THE SDGS

	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 climate	14 UFE BELOW WATER	17 PARTINERSHIPS FOR THE BOALS
Mechanical recycling	•			\checkmark	\checkmark			\checkmark
Advanced recycling				\checkmark				\checkmark
Waste collection & sorting					\checkmark			\checkmark
Eco-sourcing					-	\checkmark		\checkmark
Sustainable procurement				•••••	\checkmark			
Low-carbon economy						\checkmark		
Emissions					\checkmark			
Energy					\checkmark			
Water					\checkmark			
Wastewater & waste					\checkmark			
Marine litter & pellet loss					\checkmark		\checkmark	\checkmark
Safe & sustainable products					\checkmark			
Design for sustainability				\checkmark				
Human rights & ethics			\checkmark					
Health & safety	\checkmark			••••••				
Sustainable finance & investments			\checkmark					
IT security & digitalisation				\checkmark				
Employer attractiveness & equal opportunity	\checkmark							•••••
Employee training & development		✓						•••••
Community involvement	\checkmark	\checkmark		•••••				\checkmark



in our key focus areas. **OVERALL** EcoVadis 2021 ecovadis platinum Sustainabilit rating **Sustainability** strategy developed and introduced FAIR BUSINESS PRACTICES Entire active employee base trained on **Code of Conduct**

SUSTAINABILITY HIGHLIGHTS

Here is a selection of our key achievements that demonstrate our sustainability performance

RESPONSIBLE PRODUCTS **Mechanically** recycled polystyrene introduced in Europe Commercialisation of recycled ABS products scaled up **Specialty grades** made using **bio-attributed** feedstock introduced RELIABLE **EMPLOYER Employee survey** conducted for the entire workforce First system-supported **global** succession planning cycle launched

SUSTAINABLE PROCUREMENT

100% of buyers trained on sustainability

Secured sufficient feedstock to ensure upscaling of more than 5000 tonnes of **ECO products**

RESPONSIBLE **OPERATIONS**

Global strategy and roadmap to reduce GHG emissions developed

12.3% reduction in specific GHG emissions since 2014

Audits for bio-attributed offerings conducted in Americas and European production sites

SAFETY

Annual total case injury rate (TCIR) of 0.18 achieved (compared to an overall target of 0.24)





our business responsibly

Annexe (

STAKEHOLDER DIALOGUE

Engaging stakeholders and developing meaningful partnerships with them over time is essential for our long-term business success. We realise that regular, open, and proactive dialogue with all relevant stakeholders helps us to understand their perspectives, expectations, key issues, and needs.

In this way, we are able to integrate our partners' perspectives into our business decision-making processes wherever possible, ensuring that our strategy addresses the topics that are important to our stakeholders.

This dialogue with our stakeholders gives us the opportunity to explain our committed approach and future investments to drive sustainability as well as the value of our work, our products, and services for society.

We have identified our key stakeholders as those who contribute to our economic, social, and environmental performance. These stakeholder groups comprise our customers, retailers, suppliers, employees, investors, financial experts and rating agencies, local communities, technology partners, industry associations, NGOs, universities, scientific institutions, and value chain partners such as waste sorters, and recyclers.

We hold corporate membership in national, regional and global industry associations. Our parent company INEOS Group is a member of Responsible Care and Suschem.



кл < 19

INEOS Styrolution employees are passionate and committed to making the company a sustainability leader. They are keen to learn, understand and support our sustainability approach and initiatives, and become ambassadors in their peer groups inside and outside of the company.

Therefore, we set up an integrated concept that puts sustainability on the agenda of group and regional conferences, management, and sales meetings, as well as town hall meetings. In addition, we have rolled out internal communication activities via multiple channels, to openly inform colleagues on our programme, initiatives and progress and to establish a feedback channel for all employees to make sure they have the opportunity to contribute and make their voice heard.

STAKEHOLDERS	METHODS OF ENGAGEMENT			
Investors, financial experts & rating agencies	Quarterly disclosures, sustainability report, annual investor days, investor relations releases	Strategy, performance, market and corporate developments, sustainability		
Customers	Innovation workshops, sustainability report, customer meetings, direct engagement, industry trade group meetings	Strategy, performance, sustainability, product quality, safety and reliability (safety data sheets)		
Suppliers	Direct engagement, assessments and audits	Product quality, safety and reliability, sustainability		
Employees	Group & regional conferences, town hall meetings, work council meetings, workshops, management board briefings, sustainability report, intranet, eMagazines, newsletters, training sessions, webinars, anonymous 24/7 hotline	Strategic initiatives, business performance, policies, IT security, new developments, personnel changes, R&D, innovation, sustainability, health and safety		
Industry associations	Memberships, direct engagement, task force & working group engagements, dialogue, conferences, workshops	Sustainable business practices		
Universities, scientific institutions & technology partners	Direct engagement, collaborative partnerships, quarterly face-to-face meetings	R&D, innovation, sustainability		
Local communities	Direct engagement, collaborative partnerships, sports and educational programmes, employee volunteering, sponsorships and donations	Community sponsorships, volunteering, local engagement		
Non-governmental organisations	Direct engagement, dialogue, conferences, workshops	Sustainable business practices		
Value chain	Direct engagement, collaborative partnerships, face-to-face meetings, joint development projects	Sustainable business practices		

Message from

our CEO & Board

members' view

Our commitment to sustainability

Shaping the future with

Ensuring safe and resource-efficient

Managing

Annexe

Ø

din X[™]

EXTERNAL ASSESSMENTS

We take a focused approach to our sustainability management and proactively disclose information about our company's sustainability management, targets and performance for assessment and certification by third parties.

CDP runs the global disclosure system for investors, companies, and local governments to manage their environmental impacts, and is considered the gold standard of environmental reporting. INEOS Group is a recognised respondent to CDP and uses its climate change and water questionnaires to actively assess climate- and water-related risks and opportunities.



The Roundtable on Sustainable Biomaterials (RSB) is an international membership governed organisation that ensures the sustainability of biomass and biomaterial production and processing. INEOS Styrolution is a member of RSB.

Operation Clean Sweep*

Operation Clean Sweep[®] (OCS) is a plastic industry programme to prevent pellet loss. We signed the OCS pledge in 2015 and are committed to implementing the OCS programme globally.

RecyClass

RecyClass is a comprehensive cross-industry initiative that advances plastic packaging recyclability and ensures traceability and transparency of recycled plastic content in Europe. It has certified that polystyrene as recyclable. RecyClass has audited and certified our manufacturing sites in Antwerp, Belgium and Schwarzheide, Germany.

ecovadis

EcoVadis is a trusted provider of business sustainability ratings, intelligence, and performance improvement tools for global supply chains. In 2021, we were once again awarded the Platinum rating by EcoVadis for our performance, demonstrating advanced management of environmental issues, labour & human rights, sustainable procurement, and ethics. This also confirms our rank in the top 1% of companies.



The United Nations Global Compact (UNGC) is the world's largest corporate sustainability initiative that supports companies to do business responsibly by aligning their strategies and operations with Ten Principles and taking strategic actions to advance broader societal goals, such as the UN Sustainable Development Goals. INEOS Group is a signatory to the UNGC and supports its ten principles on human rights, labour, environment and anti-corruption.

ISCC

ISCC is a globally applicable sustainability certification system and covers all sustainable feedstocks, including agricultural and forestry biomass, circular and bio-based materials and renewables. Seven of our manufacturing sites have received ISCC PLUS certification.

Message from

our CEO & Board

members' view

Our commitment

to sustainability

Shaping the future with

Ensuring safe and

Managing

Ø

SHAPING THE FUTURE WITH SUSTAINABLE STYRENICS

H. ZENKI

Message from our CEO & Board members' view

> Our commitment (to sustainability

Shaping the future with sustainable styrenics

> Ensuring safe and resource-efficient operations

Managing our business

Annexe 🌔 🧭

Message from

members' view

our CEO & Board

Shaping the future with sustainable styrenics

 \mathcal{O}

Managing

We strive to provide circular, low-carbon styrenics that are safe and sustainable for our customers and end-users.

We do this by taking a responsible approach to our product portfolio across the entire value chain.

OUR APPROACH

Our styrenics products contribute to many facets of our daily lives due to their intrinsic and versatile properties. Styrenics are durable and weather-resistant, making them a longer-lasting alternative to other materials. They also have a low density and a high stiffness compared to other engineering plastics, which allows the manufacture of lightweight applications with reduced transportation costs and fuel emissions.

Styrenics and polystyrene in particular are also very well suited for the circular economy. With existing technology, they can easily be sorted out of the waste stream and then be recycled using a broad range of recycling technologies, resulting in high quality products suitable for all styrenics applications, including food contact, and avoiding downcycling.

By taking a holistic approach and examining our entire value chain, we want to ensure that the use of this valuable material is maximised in every step its entire life cycle. We are convinced that in order to advance sustainability fast and successfully, we need to make the switch to sustainable solutions as easy as possible for our customers and their customers.

Therefore we aim to create drop-in sustainable styrenics solutions having product performance and properties on par with conventional solutions - for all applications using styrenics today and in the future.

Together with customers, suppliers and a variety of waste sorters, recyclers, and technology providers, we are engaging in collaborative innovation of cutting-edge sustainable products. By driving product stewardship and quality management, we ensure compliance with product regulations and deliver safe, high-quality, and high-performance products to our customers. Together with associations and our business partners, we strive to achieve high and wellacknowledged sustainability standards in the styrenics industry.

We have undertaken a significant amount of effort to analyse our products and production processes from cradle-to-gate and are now focusing on developing the best pathways to unlock the true potential of styrenics for a circular, low-carbon economy.

MATERIALITY ASSESSMENT

The input of internal and external stakeholders in our recent materiality assessment helped us to prioritise our sustainability topics so that it responds to our stakeholders' needs and expectations.

The circular economy is a topic of very high relevance to both our stakeholders and us. Several topics relating to a circular economy such as design for sustainability, safe and sustainable products, mechanical recycling and advanced recycling were identified by our stakeholders to be of high significance.

We are constantly striving to optimise and develop innovative products and applications by designing for sustainability. We work closely with our customers by offering services ranging from innovation workshops to development support and co-development projects to solve technical and performance challenges in line with mutual sustainability targets.

Our customers require safe products that are compliant with local and international regulations during handling and for their final applications. Thus, producing safe and sustainable products by complying with regulations and delivering top-guality solutions to our customers is critical to our business.

17 PARTNERSHIPS FOR THE GOALS

ADDRESSING THE UN SDGs



We are contributing to a circular economy by



developing innovative and sustainable solutions.



We form strategic partnerships to drive sustainable development across our entire value chain.



We reduce waste generation through recycling.

our CEO & Board members' view

Message from

Our commitmer to sustainabilit

Shaping the future with sustainable styrenics

Ensuring safe and resource-efficient operations Valuing our people

Managing our business responsibly

ΚN

Annova

OUR PERFORMANCE

KEY HIGHLIGHTS

- Mechanically recycled polystyrene introduced in Europe and Asia-Pacific
 Commercialisation of recycled ABS products scaled up
- Specialty grades made using bio-attributed feedstock introduced

SUSTAINABILITY TARGETS AND ACTIONS

- Sell 500 kilotonnes of ECO products in 2030
- Introduce mechanically recycled polystyrene to the market in Americas by 2022
- Improve the sustainability portfolio management tool by 2022
- Offer recycled-attributed and bio-attributed products by 2022
- Undertake scope 3.1 inventory by 2024

CREATING A CIRCULAR, LOW-CARBON ECONOMY FOR STYRENICS

The complexity of a circular economy requires a collaborative approach. Therefore, we are embarking on several projects to develop sustainable solutions in our products' lifecycles, by engaging not only styrenics manufacturers but also stakeholders across our value chain, from suppliers, sorters, recyclers, industry associations, technology providers, brand owners and consumers.

Our aim is to create an impact and actively shift our industry to build a circular, low-carbon economy through our efforts in the upcoming years. We are focusing on developing recycling processes of styrenics and introducing renewable and recycled feedstock into our products.

Three years ago, we launched INEOS Styrolution ECO, our family of sustainable styrenics solutions that comprises products made from recycled post-consumer plastic waste as well as materials based on renewable feedstock. Terluran® ECO, an ABS grade containing recycled material, was the first INEOS Styrolution ECO product that we launched in 2019 in Europe. This is now available at commercial scale in Asia-Pacific as well.

Over the past three years, our ECO product range has grown exponentially. We now offer recycled Styrolution[®] PS ECO for polystyrene food packaging solutions in Europe as well as for the household and electronics industries in Asia-Pacific.

Today, we also offer specialty styrenics materials such as Styrolux® ECO, Styroflex® ECO, Luran® ECO, NAS® ECO, Luran® S ECO, Novodur® ECO and Novodur® ECO HH made using renewable feedstock certified by the International Sustainability & Carbon Certification (ISCC). Novodur® ECO and Novodur® ECO HH are also available as mechanically recycled solutions.

Our entire ECO product range can be used as a drop-in solution and matches the properties, quality and high-performance of our existing product portfolio. It will reduce our greenhouse gas (GHG) footprint, reduce the amount of post-consumer waste going to landfill or incineration, support the collection, sorting, and recycling of post-consumer plastic waste, and help our customers to meet their sustainability targets.









Our goals are to:

Achieve net **Zero** emissions by 2050

FOODSERVICE PACKAGING

INSTITUTE®

Styrenics Circular

Solutions

150

YEARS

ASTICS

₅...500 kilotonnes of INEOS Styrolution **ECO products**

in 2030

DESIGNING FOR SUSTAINABILITY

As our global R&D pipeline is the foundation for the future growth of INEOS Styrolution, we are continuously improving our sustainability portfolio management tool. By 2022, we will be able to monitor the expected effects of new product developments from the early development stage onwards in much more detail.

With this tool, we will be able to develop and market safe and sustainable products and assess their environmental impact from the development phase, over production phase and application phase until the end of life. This tool will be part of our global research and development toolbox and will become an integral part of management decisions and innovation agenda.

SELF-COLOURING SOLUTIONS: MAKING EVERY PELLET COUNT

Novodur® ECO is a specialty ABS product made using post-consumer waste and fossil-based material in order to achieve the same high properties, wide colour range, and performance that conventional ABS products offer. However, customers often need products in certain colours only in smaller amounts and still want to improve the sustainability of their products by using Novodur® ECO. We have therefore developed the colour 4MB as a solution. Containing 70% postconsumer waste, 4MB (for masterbatch) is optimised to give, together with a certain masterbatch, the same colour again and again in every batch. The colours easiest to achieve are pastel hues. With higher masterbatch content, more brilliant colours can be achieved.

CREATING BEADS OF INNOVATION

Thermoplastic foams are used in various applications from transport packaging to helmets and reusable food boxes. We are developing expandable styrenic beads that show similar mechanical properties as expanded polypropylene (EPP) with better thermal insulation and a substantially lower carbon footprint than EPP or expanded polystyrene (EPS). This new product is a drop-in solution for producers of thermoplastic foams with better performance and less energy consumption, and can be used in standard EPS machinery.

UPCYCLING, POWERED BY COFFEE

Spent coffee grounds usually end up in a landfill. We are working on diverting this waste from landfills and combining it with post-industrial recyclate to turn it into durable applications such as trash cans, office equipment, storage containers, plant pots and decorative items. Our new product comprises about 10% spent coffee grounds , which act as a natural filler, and up to 50% post-industrial recyclate. Select customers are currently testing the concept.

SMART PRODUCT DESIGN – MAKING BLACK STYRENICS RECYCLABLE

Brand owners choose carbon black to increase the value of their product and to improve contrast of the packaged products. However, black-coloured plastics have the problem of not being sortable, as NIR ("near infrared") detectors cannot identify them. We have developed a solution that makes black styrenics materials sortable, and therefore recyclable. By replacing the carbon black by a black pigment that can be "seen" by NIR detectors, it will now be possible to sort out the packaging and recycle it. This will lead to less incineration and less landfill, thus contribute to a more efficient recycling of waste from carbon black coloured products.



MECHANICALLY RECYCLED ABS AS LIGHWEIGHT CHEESE CONTAINERS

Cheese makers in the dairy lands of the U.S. have switched from heavy stainless steel and wax-coated wooden containers to lightweight ABS materials to transport their 300 kg blocks of cheese. These more compact, lighter containers are more sustainable to ship whether full or empty. We are now planning to obtain the ABS containers that have reached their end-of-life and give them new life in our ECO ABS product line.

CO-INJECTION MOULDING OFFERING DESIGN AND COLOUR CHOICE

We have developed a sustainable solution for our customers based on co-injection technology that performs like a 100% fossil-based solution from a material product property perspective. Along with our development partner Neue Materialien Bayreuth and injection moulding machine producer ENGEL, we have proven that this technology supports co-injection of 100% r-ABS with our Novodur product family. We tested the so-called sandwich technology and the newly developed skin-melt technology from ENGEL. Both technologies allow our customers to include up to 50% r-ABS in the core and our Novodur range of products for the outside "skin".

This gives our customers safe products with more freedom of design and usage of different colours. Many of our customers have made sustainable pledges, committing to use more than 30% recycled material in their products. Also, the use of a single material (recycled ABS on the inside and, fossil-based ABS on the outside) allows for the product to be recycled. We see this as a solution with particularly strong potential in the household and electronics segments.



Message from

Shaping the future with sustainable styrenics

Managing

O

our CEO & Board

MINIMISING WASTE, MAXIMISING RECYCLING

Message from

Shaping the future with sustainable styrenics

Managing

 \mathcal{O}

our CEO & Board

Waste has become a raw material for us. As a plastic producer, we see the importance of maximising collection, sorting, and recycling of plastics waste to create high-performance products for our customers. We are therefore actively looking at how we can help them enhance the recyclability of their products and offer solutions to integrate recycled content in their product design.

With our knowledge and expertise in material properties and behaviour, we are in a prime position to support our customers. By understanding the chemistry, quality, and properties of recycled materials, we are able to create new grades containing recycled content that function like fossil-based material in the production process, offering a drop-in solution for our customers.

We are convinced, as is also confirmed by scientific studies, that a concerted effort by all stakeholders is necessary to address the problem of plastic waste. Although styrenics only account for a small proportion of household waste, we started investing in recycling early on. We are working with leading technology partners as we see the immense potential for recycling plants on a large industrial scale.

However, this also requires a clear regulatory framework that offers the necessary investment security for all parties involved. Waste management is of particular importance here. We need clean, sorted plastic waste to be made accessible to existing and emerging recycling plants rather than being incinerated or dumped in landfills, for example. The acceptance of all innovative recycling technologies is also necessary.

REDUCING OUR ENVIRONMENTAL FOOTPRINT

Delivering circular solutions for our styrenics products helps to avoid littering, landfill, and incineration. Our styrenics solutions contribute to significant environmental savings during their life cycle due to the reduced use of fossil fuel and lower GHG emissions during recycling. This helps us to significantly reduce our GHG emissions and our use of fossil feedstock.

LIFE CYCLE ASSESSMENTS

We undertook two life cycle assessments (LCAs) of our polystyrene depolymerisation process to compare the GHG footprint of recycled polystyrene compared to fossil-based polystyrene. Initial results of the German government-funded ResolVe project and an internal GHG calculation study predict CO₂ equivalent emission savings between 37% and 50%, respectively, showing the positive impact polystyrene recycling is having not only from a circularity, but also from a GHG perspective.¹

Styrenics Circular Solutions (SCS), of which we are a founding member, also conducted a comparative LCA into three different recycling technologies: mechanical recycling, depolymerisation (monomer recycling) and dissolution. Initial results have proven to be positive, even with very conservative methodology. All three technologies confirmed significant CO₂ savings for recycled food-quality polystyrene, with mechanical recycling displaying the largest GHG savings among the three technologies investigated.

MEASURING OUR PRODUCTS' CARBON FOOTPRINT

Product carbon footprints (PCFs) measure the environmental impact of our products from cradle to gate, based on GHG emissions. It is the most established method to determine the climate impact of a material.

Over the past year, we conducted product carbon footprint calculations on some of our key products at grade level: Polystyrene (GPPS, HIPS), Terluran® (ABS), Styrolux® and Styroflex® (SBC), Luran® (SAN), Luran® S (ASA) and NAS® (SMMA). Our advanced on-site data monitoring has allowed us to model our process inputs, outputs, energies, and wastes and turn all of this into corresponding values for GHG emissions. This approach helps us to assess the benefits of eco-sourcing strategies to deliver circular, low-carbon products.

The assessments of our depolymerisation process show a GHG reduction of 24% to 49% compared to conventional production depending on the type of polymer produced.

The assessments of our bio-attribution process show a GHG reduction of 85% to over 100% compared to conventional production depending on the type of polymer produced. Savings of over 100% is possible because of bio feedstock originating from plant material. Plants sequester carbon from the atmosphere enabling it to be "locked" within the naphtha. The amount of carbon "locked" is greater than the production processes and other feedstocks creating a negative PCF.

All our PCFs comply with ISO 14040 and have been independently verified by Ethos Research and/ or by Scientific Certification Systems (SCS Global Services) as part of the RSB audits of our sites. Our PCF data can be used by our customers to calculate the PCF of their applications and help them achieve their ambitious sustainability targets.

We are confident that this study shows the huge potential of these recycling technologies in the styrenics industry's transition to a circular economy. We will continue to investigate technologies as they mature and scale to ensure we are following the right approaches and keeping the industry aware of our activities.

These calculations were supported with input data from our recycling partners (Indaver) and have been validated by Ethos research (Manchester, UK). All assumptions, models and mass balances have been verified as correct and conservative.

1 Both these studies rely on assumptions and the best available data and are thus open to some inaccuracy, yet we believe directionally the results are robust and plan to continuously improve the data used as basis for our assessments.

POLYSTYRENE: THE BEST PRODUCT FOR FOOD-CONTACT SOLUTIONS

Polystyrene is not only a versatile, aesthetic, and durable material, it is also one of the most recyclable polymers. It is one of the best sortable plastics in the waste stream, its barrier properties block possible contaminants, and its ideal ceiling temperature allows it to be depolymerised.

Message from

Shaping the future with

Managing

sustainable styrenics

our CEO & Board

These unique properties allow it to be recycled using several different technologies from mechanical recycling and dissolution to advanced recycling methods such as depolymerisation, pyrolysis and gasification. Each of these technologies offer recycled polystyrene matching the same high quality as its fossil-based equivalents with no sacrifice in properties, thus enabling food-contact applications and nearly infinite recycling cycles. Therefore, we are working on different technologies in parallel to advance and scale up polystyrene recycling and offer this recycled material to our customers.

SORTING POLYSTYRENE WASTE FOR RECYCLING

The sorting of plastics waste is the essential step in the waste management of mixed plastics waste streams. Effective sorting and washing of plastics waste can divert this valuable resource from either incineration or landfill to deliver material with the required quality and specifications needed for recycling. Nearly all recycling methods require some extent of waste sorting. Polystyrene waste is already collected and sorted today, and we see new developments and sorting infrastructure being built. The fact that polystyrene is easily sortable with existing sorting technologies such as near-infrared (NIR) is a clear advantage as there is sufficient affinity with sorters for this. As sorted post-consumer waste gets increasingly valued as input for recycling plants, we are convinced that the enhanced ecological and economical value will drive further sorting of polystyrene.

We are currently in extremely positive talks with waste sorters and recyclers in order to ensure a consistent and high-quality supply of post-consumer polystyrene waste that we can recycle. Polystyrene, once collected and sorted, can be efficiently recycled, ensuring a full uptake into products as well as applications with the highest quality requirements.

With new innovative NIR technology and stateof-the-art washing, high-quality recycled polystyrene is technologically feasible, and we are currently aiming to get recycled polystyrene with a purity of greater than 99.9% out of household packaging waste. This will ensure a consistent and high-quality supply of material.

We are also working with Styrenics Circular Solutions (SCS) to create a market pull away from incineration and landfill towards gamechanging recycling solutions for styrenics by engaging with regional waste collection and sorting partners. SCS is building a close link between waste stream volumes of relevant quality and the respective high-tech recycling processes, as well as developing the market for the recycled material. Trials with technology providers at specific sorting locations have proven the excellent sortability of styrenics out of mixed plastics waste and that all kinds of styrenics can be separated. This paves the way to have this new raw material available for recycling technologies.

OFFERING OUR CUSTOMERS TAILOR-MADE RECYCLED SOLUTIONS



* This saving is based on the LCA carried out by Styrenics Circular Solutions (SCS) for HIPS. However, specific values may vary.

Recycling technologies for polystyrene

We are working on several recycling technologies in parallel. All of these technologies complement each other, and will be used depending on the quality of input waste, the requirements of the final products, and the environmental impact of each technology.



MECHANICAL RECYCLING: BREAKING IT DOWN

This method of recycling polystyrene has a comparably high technology maturity and has the lowest carbon footprint.

SCS successfully demonstrated high-purity recyclability of polystyrene via mechanical recycling, proving the viability of achieving purity levels that exceed 99.9%. With the inclusion of an additional 'super-cleaning' technology, we believe that mechanical recycling of polystyrene will have the potential to enable food-grade approval. Following its excellent challenge test results, SCS has submitted two petitions currently seeking EU authorisation from the European Food Safety Authority (EFSA) for mechanically recycled polystyrene as food contact material.

In 2021, we introduced Styrolution® PS ECO, containing 100% post-consumer recycled content, in EMEA. This material is used behind a functional barrier making it suitable for food contact applications such as XPS foam food packaging trays. The concept, which conforms with requirements under FC Regulation (EU) No 10/2011, is based on a layer of fossil-based polystyrene enclosing the recycled polystyrene.

We are providing Styrolution® PS ECO to select dairy and food packaging manufacturers. Our next step is to scale-up production to meet all our customers' demands. We are also working to get RecyClass certification of our polystyrene ECO grades in Europe.

Message from

Shaping the future with sustainable styrenics

Managing

Ensuring safe and

our CEO & Board

We also introduced Styrolution® PS ECO containing 85% recycled post-consumer content from waste electrical and electronic equipment (WEEE) in Asia-Pacific.

We are working in cooperation with blue-chip customers such as Hisense and Midea to develop post-consumer recycled materials as these offer identical mechanical properties as their fossil-based equivalent, making them an excellent drop-in solution for the household and electronics industries.

In the Americas, we are testing mechanically recycled polystyrene grades (comprising 25% recycled content) with customers and aim to commercialise this product for foodcontact applications by 2022. As a member of the American Chemistry Council's (ACC) Plastics Division, we aim to meet the ACC's goal of ensuring that 100% of our plastics packaging in the Americas is recyclable or recoverable by 2030.

DISSOLUTION: DISSOLVING PLASTIC

polystyrene by multiple washing steps including solvent extraction. This reduces or eliminates legacy additives and impurities to create a valuable source of polystyrene for construction applications.

We have signed a joint development agreement with Montreal-based technology company Polystyvert. We are currently testing different types of feedstock from industrial waste to post-consumer waste streams to produce polystyrene at Polystyvert's pilot plant and, as a next step, plan to run trials at a larger scale.

Vach 100

DEPOLYMERISATION: UNZIPPING POLYSTYRENE Depolymerisation provides us

the ability to "unzip" a polymer chain and then break it down into the individual building-block molecules. As this technology avoids multiple processing steps in comparison to fossil fuel, it uses fewer resources, resulting in a significantly lower GHG footprint. Since it is broken down to the molecular level styrene monomer, new styrenics products can be produced that match the quality and properties as with fossilbased styrene.

Through our partnership with Indaver, a leading European waste management company, we will benefit from their demo-plant for advanced recycling, where polystyrene waste will be recycled to purified styrene. Based in Antwerp, this demo-installation is expected to be operational in 2024.

We have signed a joint development agreement with Recycling Technologies to adapt its fluidised bed technology, currently used for mixed plastics, for the commercial recycling of polystyrene.

We are now working on a pilot plant, which we aim to have operational in early 2023. This additional step will minimise the risk moving from lab-scale to demonstration-scale, ensure a quicker scale-up from demonstration-scale to commercial-scale, and also give us more insight to find the best available solution to perfectly adapt to downstream operations (polymerisation). In parallel, we are also finalising the engineering studies for the demonstration plant, which will be operational in 2025-26.

Due to polystyrene waste now being collected and sorted in Belgium and France and our collaborations with providers to produce recycled styrene, we can ensure a full loop of polystyrene from waste to recycled products in both these countries.

PYROLYSIS: COLLABORATION CATALYST

Pyrolysis is a thermal cracking

process to convert plastic waste to an oil, which is often further purified and then used as feedstock in the production of base chemicals (ethylene, propylene, butadiene, benzene) for polymer production. This allows us to produce different types of styrenics materials, from polystyrene for packaging to ABS, SAN, and SMMA for various durable applications. This recycling process allows the final products to have exactly the same properties as fossil-based materials including meeting food-grade quality.

As an INEOS business, we benefit from collaboration within the INEOS group, particularly INEOS Olefins & Polymers, who have recently demonstrated the technology at commercial scale at their facility in

Cologne, Germany.

Pyrolysis of mixed waste can take advantage of the attribution approach. We are working with the International Sustainability and Carbon Certification (ISCC) to have transparent and credible processes to integrate renewable and recycled materials into our production processes.



Message from

Shaping the future with sustainable styrenics

Managing

O

our CEO & Board



BUILDING THE BEST RECYCLED ABS IN THE WORLD

ABS is a styrenics material that, due to its light weight, helps conserve energy and reduces fuel consumption in the automotive industry, reduces energy consumption by insulating buildings, and protects electronic equipment and household appliances with aesthetic and durable housings. Moreover, ABS is also entirely recyclable.

In 2019, we introduced Terluran[®] ECO, our first standard ABS grades with post-consumer recycled material. The two new grades Terluran® ECO GP-22 MR50 and Terluran[®] ECO GP-22 MR70 contain 50 and 70% of recycled postconsumer waste, respectively. We source our recycled ABS feedstock from WEEE (waste electrical and electronic equipment), which mainly comprises household appliances and tools, televisions, and computers that have reached the end of their life.

In 2021, we also introduced our specialty ABS products, Novodur[®] ECO and Novodur[®] ECO HH produced using mechanically recycled post-consumer waste. The Novodur® ECO solutions contain up to 70% recycled material, while the new Novodur® ECO HH solutions contain up to 40% recycled material.

As a key player in the market, we drive market dynamics in EMEA, Asia-Pacific and the Americas. Since its launch, we have seen a rapid growth in demand, capacity, and sales of Terluran[®] ECO in EMEA. We also introduced Terluran[®] ECO at commercial scale in Asia-Pacific in 2021. Several blue-chip companies



have evaluated the recycled material and plan to announce first applications in the market shortly.

As part of our efforts to bring high-quality recycled ABS to the market, we have identified various waste sources. This, in combination with the sorting technology and our manufacturing expertise can help us deliver a consistent, high quality of recycled materials. With our unmatched R&D expertise and unrivalled access to formulation components, we ensured that



our recycled grades match the mechanical property profile of our fossil-based ABS grades and can be used as a drop-in solution by our customers. We have signed agreements with an Austrian recycler, bage plastics, Korean recycler Samsung Resin, and Chinese recycler, GER, to source high-quality WEEE to produce Terluran® ECO with 50% and 70% recycled content. We integrate these recyclers' post-consumer recycled electrical and electronic waste into state-of-the-art recycling ABS formulations. We are now working on retail, electronics and

consumer product applications in using locally sourced post-consumer recycled ABS. RecyClass is a cross-industry initiative that advances plastic packaging recyclability and ensures traceability and transparency of recycled plastic content in Europe. RecyClass has certified the post-consumer origin of our recycled feedstock as well as the entire production process of mechanically recycled Terluran[®] ECO and Novodur[®] ECO produced at our sites in Antwerp, Belgium and Schwarzheide, Germany, respectively.

COpe

23%

. Novodur® HH-106

REDUCTION



USING RENEWABLE RESOURCES AS A RAW MATERIAL

One of the primary aims of our sustainability strategy is to reduce our use of fossil fuel feedstock as well as our GHG emissions. Together with other INEOS companies and bio-refineries, we have developed an approach that uses plant-based feedstock in our petrochemical installations. Therefore, we are now able to integrate renewable feedstock as a replacement for fossil fuel that complies with the highest sustainability criteria. This bio-attributed approach uses fewer fossil resources and has 50% to 90% lower GHG footprint (depending on the feedstock and polymers) when compared to styrene produced from fossil feedstock. This allows us to reduce fossil fuel consumption as well as save GHG emissions.

WHAT IS THE ATTRIBUTION APPROACH?

This approach allows us to mix fossil feedstock and sustainable resources (such as renewable feedstock or recycled materials) in our existing production processes. As both types of feedstock are mixed together during production, it is not possible to guarantee a dedicated concentration of sustainable feedstock in the final product. Therefore, we use a specific set of rules to track the total amount of sustainable resources used as raw material and allocate an equivalent amount to the output (or end product). This approach guarantees a solid bookkeeping system and a link between the raw material and end product, as well as requires full transparency and traceability throughout the value chain. We allocate the input of sustainable raw material to end products, considering a chain of custody, clearly identifying each process step in the chain, and considering process losses.

Our ISCC-certified supply chain



Our manufacturing sites in Altamira, Antwerp, Channahon, Cologne, Ludwigshafen, Schwarzheide and Texas City have received ISCC PLUS certification from the International Sustainability & Carbon Certification (ISCC). This means that the processing of the renewable feedstock along our entire supply chain is socially responsible, environmentally sustainable, and credibly sourced, ensuring that our operations are in line with the highest legal, environmental, social and management requirements. These certifications ensure audited production of recycling- and bio-attributed styrenics materials using a mass balance approach. We are now working to certify further production sites and plan to use this attribution approach at our sites to integrate renewable and recycled raw materials.

For our customers, this bio-attributed approach enables an easy transition from fossil

to renewables as it offers a drop-in solution. Through this approach, we reduce the carbon footprint in our customer's supply chain, and for them there is no compromise in performance, no product development necessary, no need to adapt technology and no new regulatory approvals needed.

In 2020, we launched Styrolux® ECO and Styroflex® ECO, the world's first specialty products based on bio-attributed styrene.

Message from

Shaping the future with

sustainable styrenics

Ø

our CEO & Board

Annexe (

Message from our CEO & Board members' view Our commitment to sustainability Shaping the future with sustainable styrenics Ensuring safe and resource-efficient operations

Managing our business responsibly

Annexe

Annexe

Today, both the styrene and the butadiene components in these SBC copolymer products can be manufactured from 100% bio-attributed feedstock. And, using feedstock sourced from kitchen waste and wood waste results in a neutral to even negative carbon footprint.

We also introduced Luran® ECO and NAS® ECO made using styrene produced using renewable feedstock. Both products are available with a renewable content of 60% to 80%. Our product carbon footprint (PCF) assessments show GHG savings of 77% to 99% compared to fossil-based Luran® and NAS®, depending on the amount of renewable feedstock used to produce the material.

The latest addition to our sustainable specialties portfolio is Luran® S ECO, the first bio-attributed ASA solution in the market that includes up to 50% bio-attributed content. This results in a 58% carbon footprint reduction when compared to the respective fossil-based products, depending on the selected Luran® S grade.

We also offer bio-attributed polystyrene and ABS in commercial quantities.





OUR GOAL: SUSTAINABLE PERFORMANCE FOR ALL APPLICATIONS


Annexe

RESPONSIBLE PRODUCT STEWARDSHIP

The unique chemistry and inherent properties of styrenics make it the best material for recycling into grades so pure that they can be used in food-contact applications. As a responsible corporate citizen, we take responsibility for the environmental and social impacts of our styrenics products. By bringing regulatory expertise into our projects, we ensure that our raw materials and products comply with legal requirements in all the regions and industries we serve. For example, in the food packaging industry, our products meet strict standards, including those set by the European Food Safety Authority (EFSA) and the U.S. Food and Drug Administration (FDA).

We make use of our internal and external experts to provide customer-centric regulatory support and proactively address global and product safety standards. We stay close to our customers through our network of product stewards in the regions, who also provide business development support. In addition, we have a group of global product stewards focusing on compliance, risk reduction and supporting cross company regulatory services. Our certified quality management system ensures the consistent delivery of high-quality products around the world, and in combination with regulatory affairs, assists in building and maintaining the trust of our customers. The system is based on best practices and international standards, such as ISO 9001 and ISO 14001.

The EU's recent Chemicals Strategy on Sustainability sets the long-term vision for policy on chemicals, prioritising innovation that is "safe and sustainable by design". Our Regulatory team is now working on meeting this criterion, while continuing to deliver safe, sustainable, and high-performance products.

Our Regulatory team has also been crucial in securing the sustainability of our business and creating a competitive advantage for us and our customers. The team was instrumental in the roll-out of our ECO products including food-contact grades to the market and is now looking into the required regulatory packages to support the commercialisation of further ECO products that are also RoHS*- and REACH**-compliant.

To gain a broader market overview, assess product quality and minimise risks, we also work closely with industry associations, such as PlasticsEurope, cefic, and the U.S. Styrene Information & Research Center. These partnerships help us better understand current and future regulatory developments, for instance, by giving us access to studies on feedstock and product safety.

PRECAUTIONARY PRINCIPLE

As a manufacturer committed to the long-term sustainability of our business, we manage the use of our chemicals in a responsible manner by applying the precautionary principle. This principle is an inherent part of our approach to risk assessment and risk management. We are familiar with and closely scrutinise our substances' properties, establish guidelines for safe handling and processing and will continuously review and update our criteria and guidelines for the development of new products. In all our plants, the precautionary principle is an integral component in our management of change process, requiring a documented risk assessment for all process changes.

PRODUCT RESPONSIBILITY

We constantly monitor international regulations as they develop: to anticipate requirements, improve our products and ensure compliance in all markets in which we operate. For example, in applying global inventory management, we have implemented automated tools such as the Substance Volume Tracking Tool for e.g. REACH to avoid non-compliance cases.

We make use of an eShop on our website to provide up-to-date information to our customers on product stewardship, providing a wide range of information that can be downloaded at any time to assist customers in using our products effectively and safely. We provide over 3,000 downloadable safety data sheets on our website that cover our large range of products. They are provided in up to 32 languages covering the 89 countries in which those products are sold. For customers who register on our website, around 265 regulatory documents are available for download, including statements on food contact, RoHS, REACH, and SVHC***.

Concerning "conflict minerals" as defined by the Securities and Exchange Commission (SEC), i.e. cassiterite (containing tin), columbitetantalite (containing tantalum), wolframite (containing tungsten), gold and their derivatives, these have not been intentionally added as ingredients in the manufacture of our products and, to the best of our knowledge, are not known to be present in the final products.

In 2021, INEOS Styrolution has not identified any non-compliances with regulations in connection with the health and safety impacts of its products and services.

* RoHS: Restriction of Hazardous Substances Directive

- ** REACH: EU regulation on Registration, Evaluation,
- Authorisation and Restriction of Chemicals
- *** SVHC: Substance of very high concern

ENSURING SAFE AND RESOURCE EFFICIENT OPERATIONS

A. BRÜCKL

Shaping the future with sustainable styrenics

Message fron our CEO & Board members' viev

our people

Managing our business responsibly

Annexe 🤇 🙆

UPHOLDING SAFETY AS OUR CORE VALUE > REDUCING OUR ENVIRONMENTAL FOOTPRINT > Our commitment to sustainability

Message from our CEO & Board

Shaping the future with sustainable styrenics

Ensuring safe and resource-efficient operations

 \bigcirc

Valuing our people

Managing our business responsibly

Annexe

UPHOLDING SAFETY **AS OUR CORE VALUE**

People – our employees, contractors and on-site logistics personnel are our most valuable asset, which is why workplace safety is and remains our core value. For us, incident-free operation is our objective.

OUR APPROACH

INEOS Styrolution is convinced that being a market leader goes hand-in-hand with an outstanding safety record and that all accidents are preventable. We take our responsibility for safety, health, and environment (SHE) very seriously and are fully committed to delivering a continually improving performance across all our operations.

Our commitment to safety starts at the top, with the management board being responsible for our safety performance. At the same time, it is the responsibility of everyone at INEOS Styrolution to ensure the highest standards of safety and health in everything that we do every day.

We have established a SHE culture of open dialogue, coaching and trust that reinforces our SHE performance. We aim to minimise the impact our facilities have on local communities and local environments. This means working in close partnership with community groups and key stakeholders to ensure that we are a responsible neighbour and partner.

We strive to meet, and where feasible, exceed strict safety and health performance targets. We are transparent about our performance and publish our results locally and nationally, as required. According to our materiality analysis conducted in 2021, out of all 21 key topics, health and safety was rated as being of highest importance to our internal and external stakeholders.

Our SHE structure



Message from our CEO & Board Shaping the future with

SHE STRUCTURE AND PROCESS

We have an established SHE structure that is tightly integrated with our operations. Our President of Operations directs global company SHE improvements and processes through a team of global and regional SHE experts. This Global team coordinates, advises, audits, reports and tracks operational SHE performance of the sites, supply chain and offices. All sites have a team of local SHE experts that implement SHE improvement efforts and processes, manage day to day SHE activities, train employees and contractors on SHE-related topics, and monitor compliance to company and local authority requirements.

Our global SHE Excellence programme was established to ensure high SHE standards and management systems. INEOS Group's SHE principles, Group operations guidelines and

life-saving rules are the foundation of our Excellence programme. This programme outlines the processes we follow to ensure the necessary SHE elements are in-place outlines the processes we follow to ensure the necessary SHE elements are in-place across our operations.



OUR SAFETY PRINCIPLES

We focus our attention on safety in the processes we apply and the behaviours we expect. In alignment with all other INEOS Group businesses, we follow key process safety and behavioural



safety principles that have become our <u>20 Principles</u>. These 20 principles form the foundation of our SHE Excellence programme, and define what is expected of all our employees, contractors, and businesses on a day-to-day basis.

In following the Process Safety Principles, we ensure our operations implement risk assessment for process safety with the proper asset design, appropriate safeguards, process hazard analysis safe operating limits, management of change, asset maintenance and inspections, pre-start-up safety checks and emergency planning. The Behavioural Safety Principles ensure risk assessment and risk mitigation measures for occupational safety are embedded in our operating facilities. These measures include SHE policy, incident reporting, incident investigation, requirements for training, contractor assessments, personal protective equipment (PPE), behavioural-based safety observations, job safety analyses, isolation of process equipment, energy isolation, work authorisation and standards operating procedures.

Regular training activities, auditing, and the exchange of best practices across all regions and sites keep safety at the forefront of operations. We utilise a rigorous internal 20 Principles audit protocol to ensure our sites continue the journey of SHE Excellence. These audit processes take place according to a rolling three-year schedule for all sites. After two audit cycles, we increase the rigour of our internal standards by adapting the protocol to ensure that best practices identified during past audit cycles are now the normal standard of today's protocol. Audits are led by trained members within our Operational Leadership team, accompanied by an Internal Audit team knowledgeable in SHE and the operational aspects of our business. During such audits, findings related to serious deviations are resolved by immediate corrective actions. In 2021, our 10 Process Safety Principles audit protocol was used to perform assessments for all our sites. Findings related to noted deviations are integrated into the site's annual SHE improvement plans.

ADDRESSING THE UN SDGs



We ensure the health and safety of our entire workforce as well as our contractors.

Message from our CEO & Board members' view Our commitment to sustainability Shaping the future with sustainable styrenics

resource-efficient

operations

O

Managing our business responsibly

Annexe

OUR PERFORMANCE

KEY HIGHLIGHTS

• Total case injury rate (TCIR) of 0.18 compared to an overall target of 0.24 (for employees as well as contractors)

SUSTAINABILITY TARGETS

- Target annual total case injury rate (TCIR) of 0.24 for 2022
- Conduct 20 Principles audits for all our sites
- Develop new critical safety guidelines
- Implement programme to mitigate events with serious injuries and fatality (SIF) potential

We strive for improvement of our safety performance. An example of this has been the recent development and implementation of INEOS Styrolution Guide Notes. These standards provide consistent guidance for workers in our facilities to appropriately assess risks and utilise best practices to focus on prevention of our most common incidents. The guidelines specify mandatory compliance with elements that will eliminate such risks.

These include the following focus areas:



SHE EXCELLENCE AWARDS

We established the SHE Excellence awards in 2018 to reward sites and offices that have made significant contributions to sustainable safety, health, and environmental compliance. In 2021, the regional SHE Excellence award winners for Asia-Pacific, EMEA, and the Americas were our manufacturing sites in Yeosu, Cologne, and Decatur. Out of these three, Yeosu was recognised as the global winner of the SHE Excellence award.

TRAINING ON HEALTH & SAFETY

Our sites have job specific health and safety training programmes established for employees and contractors. Such trainings are provided in various local languages and include effectiveness testing. We audit site training programmes to ensure staff always work within the limit of their competency and training.

There was a 20% increase in training hours in 2021.



102235



INJURIES, OCCUPATIONAL DISEASES, LOST DAYS AND WORK-RELATED FATALITIES

INEOS Styrolution reports all safety matters to its management board on a monthly basis. In terms of key parameters, we focus on personal injuries, environmental performance, non-compliance with regulations, asset integrity, loss of containment, technical inspections, other high-potential incidents or near misses and behavioural-based safety observations (BBSOs). In 2021, 100% of our locations had safety committees comprising both management and wage employees.

Last year, we saw a slight decrease in indicators regarding our overall safety performance. The number of injuries that resulted in employees or contractors having OSHA recordable cases decreased as indicated in the total case injury rate (TCIR) of 0.18 compared to 0.19 in 2020. The number of injury cases that resulted in employees and contractors being away from work for one or more days remained also decreased, as reflected in the lost time injury rate (LTIR) of 0.08 compared to 0.10 in 2020.

The DART rate measures how many workplace injuries and illnesses require employees to miss work, perform restricted work activities or transfer to another job within a calendar year. DART focuses on more severe injuries and illness that may result in life-changing events. We had a decrease in our DART rate of 0.11 compared to 0.15 in 2020.

LOSS OF CONTAINMENT

We are required to report any loss of containment (LOC) events that occur at our production sites that are above release thresholds equal to 1/10th the U.S. EPA reportable quantity (RQ) threshold, as a process safety and environmental impact indicator. Our performance indicates that we experienced 11 such release events in 2020.

As an effort to further reduce chemical releases, we now require all sites to track and report all chemical leaks that are less than the LOC threshold defined above. This is a developing internal metric across our operations.

TRANSPORTATION AND DISTRIBUTION SAFETY

In the interest of improving transportation and distribution safety (TDS), we monitor and track logistics safety incidents involving our products and raw materials. Most of these occurrences are the responsibility of our carriers. However, we understand that our selection of carriers that demonstrate high performance in SHE provides reliable material delivery to our operations and customers, as well as ensures public safety in the communities where we do business. Major transportation incidents are reported according to the following criteria.

Message from our CEO & Board members' view * Shaping the future with \bigcirc Ensuring safe and resource-efficient operations 202 our people Managing

Annexe

Performance trend 0.20 TCIR 0.19 0.18 0.15 0.11 0.11 0.10 0.08 0.06 0.06 LTIR 0.06 2019 2021 2018 2020

LOC data by number or occurrences across global business since 2017

YEAR	LOSS OF CONTAINMENT (LOC)
2017	6
2018	5
2019	8
2020	4
2021	11



Transportation & distribution safety

INCIDENT TYPE	CRITERIA
Injury incident	Death or >3 days absence from work
Spillage/ leakage	> 50 kg ADR transport category 0 & 1
	> 333 kg ADR transport category 2
	> 1,000 kg ADR transport category 3 & 4
Property damage	> 50,000 euros
Public disruption	Impact of more than 1 hour
Media coverage	National media coverage
Property damage Public disruption Media coverage	 > 333 kg ADR transport category 2 > 1,000 kg ADR transport category 3 & 4 > 50,000 euros Impact of more than 1 hour National media coverage



- TCIR Total case injury rate per 200,000 work hours (includes employees and contractors)
- LTIR Lost time injury rate per 200,000 work hours (includes employees and contractors)
- DART Rate of injury cases involving days away or restricted transfer per 200,000 work hours (includes employees and contractors)
- Severity Reflects the number of days away from work rate per 200,000 work hours (includes employees and contractors)

members' view Our commitment to sustainability

Message from our CEO & Board

Shaping the future with sustainable styrenics

Ensuring safe and resource-efficient operations

O

Valuing our people

Managing our business responsibly

Annexe

REDUCING OUR

ENVIRONMENTAL FOOTPRINT

Operating responsibly is embedded in our corporate values. We are committed to using resources efficiently and safeguarding the environment.

OUR APPROACH

As a leading manufacturer for polystyrene, ABS, and styrenics specialities globally, we aim to use available resources efficiently and reduce our environmental footprint.

Complete compliance with local and national environmental legislation is mandatory for our operations. We strive to continually improve our operations as well as our sustainability performance by following the key drivers of our environmental policy:

- Reduction in energy use and greenhouse gas (GHG) emissions: Striving to continually optimise the energy efficiency of our technology and operations
- Resource efficiency, including scrap reduction and waste management: Efficiently using raw materials, including

reuse, recycling, and recovery through optimisation of our processes

- Efficient use of water: Reducing the use of water where possible and optimising the water efficiency of our operations
- Reduction of air emissions and wastewater discharge: Evaluating best available technology and prevention of accidental emissions through advanced process control
- **Prevention of pellet loss:** Avoid the spillage of pellets into the environment through preventative and mitigation measures as well as monitoring at our production sites and during transportation
- Transparency and open communication on our environmental performance with stakeholders (personnel, customers, authorities, communities)

To monitor the evolution of our environmental performance, we have integrated key performance indicators (KPIs) on energy and water use, material yield, waste management and air emissions into our business and site procedures. Complying with required regulations, especially for waste and air emissions, is part of our SHE Excellence programme and managed by our site, regional and global SHE representatives. This includes reporting of data, investigation of environmental incidents, risk assessments, defining and review of processes as well as internal and external ISO audits.

As part of the INEOS Group, we have completed the CDP climate change and water guestionnaires to gain external validation for our initiatives. All INEOS Styrolution sites are ISO 14001 certified with a series of recertification audits occurring every year. Some synergies were realised by combining ISO 14001 and ISO 9001 surveillance audits. Extension of energy management system (EMS) to North American sites is in development stages. Environmental topics are part of our Risk & Control audit programme and include testing on compliance evaluations, soil investigations or remediation, and environmental control measures. In addition, all our sites have programmes to ensure open communication with the local communities.

Our global sustainability data is collected on an annual basis, in accordance with the GRI Standards disclosures and in compliance with local and national legislation. The sustainability data from our manufacturing sites are consolidated by SHE, energy, technology, and sustainability managers and validated at site, regional and global levels. As part of our goal to continually improve our operational and sustainability performance, we combine our site expertise with our global technology team, exchanging and developing the best available process and technology solutions.

The recently completed EBSM expansion in Antwerp was started up in late 2020 and was fully operational during 2021. The ABS conversion project in Wingles, France, was completed in early 2021 with start-up shortly thereafter. Construction of the new ABS site in Ningbo, China and the ASA plant in Texas, USA continued with start-up of both expected in 2023. While new builds do not change INEOS Styrolution's baseline performance, these would contribute to the company's environmental impact once in operation. Hence, the effect of such expansions are always considered in improving our environmental performance, especially in our 2030 GHG emissions reduction roadmap.

MATERIALITY ASSESSMENT

The input of internal and external stakeholders in our recent materiality matrix helped us to prioritise our sustainability topics so that it responds to our stakeholders' needs and expectations. In this assessment, low-carbon economy, emissions, energy, water, wastewater and waste, and marine litter and pellet loss were rated as having an impact by us and of significance to our stakeholders. our CEO & Board

Message from

Shaping the future with

Ensuring safe and resource-efficient operations

Managing

K N

O

KEY HIGHLIGHTS • Global strategy to reduce GHG

OUR PERFORMANCE

- emissions by 2030 developed • 12.3% reduction in specific GHG
- emissions since 2014
- Audits for bio-attributed offerings conducted in Antwerp

SUSTAINABILITY TARGETS

• Achieve net zero emissions by 2050 • Reach milestone of reduced scope 1 and 2 GHG emissions by 45% (compared to 2019) by 2030

• Conduct third-party assessment at Wingles in 2023

ENVIRONMENTAL DATA

BOUNDARY

The following data represents the summary of the environmental impact, measured at all INEOS Styrolution assets and legal entities of our 20 production sites worldwide. This covers the consumption and emissions from activities and utilities that we source from third parties but excludes emissions from raw materials.

SCOPE

The performance data refers to the net impact of INEOS Styrolution's production activities, including emissions and consumption of resources. Performance data related to activities provided to non-INEOS Styrolution plants as well as all non-production sites (offices, warehouses, etc.) are excluded from this report.

We have retained the same scope since the start of environmental data collection in 2014, with the exception of new plants being added.

METHOD AND ACCURACY

Water, wastewater, waste, and energy usage is predominantly based on conducted measurements. In the cases where accurate measurements were not possible, estimates and assumptions have been made.

For air emissions from combustion gases (NOx and SO₂), our measurements and estimates comply with local legal requirements for monitoring and reporting. As measuring equipment is not available at all sites, we used an accuracy limit of +/-3% for measuring, monitoring and collection of data for emissions and consumption.

ADDRESSING THE UN SDGs



We ensure resourceefficient production and use of our products.



We are shifting to a low-carbon economy and are taking action to combat climate change and its impacts.



We are undertaking efforts globally to eliminate marine litter and pellet loss in our operations as well as in our value chain.

RESOURCE EFFICIENCY

Message from our CEO & Board

Shaping the future with

Ensuring safe and resource-efficient operations

Managing

Ø

Resource efficiency is central to our business and fundamental to operational excellence as it relates to reliable operations. It is a driver for many improvement initiatives and capital expenditures as well as in daily work at production sites. It is internally reported and reviewed by our management team.

Material yield is an indicator for our resource efficiency performance. Raw material yield is defined as polymer or monomer produced per unit of raw material used. Our yield definition excludes low value by-products and waste streams, which however are also mostly further reused, recycled, or recovered.

DISCUSSION OF DATA

The diagram illustrates the development of the material yield for our polymers and for our ethylbenzene styrene monomer (EBSM) plants. The yield for both polymers and monomers decreased in 2021 primarily due to repeated start-ups and shutdowns. Monomer yield is lower than polymer yield, as more by-products are formed in the EBSM production process.

Resource efficiency: material yield [%]







WASTE REDUCTION

Message from

Shaping the future with

Ensuring safe and

resource-efficient

Managing

operations

our CEO & Board

We define waste in accordance with international standards, as defined by national legislation and in compliance with all local waste management regulations. Waste management starts with efficient use of raw materials and the avoidance of waste generation where possible. When waste is produced, recycling is considered first, followed by energy recovery, and incineration or landfill as the last option.

Although waste is avoided by optimised operations and the reuse of side streams at neighbouring plants or sites, the amount generated is still relevant. Our conscious waste management including appropriate storage, handling and disposal are additional measures that we take to mitigate waste. Waste accumulation can vary depending on the chemical processes and the presence of on-site utilities such as wastewater treatment plants. The goal is to reduce landfill waste by exploring opportunities to recycle and reuse. In addition, we strive to reduce the overall amount of waste related to production.

Demolition and Asset Care project waste is segregated from general plant waste as these are project-related and not part of our daily operations. To reduce risk and increase safety, sites are working to remove redundant assets from our facilities. This work continued in 2021 at a slightly lower rate, thus less project waste than 2020, with completion of removal expected in 2023.

DISCUSSION OF DATA

Historical data has been updated which includes improved methodology in accounting for the actual weight of municipal waste generated in one of our sites. Specific waste generation increased mainly due to the increase in polymers production (increase in more waste-intensive specialties and commodities compared to polystyrene) and having the wastewater from Sarnia, Canada, trucked off-site for treatment before discharge. Since 2014, our sites in Asia have reduced their specific waste by 37 %.

Currently, 40% of overall waste is sent to recycling and recovery while 13% is sent to landfill. From 2014 to 2021, landfill waste has been reduced by 54%, with recycled and recovered increased by 57%. Another key waste indicator is the distribution between hazardous and non-hazardous waste: in 2021, 34% of our waste was from hazardous waste and 66% from non-hazardous waste. Hazardous waste, which requires special handling, disposal, and storage measures, increased by 56% compared to 2020 mainly due to the wastewater from Sarnia, Canada that was trucked off-site for treatment.

Total specific waste from our polymer and monomer sites, excluding project waste, increased by 30% compared to 2014. The main sources of production waste for polymers are process waste from ABS rubber production and sludge from wastewater treatment plants. The main source of waste in EBSM production is exported wastewater.

Specific waste (kg/tonne produced)	2014	2019	2020	2021
Operations	2.72	2.69	3.00	3.92
Projects	0.80	0.69	0.97	0.74
Sludge	2.42	2.23*	2.13	2.17
Municipal	0.67	0.52*	1.03*	1.05
Other	0.07	0.83*	0.30	0.50
Recycling & recovery	2.14	2.48	2.90	3.37
Incineration	1.97	2.22*	2.13*	3.42
Landfill	2.37	1.62*	2.25	1.08
Other	0.05	0.63	0.14	0.51
Hazardous waste	2.04	2.23	1.82	2.85
Non-hazardous waste	4.50	4.72*	5.60 [*]	5.53

Specific waste excluding project waste [kg/tonne produced]



2019 is the baseline year for the INEOS Group *This metric has been updated to reflect information received subsequent to the publication of the 2020 Sustainability Report.

ENERGY EFFICIENCY

Message from

Shaping the future with

Ensuring safe and

resource-efficient

operations

Ø

our CEO & Board

Energy usage is integral to resource efficiency efforts and a driver for several capital expenditure projects. Since the establishment of the company in 2011, several energy reduction projects have been installed and the 2022-2027 capital plan identifies additional opportunities to improve energy efficiency. Energy management systems have been implemented to measure, monitor, internally report, and evaluate the use of energy.

Energy reporting at our 20 sites involves fossil fuels, electricity, steam, and production by-products. The energy usage can vary annually depending on site-specific conditions such as turnarounds and the type of chemical process.

DISCUSSION OF DATA

Historical data has been updated to include the amount of process off-gas generated and recuperated within our EBSM plants. In 2021, 54% of our energy use was from fossil fuels, 36% from steam and 10% from electricity. In general, steam and fossil fuels are mainly used by EBSM plants, whereas extruders at polymer production sites use a higher quantity of electricity.

Compared to 2019, (INEOS Group baseline year), polymers production sites decreased specific energy use by 3%. The four EBSM plants represent approximately 80% of global energy usage. This is a direct result of the different thermodynamics of EBSM processes compared to polymer processes. Specific energy consumption at the EBSM sites increased 9% in 2021 compared to 2019. INEOS Styrolution's overall specific energy consumption for 2021 has decreased by 4% compared to 2014 and 5% compared to 2019 INEOS baseline.



2019 is the baseline year for the INEOS Group *This metric has been updated to reflect information received subsequent to the publication of the 2020 Sustainability Report.

GREENHOUSE GAS EMISSIONS

Message from

our CEO & Board

members' view

Shaping the future with

Ensuring safe and

resource-efficient

Managing

operations

In concert with INEOS, we have set a goal to achieve net zero emissions by 2050, with an expected intermediary milestone of 45% reduction on scope 1 and 2 emissions by 2030, compared to 2019 baseline. A GHG reduction roadmap was created to document energy and GHG reduction projects and the associated emission reductions. This is done together with the INEOS Carbon & Energy Network which allows cooperation within INEOS businesses for energy efficiency projects as well as the sharing of innovative ideas.

Specific GHG emissions are based on ratio of absolute GHG emissions to production volume. The calculation of this intensity metric covers scope 1 and 2 CO₂ emissions as defined in the Greenhouse Gas Protocol. Included in our scope 1 emissions are direct emissions from fossil fuel consumption at our sites, CO₂ equivalents from N₂O (nitrous oxide) and CH₄ (methane), and also emissions from refrigerants such as HFC (hydrofluorocarbons) and PFC (perfluorocarbons). Scope 2 includes indirect CO₂ emissions related to sourced electricity and utilities such as steam. Emissions related to exported utilities are deducted from the gross emissions.

 CO_2 emissions are evaluated either based on CO_2 conversion factors or calculated based on the carbon content in fuels. The used conversion factors are either given by energy suppliers, national/regional authorities or taken from global warming potentials as stated in international standards such as the Intergovernmental Panel on Climate Change (IPCC).

Greenhouse gas emissions [Millions of metric tonnes of CO2e]



2019 is the baseline year for the INEOS Group <a>Excludes emissions associated with the steam sold to 3rd parties

INEOS Styrolution's emissions inventories are audited and verified in different ways:

As part of our global SHE Excellence programme, an independent contractor conducts routine environmental regulatory compliance audits which assesses accuracy of emissions reporting. Additionally, a certification body for ISO standards, including the ISO 14001 standard, and assessor of GHG emissions inventories, performs audits of our corporate sustainability and emissions reporting processes.

In addition to third-party audits, our global sustainability programme includes multiple levels (site, regional and global) of emissions review and validation to ensure accurate reporting. In 2021, an in-depth third-party audit by KPMG, reviewed both current and past GHG emission data as well as other metrics related to sustainability.

Regulatory compliance programmes including emission reporting are also audited and validated by local, state, and federal regulatory agencies. Both on-site/ field and electronic regulatory compliance audits are conducted routinely by state and local governments.

Specific greenhouse gas emissions [kg/tonne produced]



*This metric has been updated to reflect information received subsequent to the publication of the 2020 Sustainability Report.

DISCUSSION OF DATA

Message from

Shaping the future with

Ensuring safe and resource-efficient operations Ø

our CEO & Board

Historical GHG emissions intensities have been updated to correct the steam emission factor used in one of our sites. In 2021, 42% of our total GHG emissions are attributable to scope 1 emissions and 58% to scope 2 emissions. Although only 10% of energy consumption was electricity-based, electricity-based emissions amount to nearly 19% of GHG emissions. The key factor for the high ratio of GHG to energy for electricity is the highly variable CO_2 conversion factors provided by the electricity supplier. The accessibility and availability of energy sources, especially renewable energies, can be nationally and regionally limited. Increasing the share of renewables in our electricity mix to reduce the carbon impact of this energy source will be subject to further follow-up.

In absolute terms, 2021 GHG emissions were reduced by 6% compared to our baseline year of 2014 and 11% compared to INEOS baseline year of 2019. GHG emission intensity at polymers sites continued a decreasing trend since 2014 with 16% reduction, in part due to the increased

portion of green electricity used by the sites. Monomer sites have been experiencing longer term maintenance issues which are affecting the energy input into the units, thus increasing the GHG emissions as well. Monomer GHG emission intensity has slightly increased in 2021 by 2% compared to 2014.

As part of the ten-year agreements of INEOS with ENGIE and RWE in Belgium, our Antwerp site has already been running on 100% green electricity since January 2021. This reduces our absolute GHG emissions by 3% compared to 2019 baseline. Combined with the energy efficiency of the recently implemented expansion project, the specific GHG emissions of Antwerp EBSM plant decreased by 11% compared to 2020. Cologne, Ludwigshafen and Schwarzheide switched to green power as of January 2022, with additional sites to come as part of the GHG emission reduction roadmap.



WATER USE

.33,

1.98*

1.50

We report on process and cooling water usage, relating to the efficiency of processes. Process water directly contacts product and can be reused or sent to either on-site or off-site wastewater treatment facility. Cooling water does not directly contact the products, therefore no organic contamination occurs. In case of a separate discharge point, it can be routed back directly to a river or sea, without further treatment by a wastewater facility. Regardless of regional differences, the use and discharge of process and cooling water are monitored by quantity and quality.

INEOS Styrolution utilises two main types of cooling water systems; semi-open and closed. The choice of system is based upon access to surface water and the ability to return heated water to that surface water system. Semi-open systems are dependent upon the temperature of the incoming water and can lose efficiency in hot temperatures.

The use of closed cooling systems requires low make-up water in the cooler months, but there can be high evaporative losses in periods of high temperatures. Process water use fluctuates much less due to meteorological circumstances and is rather linked to stable and reliable operations.

The figures indicate the breakdown of data on total water use in cooling water and process water as well as wastewater discharge. Compared to 2020, specific water use excluding cooling water increased by 3%. This is 6% less than the 2014 baseline usage.

Water withdrawal excluding cooling water [m³/tonne produced]

34*

1.65*

1.24

2019

0

1.46

2021

1.97

1.51

2020



2021 water usage by source excluding cooling water

2019 is the baseline year for the INEOS Group *This metric has been updated to reflect information received subsequent to the publication of the 2020 Sustainability Report.



Ø

Message from

Shaping the future with

Ensuring safe and resource-efficient operations

Managing

our CEO & Board

DISCUSSION OF DATA

Message from

Shaping the future with

Ensuring safe and

resource-efficient

operations

Ø

our CEO & Board

Historical data has been updated to recategorise a part of process water that was previously accounted for as cooling water in one of the polymer sites. Water used for production purposes is drawn from different sources, such as surface water and wells. It can also be imported from neighbouring sites, which has a different environmental impact. Only 4% of total process water consumption comes from ground water, which is the least favoured source.

Reporting the total volume of our water use subdivided by source contributes to our understanding of its overall impact and evolution. Compared to 2020, the share of surface water (our primary source of water use) decreased by 2% and public water increased by 3%. The water imported by steam condensate decreased by 2%. The usage of steam condensate can vary at sites, depending on the required import and export to other facilities.

In general, polymer production sites use more process water than monomer production sites primarily for pellet transport and cooling applications. In addition, polymer portfolio shift towards high-quality specialties, such as medical applications require higher water consumption. INEOS Styrolution's 2021 specific water use increased primarily due to the correction in reporting of boiler feed water at one of our sites, which was not disclosed in our previous report. This resulted in an overall increase of 5% in the reported usage of the polymer sites when compared to 2020.

Specific usage [m³/tonne produced]	2014	2019	2020	2021
Water withdrawal including cooling water				
Total	13.44	12.37	12.87	14.37
Process water* withdrawal by source				
Total	1.98	1.65	1.79	1.85
Ground water	0.06	0.05	0.06	0.07
Surface water	1.46	1.28	1.40	1.37
Public water	0.08	0.10	0.09	0.15
Steam/ condensate	0.37	0.22	0.26	0.26
Process water* discharge by destination				
Total	2.15	1.64	1.84	1.80
External waste water treatment	1.60	1.41	1.41	1.37
On site waste water treatment	0.55	0.43	0.43	0.43

* Process water excludes the volumes of cooling water, since cooling water is not in direct contact with chemicals and can be re-directed to source



WASTEWATER

Message from

Shaping the future with

Ensuring safe and

resource-efficient

Managing

operations

Ø

our CEO & Board

The amount and quality of water discharged by our sites is directly linked to both ecological impact and operational costs. Efficient treatment of emissions and reduction of wastewater discharge mitigates impact on rivers and local habitats. We aim to further reduce our environmental impact through improved efficiency of water use within sites leading to a reduction of wastewater discharged.

All production sites have wastewater treatment (WWT) plants on-site or send their wastewater to an external wastewater treatment facility. Several measures, such as closed-loop water systems to reuse the water for cleaning purposes or as cooling water, as well as procedures to reuse process water or condensate at neighbouring production plants, are in place or in progress. Process sedimentation basins, filters, as well as flotation units help in preventing solids from entering wastewater treatment facilities.

Due to water scarcity in India, effluent from the wastewater treatment is used for irrigation on site. Wastewater is a key indicator and part of local and national reporting at each production facility. Compliance with local requirements is actively monitored and anticipated, led by SHE managers onsite as well as regional SHE managers. All process wastewater as well as contaminated cooling water are included in the reported scheme. After internal or external treatment in wastewater treatment facilities, the water is directly discharged to surface water.

DISCUSSION OF DATA

Globally, 24% of our total wastewater is treated on site and 76% of our total wastewater is sent to a third-party wastewater treatment facility. Compared to 2020, overall specific wastewater decreased by 2%. In general, polymer production sites discharge more wastewater than monomer production sites.

However, due to large EBSM turnarounds in 2020 and 2021, wastewater discharge by monomer production sites increased by 32% compared to non-turnaround year of 2019. Comparing 2021 to 2014, a 17% reduction in our wastewater discharge was achieved. To comply with the new and stricter regulations on discharge quality, we have recently completed a wastewater treatment project at Ulsan, South Korea. The project managed to go beyond legal requirements with styrene below detectable limits in water discharge.



AIR EMISSIONS

Air emission management is of high significance to industry's environmental management. It ensures that the air quality in the neighbourhood remains suitable and that the impact on nearby habitats and atmosphere is limited. Air emissions are therefore highly regulated and part of the technical handling, advanced monitoring, and reporting, and are subject to continual improvement.

Air emissions from manufacturing such as volatile organic compounds (VOC) and combustion gases (NOx, SO₂, CO and dust) are monitored at each site according to local legislation. We treat air emissions from production sites with methods such as condensation, filtration, absorption, or incineration, in line with national and local legislation requirements. The results are reviewed and evaluated for further optimisation. Diffuse air emissions in operations are monitored via leak detection and repair (LDAR) procedures.

DISCUSSION OF DATA

The air emissions of NOx, CO, SO₂ and dust are related to the combustion of fossil fuel and waste. Compared to 2020, NOx emissions decreased by 11%, with reductions in both monomers and polymers. VOC emissions decreased by 2% in 2021 compared to 2020 with the majority of the reduction in polymers.

2021 air emissions by share



Message from

Shaping the future with

Ensuring safe and

resource-efficient

Managing

operations

O

our CEO & Board

Message from our CEO & Board members' view Our commitment to sustainability Shaping the future with sustainable styrenics Ensuring safe and resource-efficient operations

our people

Managing our business responsibly

Annexe (

PREVENTING PLASTIC PELLET LOSS WITH OPERATION CLEAN SWEEP®

Marine litter and pellet loss are a global issue and a key concern for INEOS Styrolution. The general sources for pellet loss in the environment are pellet-handling facilities such as pellet manufacturers, logistics and transportation companies, processors, compounders, suppliers, or customers.

In 2015, INEOS Styrolution joined Operation Clean Sweep[®] (OCS), the industry programme to prevent pellet loss. The foundation of OCS is built upon five action pillars: commitment, assessment, facility upgrade, awareness, and improvement.

During our implementation period, we performed a root cause analysis and defined preventive and mitigation measurements to avoid the escape of pellets from their primary containment. Potential locations for spillage can be within operations (such as packaging areas), logistics (loading and unloading areas) or warehouses.

Examples of our preventive measurements are additional covers for pelletisers, spill protections, funnels, sizing of collection tools or pipes. In case of an occasional spill, mitigation steps such as systematic clean-up by our employees, pit collections, filters in rainwater drainages and wastewater treatment facilities have been installed to prevent stray pellets leaving our sites. In case of such an incident, preventive and mitigations measurements are re-evaluated and enhanced.

To continually improve our OCS approach, we enhanced our cleaning equipment protocols, reviewed our housekeeping programme, extended Asset Care initiatives, and trained employees and contractors. In addition, supervisors performed frequent checks in high-risk areas. The importance of OCS has been communicated to our contractors and integrated where possible in their bonus malus performance measurement.

From our leadership, OCS is integrated in awareness campaigns, in internally and externally performed audits, and communicated to the supply chain to encourage and raise awareness to the OCS programme.

HIGHLIGHTS OF OUR 2021 PERFORMANCE

The following examples highlight initiatives undertaken at a regional level:

- At our sites in the EMEA, we continued our engineering study on truck blowing stations. The construction of our truck blowing station in Antwerp commenced in 2021 and was completed in the beginning of 2022. This is a significant step in preventing plastic granules from ending up to the environment during transport. Upon reviewing the effectiveness of the Antwerp installation, implementation at other sites will be investigated.
- In the Americas, we continue to enhance engagement with regional organisations to manage OCS. We have joined with the American Chemistry Council's Plastic Division and the Chemistry Industry Association of Canada to expand our efforts within our sites.
- In our supply chain: Systematic audits of our supply chain have been implemented in all regions. Hereby internal and external warehouses, tollers and transloading areas have been reviewed. Based on the results, audits may be repeated more frequently.
- In our production sites: There were some delays of implementing OCS reviews at the sites in 2020 due to COVID restrictions. However, all polymer sites within INEOS Styrolution engaged in OCS gap assessments in 2021 against an audit protocol developed to mimic Plastics Europe requirements. The sites are expected to implement the identified action items in 2022.
- We continued our engagement within the PlasticsEurope OCS task force to increase communication with governmental and non-governmental organisations on pellet loss and exchange best-practice examples. Locally in Antwerp, we participate in the Port of Antwerp OCS initiative to address and prevent pellet loss at the regional chemical hub, collaborating with all stakeholders such as manufacturers and logistics providers. Frequent exchange meetings, investments and annual waste collection events are part of our engagement.
- INEOS Styrolution will conduct first pellet loss audit at its Wingles site in 2023. This is in compliance with a new French decree requiring all pellet-producing facilities in France to be externally audited by 2023 for their pellet handling measures. The other polymer sites of INEOS Styrolution in EMEA are to be scheduled for an external audit once the OCS Certification Scheme of Plastics Europe becomes available (expected to be ready by 2023).

TRANSPORT & DISTRIBUTION

ENVIRONMENTAL FOOTPRINT

Transport and distribution are integrated into our supply chain management. To keep the environmental footprint of our products low, we reduce the impact caused by transportation. Therefore, we rely on an intermodal distribution model of trains, ships, and trucks to find the most efficient route to distribute our products.

As we have production sites worldwide, we are able to serve our customers from closer locations, which helps minimise intercontinental transport. We do not apply airfreight as a regular mode for intercontinental transport. We favour the use of rail and sea transport, rather than road-based transport and encourage our customers to order in bulk when possible, to further lower our transport footprint. In EMEA, containerised land transports, to or from the seaport being organised under the responsibility of INEOS Styrolution are, wherever it makes sense, performed by a combined truck/ rail or truck/barge transport.

We select our service providers according to a set of quality standards, such as safety, environmental friendliness, as well as adherence to social, ethical standards and technical standards of the chemical industry and the INEOS Styrolution Supplier Code of Conduct.

Euro 6/ VI is the latest and most comprehensive EU standard on the reduction of exhaust emissions from passenger and commercial vehicles. We encourage our logistics providers to always be at the highest norm (Euro 6/ VI), with tendering being undertaken regularly. Measuring our safety and environmental impact helps us optimise our performance and monitor improvements.

Therefore, we collaborate with environmentally friendly logistics partners to set and measure our environmental and safety performance, such as miles travelled, fuel consumed, GHG emissions, loss of containment as well as transport accidents and collaborate with them on reducing their carbon footprint.

In support of the Operation Clean Sweep® (OCS) initiative, we regularly audit our logistics service providers and ensure sharing of best practices to avoid any pellet loss in the environment.

TRANSPORT SAFETY

INEOS Styrolution has internal reporting criteria for distribution incidents that require detailed follow-up and reporting to our management board. This means that all transport incidents have a very high visibility and priority in the company and learnings from all transport incidents are shared within the organisation.

We also use the European Chemical Industry Council (Cefic)'s Safety & Quality Assessment System (SQAS) to evaluate the performance of our logistics service providers and chemical distributors, and thereby assure carrier competence and reduce the likelihood of incidents. SQAS assessments cover quality, safety, security, environment, and CSR. In EMEA, we are increasing the rigour of the application of the SQAS, and in Asia-Pacific, we are in the process of implementing SQAS and performing our own assessments of our logistics service providers.

In the Americas, we rolled out a logistics service provider assessment where we monitor U.S. motor carrier safety and performance data published by the Federal Motor Carrier Safety Administration via their Safety Management System (SMS) tool. The SMS is a huge database, which contains all incidents, audits, and assessment data relative to our contracted carrier fleet. It helps us spot trends and develop interventions in areas, such as driver fitness, vehicle maintenance, and unsafe driving.

We developed and are implementing an audit programme based on the Oil Companies International Marine Forum (OCIMF)'s International Safety Guide for Oil Tankers and Terminals (ISGOTT) standards. These standards evaluate internal management systems such as maintenance, training, management of change as well as a range of safety topics.

In this way, we have reached out to our marine terminal partners to continue to drive improvement in the management and safe handling of our products. The audit programme was put on hold in 2020 and 2021 due to the COVID-19 pandemic. We are resuming the audits in 2022.

We have implemented a more routine technical communication programme to help educate our customers and all of our transport partners (truck, rail, barge, tanker ships and terminals) on the safe handling of our products. We intend to help expand the understanding of safe handling of our products with everyone in our supply chain. All our sea terminals will conduct a selfassessment against these standards, which we will follow up with a validation inspection with the INEOS Marine Assurance Group.

Managing our business responsibly

Message from

Shaping the future with

Ensuring safe and

resource-efficient

operations

our CEO & Board

nnexe (



to sustainability

VALUING

OUR PEOPLE

Shaping the future with sustainable styrenics

Message fron our CEO & Board

> Ensuring safe and resource-efficient

 \bigcirc

Managing our business responsibly

Annexe (

Message from our CEO & Board Shaping the future with Ensuring safe and Valuing our people Managing

Ø

responsib

Annexe (

ENGAGING AND DEVELOPING
OUR EMPLOYEES

Our company consists of knowledgeable and high performing people that care – for our customers, for each other, for the success of the company, for society and for the environment. We aim to be sustainable in everything that we do and steer our business with the highest environmental, social and ethical standards.

OUR APPROACH

We are the leading styrenics company in the world and are a part of INEOS Group, the 4th largest chemical company worldwide. The secret of our success as a company is our people.

We would not be the global market leader today without their passion, dedication, creativity, expertise, strong team spirit, and entrepreneurial spirit.

With 20 manufacturing sites in ten countries and 24 sales offices around the world, our employees are accustomed to working with people of diverse cultural backgrounds. We truly believe in diversity and equal employment opportunities regardless of gender, age, nationality, religion, race, or cultural background.

We focus on having an inclusive approach, and involve all employees in our strategy and key development projects.

Our structure

HR projects

Vice President Human Resources

 Regional HR Director EMEA

 Regional HR Director Americas

 Regional HR Director Asia-Pacific

 Head of Global HR Controlling

 Head of Group Pensions

 Compensation & Benefits / HR projects

 Manager Training & Development / _

OUR PERFORMANCE

KEY HIGHLIGHTS

- Conducted employee survey for the entire workforce in 2021
- Launched first system-supported global succession planning cycle in 2021

SUSTAINABILITY ACTIONS

- Refresh employer branding by 2022
 Set up standardised onboarding process globally by 2022
- Roll out global payroll platform by 2024





We promote the wellbeing of our workforce through concerted efforts to improve their health and well-being.



 We offer life-long learning opportunities through training and development of our workforce.



We promote long-term employment and a good job for all employees with options for growth and development.

EMPLOYEE DEMOGRAPHICS

In 2021, INEOS Styrolution's workforce totalled 3,557 employees with 83% male and 17% female employees. Higher gender diversity is more evident in our regional headquarters and sales offices where the breakdown is, to a large extent, equal.

217

880

28



Breakdown of employees by contract type



3,557

Message from our CEO & Board

Shaping the future with

Ensuring safe and

resource-efficient

Valuing our people

Breakdown of senior management by age





This is a split based on job level:

Non-exempt: Tarifor staff (under collective bargaining agreements) at the lower end of the salary structure

- Exempt: Hay grades 15-19. They have different compensation and benefits compared to non-exempt staff and S-level executives.
- S-Level: Senior executives with Hay grades 20 and above. They have different compensation and benefits compared to nonexempt and exempt staff.

Hay grades are categorised according the Hay evaluation system for corresponding job grades used worldwide.

All the units stated in the graphics in this chapter indicate headcount.



Our commitment to sustainability

Message from

our CEO & Board

Shaping the future with sustainable styrenics

Ensuring safe and resource-efficient operations

Valuing

our people

Ø

Managing /

our business responsibly

Annexe

JOIN OUR REVOLUTION IN DEVELOPING SUSTAINABLE STYRENICS.



RECRUITING THE BEST AND BRIGHTEST

In a competitive, global industry such as ours, success hinges on our ability to attract and retain the most qualified and committed workforce.

We recruit young graduates as part of a five-year INEOS Graduate Programme offered by our parent company, which aims at developing the best commercial and engineering graduates internationally. Through this programme, young recruits are offered meaningful responsibilities, on-the-job and core skills training, a personal mentor, as well as competitive pay and benefits based on market standards.

As part of the programme, INEOS Graduates meet senior INEOS executives to discuss company strategy, growth projects and global efforts towards sustainability. They also develop their knowledge of financial management, leadership, and business strategy through interactive sessions.

GLOBAL EMPLOYEE TURNOVER

In 2021, 264 employees left INEOS Styrolution, which translates to a global employee turnover of 7.4%. The increase from 2020 to 2021 is due to a higher dynamic in international labour

Employee turnover

GLOBAL POLYMERS POLYMERS POLYMERS GLOBAL STYRENE TOTAL ASIA-PACIFIC AMERICAS MONOMER Operations 7 21 57 43 18 146 2 11 2 12 Terminations 4 31 Redundancies 2 2 6 10 Retirements 4 10 12 26 15 67 Others (incl. deceased, disabled, 1 3 2 4 10 probation period failure) 16 36 84 81 47 264 Total 7.5% 11.1% 7.5 % 7.1 % Compared to total employees in segment 6.6 % Compared to total headcount 0.4% 1.0% 2.4 % 2.3 % 1.3 % 7.4 %

markets following the COVID lockdowns in many locations. We will also continue our efforts to retain talent as well as introduce young talent to the company. In order to reduce our voluntary departures, we are working to get a better understanding of the motivations of those who resign. We have implemented processes to make exit interviews consistent across all regions and include more job levels.

IMPROVING EMPLOYEE ENGAGEMENT

We conducted our 2nd global employee survey in 2021 to assess the performance of our company together. The participation rate was 79.5%, which is well above the industry benchmark and demonstrates the willingness of our team to improve the company. One of the key findings was that our employees are still strongly committed towards their job (with an engagement index value of 76 out of 100). The survey also showed that our employees feel empowered and have a strong sense of personal responsibility for the job.

Some of the main action items that arose from the survey are to create more opportunities for professional development and improve our processes to make them more efficient. We will also increase and improve communication by the management board to employees through regular global and regional townhall meetings and engage in direct discussions with the workforce when visiting sites.



PROMOTING GOOD HEALTH AND WELL-BEING

Safety, health, and fitness are of paramount importance to our company. Therefore, we support and encourage a healthier lifestyle for our employees. Many of our production sites and offices have fitness centres within the company premises, where employees can make use of the facilities thanks to subsidised fees by the company.

O INEOS ENERGY STATION

The INEOS Energy Station, an internal online health and fitness hub, created by our parent company INEOS, provides help and expertise on training, nutrition, mental health, and general well-being for a wide range of physical abilities. The hub also promotes fitness events and fun challenges for its workforce worldwide. One of its most popular challenges is the annual INEOS Tour de France Challenge, where teams aim to complete all 21 stages of the Tour de France. Since 2019, several colleagues from our sites and offices join together virtually every year to participate in the challenge and also raise money to support local charities.

Many of our employees actively participate in the virtual fitness challenges and online courses offered by the Energy Station hub.

GLOBAL HR INFORMATION SYSTEM

Our global Human Resources Information System (HRIS), which was launched in 2018, has enabled globally aligned, transparent and professional processes around recruitment, on-boarding, compensation, learning and performance reviews.

In 2021, we implemented the first systemsupported global succession planning cycle. In 2022, we plan to build on this implementation with a target to evaluate the future potential and complete Employee Development Interviews (EDI) of 75% of mid-level and senior roles.

We plan to implement a global payroll platform with interface to our HRIS. This project kicked off in Asia-Pacific in 2021, with go-live in 2022. Further roll-outs to other regions will be started in 2022. Given the size and complexity of the programme, we plan to achieve our goal of having all countries on the new platform in the next years.

DEVELOPING OUR PEOPLE

We offer our workforce a broad portfolio of e-learning courses. In addition to mandatory training on compliance and safety health & environment (SHE) topics, we also provide courses on professional skills, language training, behaviour assessment, competency development, and soft skills.

Training Bites, our monthly webinar series, is our most popular training format. Colleagues from different departments share their expertise on specific topics. Some of the topics covered via Training Bites are: Gen-Z at the workplace, our safety culture, empowering women in the workplace, enabling a circular economy for styrenics, and cybersecurity at the workplace.

We follow local legislation with regard to renewing technical certificates for employees both at our offices as well as at our manufacturing sites. To further drive generational balance, we focus on tailor-made training and succession planning for all employees globally.

Regional management development programmes (MDPs) were conducted online in

EMEA and the Americas. We view these trainings as very important for both our company and our employees and will offer face-to-face trainings in 2022.

In 2021, 98.3% of our exempt employees reported an annual performance review with their manager. In the case annual performance reviews were not done, it was due to factors such as maternity leave, parental leave, or long-term illness. Due to the new Performance & Goals module in our global information system, Human Resources, direct managers, and upper management are capable of tracking objectives, calibration, and the progress of employees.

In addition, an employee development interview (EDI) process, run over a two-year cycle, is available for exempt employees worldwide. The employee and their manager jointly discuss skills needed to perform their work, skills that might be needed to fulfil future requirements and aspirations, and professional development steps that can be taken to enable the acquisition of those skills. As of 2021, we have used the succession planning module, which includes these interviews.

TRAINING ON GENDER SENSITIVITY AND INCLUSION

As an employer, it is very important to us to guarantee an open and inclusive culture where there is no place for discrimination or harassment. Therefore, we sensitised our employees in the EMEA and the Americas with the help of mandatory e-learning sessions on to what discrimination and harassment at the workplace is, how to avoid it and how to protect ourselves from it. We intend to offer similar trainings in Asia-Pacific as well in 2022.



OPERATIONAL CHANGE AND COLLECTIVE BARGAINING

As part of our inclusion approach, our employees have the freedom to organise and collectively bargain. We do not impair the rights of any employees included in any collective bargaining agreement or prohibit the lawful exercise of any rights guaranteed by any applicable legislation. In 2021, 61% of INEOS Styrolution's workforce was covered by collective bargaining agreements.

nembers' view Our commitment to sustainability

Message from our CEO & Board

Shaping the future with sustainable styrenics

Ensuring safe and resource-efficient operations Ø

Valuing our people

Managing our business responsibly

Annexe (

DRIVING SUSTAINABILITY
ALONG THE VALUE CHAIN

We assess the sustainability performance along the entire styrenics supply chain to ensure that our suppliers meet high sustainability standards and work with us to shift from a linear to a circular economy.

OUR APPROACH

Sustainable procurement practices are increasingly driving companies' purchasing decisions, policies, and reputation. We work with over 10,000 suppliers worldwide that provide us with raw materials, equipment as well as services, such as logistics, utilities, and IT. As a company with a global reach, we have the ability to influence the sustainability practices in our supply base and are committed to forming strategic partnerships with our top suppliers that have the most impact on our business from a risk and spend perspective. In our recent materiality assessment, sustainable procurement and eco-sourcing were assessed as being of significance to our stakeholders and of strategic importance to our business. Together with our various supply chain partners, we continue to ensure efficient and effective production planning and execution as well as filling and storing of finished and intermediate material, based on customer demand and requirements. By engaging our stakeholders on sustainability performance, we limit the risk of delivering products to the marketplace that are not in line with our values or the stated intent of our sustainability programme.





OUR SUPPLIER CODE OF CONDUCT

The cornerstone of our supply chain management is our <u>Supplier Code of</u> <u>Conduct</u>. In 2020, we worked closely with other INEOS businesses to update our Supplier Code of Conduct. The new policy defines our minimum expectations and requirements in supplier standards, including health and safety, environmental protection, labour practices and human rights, ethics, and fair business practices.

We embed our Supplier Code of Conduct in every purchase order that we create. We expect all our suppliers – at a minimum – to comply with our Supplier Code of Conduct, which provides additional details of our expectations from suppliers. We also monitor and review their performance through our own internal assessments as well as through third-party assessors.

We also adhere to external sustainable procurement initiatives such as Responsible Care, to which our parent company INEOS is a signatory since 2015. Through this Charter, we aim to drive continuous improvement in chemical product safety and stewardship throughout our supply chain.

ADDRESSING THE UN SDGs



Message from

Shaping the future with

Valuing

our people

Managing

our CEO & Board

We are shifting to a low-carbon economy and taking action to combat climate change and its impacts by reducing our greenhouse gas footprint as well as the footprint of our customers down the value chain.

efforts to avoid pellet loss.

14 UFE BELOW WATER



 We form strategic partnerships with suppliers and recyclers to drive sustainable development across our entire value chain.

We address marine litter and pellet loss by engaging with our upstream and downstream supply chain to ensure compliance with our

OUR PERFORMANCE

KEY HIGHLIGHTS

- 100% of buyers trained on sustainability in 2021
- Secured sufficient feedstock to ensure upscaling of more than 5000 tonnes of ECO products

SUSTAINABILITY TARGETS AND ACTIONS

- 100% of buyers trained on sustainability in 2022
- Ensure that all strategic suppliers* commit to our new INEOS Styrolution Supplier Code of Conduct by 2022
- Ensure access to adequate high-quality feedstock to manufacture our ECO products

ENSURING RESPONSIBLE SOURCING

Underpinning a circular economy is a circular supply chain. Therefore, we are collaborating with suppliers, waste collectors, sorters, and recycling companies, to ensure high-quality post-consumer waste for our recycled products. We want to be a trustworthy and responsible supplier to our customers and support them in becoming more sustainable.

Our ECO family of sustainable products includes materials comprising recycled postconsumer plastic waste as well as materials based on renewable feedstock.

Our mechanical recycling process focuses on blending our premium material with highquality recycled post-consumer plastic without compromising on performance. We are also working on a so-called "closed loop", in which a customer sends us their leftover waste materials via a recycler that then processes the waste materials into flakes that we can use to manufacture our ECO products.

In addition, we offer the integration of renewable feedstock as a replacement for fossil fuel. This bio-attributed approach uses fewer fossil resources and has a lower greenhouse gas (GHG) footprint when compared to styrene produced by fossil fuel. This allows us to reduce fossil fuel consumption as well as save GHG emissions. Each step of the sourcing and production process of these renewable materials is certified by the International Sustainability & Carbon Certification (ISCC).

* We have defined strategic suppliers as those that are business-critical and/ or with high spend and with a high impact on our business objectives and growth.

Message from our CEO & Board members' view Our commitment to sustainability Shaping the future with sustainable styrenics Ensuring safe and



Managing our business responsibly

Annexe (

Our sites in Antwerp, Cologne, Schwarzheide, Ludwigshafen, Altamira, Channahon, and Texas City now have ISCC certification and our sites in Antwerp and Schwarzheide have RecyClass certification.

We have harmonised and standardised the procurement processes to secure feedstock for our ECO products. We first identify the waste sources such as household waste, waste from electrical and electronic equipment (WEEE), end-of-life-vehicles, and construction waste that will deliver the feedstock that we require and select partners that can ensure a consistent supply of feedstock. We analyse material samples from potential suppliers at one of our R&D centres based on defined material criteria. If the sample passes the quality check and suitability trials, we develop a formal agreement with the supplier.

We believe that our sourcing strategy will support significant further volume growth of ECO products with recycled and renewable content. Our target is to ensure access to adequate high-quality feedstock, so that our ECO products have the same superior material performance as our conventional products including food-contact compliant grades.

With our ECO range of products, we will significantly reduce the GHG footprint – for ourselves as well as for our customers down the value chain.

To quantify the sustainability of our supply chain, we conducted detailed carbon footprint calculations of key materials such as our recycled material as well as bio-feedstock. The amount of ECO products made using recycled and bio-feedstock will be measured as a key indicator towards our 2030 roadmap.

Fuel switching

Today, a significant part of our electricity consumption is already based on renewable energy. To date, our sites in Antwerp, Cologne, Ludwigshafen, and Schwarzheide have switched their energy consumption to renewable electricity. We now plan to also move our plants in Asia-Pacific and the Americas towards the use of renewable energy. In addition, we limit the negative impact of plastics in the environment due to pellet loss by engaging with our upstream and downstream supply chain partners to have them comply with our efforts to avoid pellet loss.

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY IN OUR SUPPLY CHAIN

We continue to provide an annual training on sustainability for all our existing buyers as well as new buyers as part of their onboarding. Since 2016, we have been assessing the sustainability performance of our suppliers through our own annual assessments as well as through independent third-party assessors such as, the Dow Jones Sustainability Index (DJSI), EcoVadis, and SEDEX.

Our top suppliers, comprising companies with long-standing sustainability programmes, account for over 80% of spend volume.

As a next step, we aim to identify our strategic suppliers based on risk assessment to prioritise ones that have a relevant sustainable impact to our business and include them in our monitoring and assessment.

We have developed a sustainability dashboard, which gives us an overview of our suppliers based on sustainability criteria such as environmental protection, labour practices, ethics and fair business practices, as well as health and safety. We are able to consolidate and visualise relevant sustainability data from our suppliers and run updates on a regular basis. Through this process, we ensure a systematic sustainability screening of our suppliers, evaluate the sustainability performance of our suppliers and monitor our own sustainability performance.

Sustainability criteria are also a key part of our new e-procurement tools for sourcing and onboarding.





Message from our CEO & Board members' view Our commitment to sustainability Shaping the future with sustainable styrenics Ensuring safe and resource-efficient operations

Valuing

our people

responsibl

Managing

Annexe (

SUPPORTING THE COMMUNITIES IN WHICH WE LIVE AND WORK

We believe that resilient and thriving communities are vital to a sustainable future. We want to be an active corporate citizen to the communities in which we operate.

OUR APPROACH

A key cornerstone of our community involvement activities is our responsibility and accountability to current and future generations. We want to make a positive impact and foster a close relationship with the communities where we live and work.

We raise awareness and engage our employees to contribute to environmental activities and aim to enhance the health and well-being of young and disadvantaged children. We also aim to help inspire the next generation of scientists and engineers by promoting science, technology, engineering and mathematics (STEM) from primary schools right up to university level. Besides these initiatives, we also respond to the most pressing needs of the communities by volunteering or by providing financial assistance.

Due to the global COVID-19 pandemic in 2020 and 2021, we temporarily halted many of our regular community involvement programmes and redirected our funds and efforts to provide urgently needed support to the most vulnerable and disadvantaged members of society.

ADDRESSING THE UN SDGs



 We ensure the well-being of the people living in the communities we operate in by addressing their most pressing needs.



We support education and provide necessary infrastructure to ensure inclusive education in our local communities.

OUR PERFORMANCE

COMBATING COVID-19: CARING FOR COMMUNITIES

India saw one of the worst COVID surges in the world in April 2021 with the healthcare systems and hospitals being overwhelmed with a new wave of the pandemic. After the state health department reached out to us, we reacted immediately by helping set up two 12-bed isolation wards near our plants in Katol and Moxi. We provided medical equipment such as thermometers, blood pressure monitors, oxygen concentrators as well as disposable supplies such as disinfectants, masks, and gloves. These supplies were used to treat COVID patients before they were transferred to larger hospitals.

We also provided two local hospitals near Dahej, Nandesari, and Vadodara with ventilators, oxygen concentrators, test kits, and personal protection equipment which helped provide basic medical care to over 10,000 patients.

To help the more vulnerable and disadvantaged communities during the COVID outbreak, we distributed ration packs to 1,000 needy families near Moxi, giving them enough supplies for a month.



IMPROVING GREEN SPACES

We volunteered to support the annual Lambton wildlife tree planting near our production site in Sarnia, Canada. We planted native trees (e.g. yellow birch, black cherry, oak, hackberry, and pagoda dogwood) at the Mandaumin Woods Nature Reserve to replace ash trees impacted by invasive insects.

We support the development of green zones around our production sites in India. We created herbal patches in 10 government schools near our Nandesari and Moxi sites. This green space contains medicinal herbs and saplings like basil, curry leaves, turmeric, and tea.



Volunteers planting native trees at the Mandaumin Woods Nature Reserve near Sarnia, Canada We also developed some barren land into a green belt with more than 400 local species of trees near our plant in Moxi. At Nandesari, we transformed three debris dumps into green zones with about 200 trees and flowerbeds. This has helped to revive the ecosystem in the area and is keeping air pollution and dust in check.

ENCOURAGING YOUNG TALENT

Our American headquarters in Aurora, IL, USA, contributed donations totalling \$10,000 to two non-profit organisations – Mission Fulfilled 2030 and Project Exploration – to aid STEM mentorship and education programmes for youth within communities historically underrepresented in STEM fields.

Mission Fulfilled 2030 aims to create new opportunities for black boys to participate in future the high-tech workforce and bridge the digital divide.

Project Exploration is a science education and youth development organisation, created to address inequities in access to high-quality STEM opportunities.

By investing in today's youth, we aim to create tomorrow's high-tech talent in the fields of science, technology, engineering, and math. We participated in the Lambton County Science Fair in Sarnia, Canada, and sponsored travel for school students to the national science fair where they competed against 500 of the brightest young scientists across the country.

We also sponsor the Capstone Engineering Competition in Sarnia, Canada, where 16 teams of students from Western University present their project designs to volunteer judges, fellow students, faculty and attendees from local industries and government. The projects were related to petrochemicals, green and biochemical processes and specialty chemicals. Our sponsorship goes directly to one of the prize winners.



Inspiring today's youth to become tomorrow's talent | Photo courtesy: Mission Fulfilled 2030



Creating transformative learning opportunities for youth | Photo courtesy: Project exploration

SUPPORTING LOCAL COMMUNITIES

We sponsored the AFN (Assembly of First Nations) youth programme in Sarnia, Canada for the first time in 2021. Through this programme, indigenous youth, receive sound nutritional counselling, are educated about indigenous history, culture, individual self-determination and empowerment, and have opportunities to openly discuss critical issues such as bullying, social isolation, rejection, racism, and addiction.

We installed solar panels at local schools in Moxi, Nandesari, and Vadodara, India. As the solar installations generate enough electricity for the schools, the electricity costs saved are being used to support students from disadvantaged families. The school in Vadodara was also renovated with new paintwork, fencing and a video surveillance system. Infrastructure was also updated at a local school in Nandesari with new fencing around the school wall and a herb garden in the schoolyard. We purchased and donated a mobile health unit to a local non-governmental organisation (NGO). This hospital on wheels covers 25 villages around our production sites in Nandesari and Moxi, India, with each village receiving two visits a week. In 2021, the mobile health unit made 36 trips a month and treated over 2,000 patients. Medical staff educated the residents about cleanliness, nutrition, and hygiene habits, and doctors distributed medicines to people.



Message from

Shaping the future with

Ensuring safe and

Valuing

our people

Managing

Ø

our CEO & Board

These are just a selection of the initiatives we undertook in 2021. Visit our website for a complete overview of our community involvement initiatives around the world.



The youth programme in action in Sarnia, Canada



Doctors advising residents in Moxi, India about safe and hygienic practices



our CEO & Board members' view Our commitment to sustainability Shaping the future with sustainable styrenics Ensuring safe and resource-efficient operations

Ø

Message from

Valuing our people

Managing our business responsibly

Annexe 🤇 🕜

ENSURING FAIR
BUSINESS PRACTICES

We operate with a fundamental respect for the rights of the individual, our employees as well as business partners. We are firmly opposed to all forms of human rights violations or deficient labour conditions and expect this across our value chain.

OUR APPROACH

Ensuring fair business practices that encompass human rights, regulatory compliance and ethical behaviour are the foundations of our business success. We believe that high standards on business integrity and human rights are critical to deliver our strategy, create long-term value and maintain our licence to operate.

We are committed to complying with all relevant local, national, and international laws, as manifested in our own values and guiding principles. Our globally defined policies and standards to some extent even exceed the requirements of local laws, and we strive to live up to the highest standards of business practice regarding ethics, integrity, and transparency. We do not compromise our safety, health, or environmental standards for any reason, including profit or production. Our recent materiality assessment showed human rights and ethics having high importance to our stakeholders and are of strategic significance to our business. Tax has not been considered as a material topic in our materiality assessment. However, as a responsible corporate citizen, we comply with all national and international tax obligations.

Our compliance on human rights and ethics is assessed externally as part of our ISCC (International Sustainability and Carbon Certification), RSB (Roundtable for Sustainable Biomaterials), ISO audits as well as our CSR audits. We also see an increased focus on compliance in audits conducted by our customers.

ADDRESSING THE UN SDGs



We promote productive employment and decent work for all.

OUR GLOBAL COMPLIANCE PROGRAMME

We have a Compliance programme with an organisational framework at global, regional, and country levels in place, to ensure that INEOS Styrolution always operates as a responsible corporate citizen everywhere. This programme is strongly supported by the Risk & Control programme.

We constantly monitor and evaluate changes to laws, regulations and sanctions and adjusts our procedures accordingly. We periodically conduct risk assessments, internal audits and trainings to ensure that both our business and our employees are up to date with the latest requirements and procedures.

OUR CODE OF CONDUCT

The cornerstone of our Compliance programme is the INEOS Styrolution Code of Conduct. Acting in accordance with our Code of Conduct is a prerequisite for each of our employees and we expect all employees to hold themselves to the highest standards of ethics, integrity, openness, and accountability in the way they conduct business. Topics included in our Code of Conduct



Further parts of the compliance programme are additional policies issued by INEOS Styrolution, which can be found on a dedicated section of our intranet.



COMPLIANCE TEAM ROLES AND RESPONSIBILITIES

INEOS Styrolution maintains four compliance teams: one team for each of the three regions and one global team. Each of these teams is made up of a representative from Legal, Business, Human Resources, SHE and Finance. Members of other departments participate occasionally as members of the extended team.

The Chief Compliance Officer of the company, reporting directly to the CEO, chairs the global team, as well as oversees and manages regulatory compliance issues, ensuring that the company complies with both its internal policies and its outside regulatory requirements.

Responsibilities of our Compliance teams




our CEO & Board

Message from

Shaping the future with

Managing our business responsibly

OUR PERFORMANCE

KEY HIGHLIGHTS

• Training on Code of Conduct conducted Training on anti-trust conducted

KEY ACTIONS

- Conduct training on anti-bribery, anticorruption, and anti-money-laundering in 2022
- Conduct training on data protection in 2022
- Conduct two IT security trainings in 2022

AWARENESS-RAISING AND TRAINING

To ensure that all employees fully understand our policies, our Code of Conduct has been translated into selected languages and is posted on our intranet. Our entire active employee base is trained on its content at a minimum every two years. A quarterly compliance update, summarising policy updates and information about ongoing compliance events, is emailed to employees by the CEO. In addition, an internal newsletter on compliance topics is regularly issued, which highlights the policies and provides concrete examples of compliant and non-compliant behaviour.

We encourage and support employees in familiarising themselves and complying with the competition laws relevant to their role and

their business. For employees whose job function exposes them to anti-trust sensitive matters, further guidance is provided through regularly repeated, mandatory training on policies related to compliance with antitrust and competition law.

HUMAN RIGHTS AND MODERN SLAVERY

Human rights abuses have no place in our society and we aim to have a positive impact by identifying and managing human rightsrelated risks in all our activities.

Thorough due diligence is performed to mitigate those risks, and we seek to remediate any possible adverse human rights impacts that we might have caused or to which we might have contributed. We set mandatory requirements for all our suppliers and relevant contractors on topics such as freedom of association, non-discrimination, fair treatment of employees, and zero tolerance in relation to child labour, forced labour, bonded labour and modern slavery.

We are not aware that human rights violations are a material threat to our business, however, we are vigilant to prevent it and have set clear criteria in the Code of Conduct as well as the Supplier Code of Conduct. We also publicly disclose our efforts to eradicate human



trafficking and modern slavery in our operations through the California Transparency Act disclosure.

ANTI-BRIBERY, ANTI-CORRUPTION AND ANTI-MONEY LAUNDERING

Anti-corruption and anti-bribery are included in the Code of Conduct and consequently brought to the awareness of INEOS Styrolution's employees. Further information on this topic is embedded in the anti-bribery and corruption policy (also covering the main areas and expectations of money laundering regulations). This policy specifically includes – as already contained in the Code of Conduct - a clear statement that no gifts or entertainment of any kind may be offered to any politician, political party, or any politically exposed persons.

ANTI-COMPETITIVE BEHAVIOUR

We have a policy related to interaction with competitors in place that defines certain reporting and filing requirements that include prohibited from entering into any discussions, formal or informal agreements or understandings with competitors that may restrict competition.

INTERNATIONAL TRADE

Our international trade policy outlines the areas in which national and international laws and regulations can impact our business. The policy also introduces certain requirements on due diligence for interacting with third parties, such as customers, suppliers, or agents, particularly if located in or transacting into and out of certain listed countries.

Selection of countries is based on issued and active trade restrictions (e.g. sanctions lists, DPLs), on the corruption perception index

issued by Transparency International, as well as the considerations of the anti-money laundering regulations.

THIRD-PARTY SCREENING

For the screening requirements defined in INEOS Styrolution's policies, a compliance due diligence checklist has been issued clarifying the need for information, when dealing with identified high-risk countries and introducing certain requirements when identifying and selecting agents and other representatives of INEOS Styrolution. In addition, an IT screening tool that has been rolled out globally to support such due diligence processes electronically. Should there be any doubt about the propriety of any transaction or course of conduct, the Code of Conduct instructs employees to contact the Legal department immediately for direction.

INFORMATION AND CYBER SECURITY

We have implemented an information- and cyber security programme to protect the data and IT environment of our company and employees, as well as that of our customers and business partners, from any kind of security-related threats. All our offices and production sites are covered by this IT and cybersecurity programme.

The IT department is part of the enterprise risk management and performs annual IT risk assessments, testing, and audits of our internal IT control system. Our IT security-related policies and processes are based on the ISO 27001 standard and the NIST framework.

One of our main goals is to be compliant with applicable laws, regulations and contractual obligations, especially to the European General Data Protection Regulation (GDPR). We provide and verify end-to-end security in all aspects of our IT environment, starting with client and server security up to vendor risk management and internal audits.

We use security monitoring tools and services to identify threats and vulnerabilities within our infrastructure, which are mitigated and remediated as necessary, using a risk-based approach. We have also implemented processes for 24/7 monitoring of security alerts and threats at the network level and for critical systems.

In alignment with the INEOS Group, we conduct two mandatory IT security awareness trainings every year. We also perform several email phishing simulations to identify and test the training and awareness of our employees.

DATA PROTECTION

We are committed to protect our customers', suppliers' and employees' privacy. Consequently, we have introduced a robust programme to ensure compliance with applicable privacy laws, such as the EU Directive for General Data Protection Regulation (GDPR). This programme includes dedicated responsible employees within the company, privacy statements and policies as well as data breach and notification procedures. Given the fast-changing landscape related to data protection, there is continuous development of data protection-related policies and contractual documents.

MANAGING COMPLIANCE VIOLATIONS

Since 2014, we have a reporting mechanism in place with an independent provider operating a standardised compliance hotline accessible by phone, email or via the internet, which also offers response in various languages. This anonymous hotline is available at all times (24 hours a day, 365 days a year) and is free of charge to the caller. Each call received on the compliance hotline is categorised and tracked according to a variety of criteria, including labour and business practices as well as human rights issues.

In 2021, all reports received via the compliance hotline were fully investigated and resolved. The reported issues were related to working environment and business practices. None of the calls were related to impacts on society or human rights.

To the best of our knowledge, in 2021, in none of INEOS Styrolution operations, were cases of human rights abuse or child or forced labour identified. To the best of our knowledge, there were no incidents of corruption or anti-competitive behaviour identified. We can also confirm that, to the best of our knowledge, we did not incur any substantiated cases of employee discrimination in 2021.

Message from

Shaping the future with

Managing our business

responsibly

our CEO & Board

Message from our CEO & Board Shaping the future with Ø Managing our business responsibly

MAKING SUSTAINABLE GROWTH **A REALITY**

We take an integrated approach to deliver a strong sustainability performance that benefits both our customers as well as society. We are convinced that truly sustainable business management is a prerequisite for accomplishing growth and long-term success – for our customers and ourselves.



OUR APPROACH

INEOS Styrolution looks at sustainability as a genuine driver of growth and value, making it a key cornerstone of our company strategy. Therefore, in 2021, we developed a sustainability strategy that forms a large part of our overall company strategy.

It has three main pillars:

- become carbon net neutral by 2050, with an expected milestone of 45% scope 1 & 2 greenhouse gas (GHG) reduction by 2030 (compared to a 2019 baseline)
- be the front-runner in the circular economy with sustainable products that live up to premium quality expectations

have a positive impact on societies with our safe and efficient materials.

These pillars are supported by clear implementation plans and a structure to control and ensure permanent progress.

For the first pillar, we have created a clear GHG reduction road map and have begun implementation, particularly in the areas of switching to power made from renewable resources like wind and solar energy, as well as optimising our production sites.

For the second pillar, we have launched projects and activities to implement and scale up recycling (and the use of renewable feedstock) in all our regions, with clear structures, responsibilities and deliverables.

For the third pillar, we have not only implemented continuous monitoring, but have also developed an improvement plan to ensure that our products continue to comply with the highest safety standards.

We carefully listen to our customers' needs, engage in collaborative innovation, and position sustainability as an integral part of our business management activities. We strive to optimise our economic, environmental, and social performance to deliver safe, best quality and high-performance products that eventually render our customers' businesses as well as end consumers' choices more sustainable.

ADDRESSING THE UN SDGs



We promote productive employment and decent work for all. Message from our CEO & Board members' view Our commitment to sustainability Shaping the future with sustainable styrenics Ensuring safe and resource-efficient operations

Managing our business responsibly

Annexe (

OUR PERFORMANCE

We believe that sustainable management and operations are the basis of our business success. Since INEOS Styrolution was established in 2011, our journey has been based on innovation, superior performance, and high-quality service.

We rely on our broad product portfolio, extensive intellectual property, and our worldscale commodity manufacturing platforms with best-cost technology.

Our ability to transform our industry position into solid financial results, as shown in the graph, enables us to develop the company further and invest into the future.

STRATEGIC INVESTMENTS

Our investment decisions and growth strategy are guided by an emphasis on sustainable business practices.

As part of our expansion plans into China, we are building a world-scale ABS plant, adjacent to our polystyrene plant in Ningbo, China. This plant will have an annual production capacity of 600,000 tonnes. Here, we aim to harness the synergies offered by one of the largest and most integrated chemical industry parks in China, enabling us to optimise our process chains and improve our energy efficiency, waste management, and logistics. The key raw materials needed to produce ABS are sourced locally from world class manufacturers located within the industrial park. While producing ABS locally, we address the growing demand of our customers in China, while also reducing our energy consumption and CO₂ emissions related to the transportation of our finish goods.

Construction is well in progress, and the new site will be operational in 2023. As sustainability is a key factor for our business, our environmental policy has been implemented for the project right from the beginning. During the engineering phase, sustainability and energy assessments have been performed internally as well as with INEOS experts. Based on process knowledge from our existing plants, we included our best technology design changes to reduce energy, CO₂, water, waste, and air emissions where possible and in accordance with local regulations. We have improved the water concept and included further re-looping to reduce water and wastewater consumption. Best practices from the Operation Clean Sweep[®] (OCS) programme have been included and will be taken up again in the last phase of design.

We are now working on a pilot polystyrene recycling plant, which we aim to have operational in end of 2023. We are also testing different types of post-consumer polystyrene feedstock in the pilot recycling plant, which we believe will help us find the best available solution and reach a quicker scale-up to industrial scale. In parallel, we are finalising the engineering studies for the demonstration plant, which will be operational in 2025-26. We are also expanding our ABS and ASA capacity in the Americas through the construction of a new 100 kilotonne capacity ASA plant in Bayport, Texas, USA, expected to be completed in 2022. The development of this new site is part of our bigger expansion plan for the Americas, which includes increased ABS capacity at our site in Altamira, Mexico, while ASA production is transferred to the new site in Bayport. This additional capacity will allow us to produce more product locally for our customers in the near future with the same focus on safety, quality, reliability and using resources sustainably by avoiding the need to import ABS and ASA from other regions. As the new ASA plant is also adjacent to our largest styrene production facility, it will allow us to receive styrene, our largest ASA feedstock, via pipeline, instead of transporting it by ocean vessel.

Annual EBITDA performance [€ million]



The state-of-the-art design and construction of this plant will help reduce hydrocarbon and NOx emissions. We have installed filters to capture particulates, and also will monitor them with instrumentation.

Message from

Shaping the future with

Managing our business

responsibly

our CEO & Board

As part of our shift to a circular business model, we are working with several leading-edge technology providers and recyclers in the Asia-Pacific, Europe, and North America to further advance a circular economy for styrenics. We are combining state-of the-art technologies from leading technology providers with our own manufacturing expertise to convert waste polystyrene back into feedstock, and thus divert this material from landfill or incineration.

We are collaborating with Indaver, a European waste management company with large-scale treatment facilities in the port of Antwerp to advance depolymerisation of polystyrene in Europe. Indaver is currently setting up a demo-installation in the port of Antwerp, with a recycling capacity of 15,000 tonnes a year and is scheduled to be operational in 2024.

We are also collaborating with Indaver in a project funded by the EU LIFE programme, the European Union's funding instrument for the environment and resource efficiency. The multi-year project that was kicked off in 2020 will demonstrate the production of ABS based on recycled feedstock. The project, called "LIFE ABSolutely Circular" aims at demonstrating the environmental and economic benefits of using advanced recycling technologies to close the loop of plastic recycling.

A key objective of the project was to demonstrate for the first time the production of ABS based on recycled feedstock taking advantage of advanced recycling technologies. In 2021, we successfully produced 10 kilogrammes of ABrS (ABS with recycled styrene). Our next step is to demonstrate scaling of the solution from lab scale to demo plant and ultimately to commercialisation.

In parallel to our strategic investments in state-of-the-art facilities, we are also continuing to expand our product portfolio and help our customers meet their ambitious sustainability targets.

Since its launch in 2019, our INEOS Styrolution ECO product line continues to grow and now comprises mechanically recycled ABS and polystyrene grades as well as specialty styrenics grades made from renewable feedstock.

Our recycled ABS and polystyrene grades are both commercially available in Europe and the Asia-Pacific. Based on the specific barrier properties of polystyrene, we believe that food-contact approved grades will also be possible. We mechanically recycled specialty ABS product grades such as Novodur® ECO and Novodur® ECO High Heat. We also offer four specialty styrenics products – Styrolux® ECO, Styroflex® ECO, NAS® ECO, Luran® ECO and Luran® S ECO – made using renewable feedstock, such as kitchen waste and wood waste, using a bio-attribution approach that is certified by ISCC (International Sustainability & Carbon Certification). We use this attribution approach to integrate recycled raw materials in our production.

This entire ECO range of polystyrene, ABS and specialties products are available as a drop-in solution for our customers. There is no compromise in performance, no product development necessary, no need to adapt technology and now new regulatory approvals needed. And with the added benefit that they are sustainably sourced and have a lower carbon footprint.



For more information on INEOS Styrolution ECO, please visit: www.styrolution-eco.com



INEOS Styrolution ECO: our growing portfolio of sustainable products

Message from our CEO & Board members' view Our commitment to sustainability Shaping the future with sustainable styrenics Ensuring safe and resource-efficient operations

Managing our business responsibly

nnexe

The six pillars of our risk & control programme



OUR RISK & CONTROL PROGRAMME INEOS Styrolution is exposed to various risks that could impact the achievement of its corporate objectives. In order to identify, assess, monitor, and mitigate these risks, a company-wide Risk & Control programme was established and is continuously developed further. The scope of the programme covers six pillars reflecting the company's main business areas: Strategy & Business, Finance, Compliance, Operations (including SHE), Human Resources and IT. This programme is embedded in a three lines model as an integral component of our governance, management, and operations.

Risk management process



THE THREE LINES MODEL FIRST LINE

The first line is undertaken by operational management, initiated by the pillar heads, who are responsible for implementing and maintaining effective internal controls for their respective area of responsibility and for executing Risk & Control processes on a daily basis. Operational management is also responsible for implementing corrective actions to address control deficiencies.

SECOND LINE

The second line is undertaken by the Compliance team, the Risk & Control department, and the Risk Management Committee. The latter acts as the reporting medium for this line. The Compliance team monitors various specific risks, such as non-compliance with applicable laws and regulations. To strengthen the company's governance structure, a Risk Management Committee has been established with representatives from each of the six pillars. This committee meets periodically to monitor the risk management process and drive continuous improvement within the programme. The Risk & Control department coordinates this on a daily basis. Risks are identified and assessed by considering impact and likelihood through risk workshops and risk assessments.

Controls are then implemented to mitigate the identified risks. Annual control testing is performed within each pillar to determine if controls are well-designed and operating effectively. All controls are tested on a three-

year-rotational basis. Results are reported to the CEO, CFO and Risk Management Committee members on a regular basis. Our Risk & Control programme is based on a Risk & Control matrix, capturing the defined key company risks and related mitigation measures (controls). To reflect the increasing importance and potential impact of sustainability to our business, we nominated a sustainability risk, which is also reflected in our Risk & Control programme. This risk is ranked in the top ten key risks of our company. To mitigate our risks, we have established specific controls around sustainability, which are assessed annually by the business functions that deal with this topic as part of their daily business.

THIRD LINE

The third line is represented by our Internal Audit department. Internal audits are performed based on an annual audit plan, which is approved by the management board. The audit plan is based on a risk approach and covers all our entities and business functions. The scope of each audit is defined by the Internal Audit department in coordination with the management board. The Internal Audit function reports functionally to the CEO and CFO.

For Risk & Control activities, we use an SAP-based tool to conduct annual risk assessments and perform yearly testing of the design and operating effectiveness of our internal control system. The tool also provides automated controls (called continuous control monitoring or CCM). These can detect any exception to controls shortening issues identification and ultimately enhancing the internal control system.



*Internal Controls over Financial Reporting



SUSTAINABILITY-RELATED BUSINESS RISKS

We have identified business risks directly or indirectly related to sustainability, both on the macro and the micro level.

To give some examples, the ability to permanently comply with all chemical safety regulations applicable to our products is a pre-requisite for market access.

Existing and proposed regulations to address climate change through reductions of GHG emissions and restrictions on other air emissions, may cause us to incur significant additional operating and capital expenses or adversely affect demand for our products.

Our success depends on the continued service of key personnel and our ability to attract highly-skilled individuals.

The sustainability related risks are addressed by our sustainability strategy and our setup, as described in this report. We believe the most adequate way for us to react to sustainability related risks is by conducting our business in a pro-active, responsible way that makes a clear positive impact for people and planet – a business that cares.

URAN DATA NAVISINA DATA DATA IN LANANA IN LOVA h 1.1 1.1.1 000000000000000 .

Our commitment to sustainability

Message from our CEO & Board

Shaping the future with sustainable styrenics

Ensuring safe and resource-efficient operations

Managing

our business responsibly

Annexe

ABOUT THIS **REPORT**

This report has been prepared in accordance with the Global Reporting Initiative's (GRI) Standards core option. The report's content has been selected based on GRI's reporting principles of materiality, sustainability context, completeness, balance and stakeholder inclusion. The collected data provides an overview of our sustainability efforts between January 1 and December 31, 2021, and covers the activities of all INEOS Styrolution legal entities worldwide, which fell within the scope of the company's consolidated financial statements as of December 31, 2021. For the avoidance of doubt, this excludes the activities of INEOS ABS, Addyston, USA.

The financial information presented in this report is consistent with the company's audited consolidated financial statement and management report for the year ending December 31, 2021, which was prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations.

This report has been published on September 30, 2022. The previous year's report was published on September 15, 2021. INEOS Styrolution has published sustainability reports since 2015 with an annual reporting cycle, all of which can be downloaded from the company's website.

All internal stakeholders accountable for the company's sustainability programme and performance, including the management board, have validated the content of this report.

For more information on our sustainability approach and actions, please write to <u>INSTY.sustainability@ineos.com</u> or visit our website at <u>www.ineos-styrolution.com</u>



OUR MATERIAL ASPECTS & BOUNDARIES >

GRI INDEX >

and

OD

Message from our CEO & Board members' view R Ø Shaping the future with Ensuring safe and resource-efficient our people Managing (1) Annexe

OUR MATERIAL ASPECTS & BOUNDARIES

Matching our stakeholders' expectations against our own assessment has helped us more thoroughly understand our sustainability performance across all of our activities, where action needs to be prioritised in terms of the material aspects, and which topic areas we can influence with our actions. Along the value chain, we have the possibility to take action with respect to the following individual aspects:

				Bour	ndary of the asp	pects	Company's contribution	link to the
	Materiality topic	GRI disclosures	Link to chapter	Boundary of the aspects Company's contribution to the impacts Suppliers Production Customers >otprint > • • outprint > • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • • •				
	Low-carbon economy	Emissions (self-defined topic)	<u>Reducing our</u> environmental footprint >	•			•	
	Emissions Emissions	Reducing our environmental footprint	<u>Reducing our</u> environmental footprint >				•	
Employment	Advanced recycling	Circularity (self-defined topic)	<u>Shaping the future with</u> sustainable styrenics >				•	
Employment	Mechanical reycling	Circularity (self-defined topic)	<u>Shaping the future with</u> sustainable styrenics >				•	<pre>ition link to the impacts due to its business relationships)))))))))))))))))))</pre>
	Marine litter & pellet loss	Circularity (self-defined topic)	<u>Reducing our</u> environmental footprint >				•	•
	Design for sustainability	Circularity (self-defined topic)	<u>Shaping the future with</u> sustainable styrenics >				٠	•
	Health & safety	Occupational health & safety	<u>Upholding safety as</u> our core value >				•	
Social	Sustainable procurement	Supplier environmental assessment Supplier social assessment	Driving sustainablity along the value chain >					•
	Safe & sustainable products	Customer health & safety	Shaping the future with sustainable styrenics >				٠	•
Economic	Human rights & ethics	Anti-corruption & antitrust law Anti-competitive behaviour Child labour Forced or compulsory labour	Ensuring fair business practices >	•	•		•	

Message from our CEO & Board members' view R Our commitment Shaping the future with sustainable styrenics \bigcirc Ensuring safe and resource-efficient operations Valuing our people Managing our business responsibly

GRI INDEX

GENERAL DISCLOSURES

GRI Standard Number	Disclosure	Chapter	Page	Comments
Organisational profile				
102-1	Name of the organisation	Our commitment to sustainability	6	
102-2	Activities, brands, products, and services	Our commitment to sustainability	6,7	We do not produce any banned products
102-3	Location of headquarters	Our commitment to sustainability	6	
102-4	Location of operations	Our commitment to sustainability	6	
102-5	Ownership and legal form	Our commitment to sustainability	8	
102-6	Markets served	Our commitment to sustainability	6	
102-7	Scale of the organization	Our commitment to sustainability	6	
102-8	Information on employees and other workers	Engaging and developing our employees	59-60	We currently do not disclose employment data based on temporary, part-time and fulltime contracts, as it is not material to our business. We employ only relatively few contractors (compared with the total number of our own employees).
102-9	Supply chain	Driving sustainability along the value chain	64-66	
102-11	Precautionary principle or approach	Shaping the future with sustainable styrenics	37	
102-12	External initiatives	Our commitment to sustainability	19-21	
		Shaping the future with sustainable styrenics	26, 33	
102-13	Membership of associations	Our commitment to sustainability	19	
		Shaping the future with sustainable styrenics	26	

Ú

Annexe

GRI Standard Number	Disclosure	Chapter	Page	Comments
Strategy				
102-14	Statement from senior decision-maker	Message from our CEO	3	
102-15	Key impacts, risks, and opportunities	Our commitment to sustainability Making sustainable growth a reality	15 80	
Ethics & integrity				
102-16	Values, principles, standards, and norms of behavior	Ensuring fair business practices	71	
102-17	Mechanisms for advice and concerns about ethics	Ensuring fair business practices	73	
Governance				
102-18	Governance structure	Our commitment to sustainability	15	
102-19	Delegating authority	Ensuring fair business practices	72	
102-20	Executive-level responsibility for economic, environmental, and social topics	Our commitment to sustainability	15	
102-25	Conflicts of interest	Ensuring fair business practices		There are no conflicts of interest such as cross-board membership, cross-shareholding as we are fully owned by INEOS
102-30	Effectiveness of risk management processes	Making sustainable growth a reality	79-80	
102-35	Remuneration policies	Engaging and developing our employees		We do not provide this information for reasons of confidentiality.

R Our commitment to sustainability Shaping the future with sustainable styrenics Ø Ensuring safe and resource-efficient operations

Valuing our people

(55)

208

....

Message from our CEO & Board members' view

Managing our business responsibly U

Annexe

GRI Standard Number	Disclosure	Chapter	Page	Comments
Stakeholder engageme	nt			
102-40	List of stakeholder groups	Our commitment to sustainability	19-20	
102-41	Collective bargaining agreements	Engaging and developing our employees	63	
102-42	Identifying and selecting stakeholders	Our commitment to sustainability	19-20	
102-43	Approach to stakeholder engagement	Our commitment to sustainability Making sustainable growth a reality	19	
102-44	Key topics and concerns raised	Our commitment to sustainability	15	No concerns were raised during our stakeholder engagement. The key topics were not raised by external stakeholders, but were only rated by them.
Reporting practice				
102-45	Entities included in the consolidated	Our commitment to sustainability	8	
	financial statements	About this report	81	
102-46	Defining report content and topic boundaries	Our commitment to sustainability	14	
		About this report	81	
		Our material aspects & boundaries	82	
102-47	List of material topics	Our commitment to sustainability	15	
102-50	Reporting cycle	About this report	81	
102-51	Date of most recent report	About this report	81	
102-52	Reporting cycle	About this report	81	
102-53	Contact point for questions regarding the report	About this report	81	
102-54	Claims of reporting in accordance with the GRI Standards	About this report	81	
102-55	GRI content index	GRI index	83-91	

Annexe

Message from our CEO & Board members' view

ECONOMIC

GRI Standard Number	Disclosure	Chapter	Page	Comments
Anti-corruption and an	titrust law			
103-1	Explanation of the material topic and its boundary	Determining what is material Our material aspects & boundaries	15 82 71	Tax has not been considered as a material topic in our materiality assessment and has thus been excluded.
103-2	The management approach and its components	Ensuring fair business practices	71-74	
103-3	Evaluation of the management approach	Ensuring fair business practices	71	The results of the evaulation of our management approach have not been disclosed due to reasons of confidentiality. There have been no related adjustment to the management approach.
205-1	Operations assessed for risks related to corruption	Ensuring fair business practices	73	The total number and percentage of operations assessed for risks related to corruption is not provided for confidential reasons.
Anti-competitive behav	viour			
103-1	Explanation of the material topic and its boundary	Determining what is material Our material aspects & boundaries Ensuring fair business practices	15 82 71	There is no specific limitation regarding the topic boundary.
103-2	The management approach and its components	Ensuring fair business practices	71-74	
103-3	Evaluation of the management approach	Ensuring fair business practices	71	The results of the evaulation of our management approach have not been disclosed due to reasons of confidentiality. There have been no related adjustmen to the management approach.
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ensuring fair business practices	73-74	The total number and percentage of operations assessed for risks related to corruption is not providec for confidential reasons.

Message from our CEO & Board

members' view

Our commitment to sustainability

Shaping the future with sustainable styrenics

Ensuring safe and resource-efficient operations

> Valuing our people

Managing our business responsibly

U

Annexe

....

R

Ø

Message from our CEO & Board members' view R Our commitment to sustainability Shaping the future with sustainable styrenics Ø Ensuring safe and resource-efficient operations Valuing our people Managing our business responsibly (55)

ENVIRONMENT

GRI Standard Number	Disclosure	Chapter	Page	Comments
Circularity: advanced &	mechanical recycling (self-defined topic)			
103-1	Explanation of the material topic and its boundary	Determining what is material Our material aspects & boundaries Shaping our future with sustainable styrenics	15 82 20	There is no specific limitation regarding the topic boundary.
103-2	The management approach and its components	Shaping our future with sustainable styrenics	23-25	
103-3	Evaluation of the management approach	Our commitment to sustainability Shaping our future with sustainable styrenics	10-13 30-32	
Circularity: design for s	ustainability (self-defined topic)			
103-1	Explanation of the material topic and its boundary	Determining what is material Our material aspects & boundaries Shaping our future with sustainable styrenics	15 82 20	There is no specific limitation regarding the topic boundary.
103-2	The management approach and its components	Shaping our future with sustainable styrenics	23-25	
103-3	Evaluation of the management approach	Our commitment to sustainability Shaping our future with sustainable styrenics	10-13 27	
Circularity: marine litter	r & pellet loss (self-defined topic)			
103-1	Explanation of the material topic and its boundary	Determining what is material Our material aspects & boundaries Reducing our environmental footprint	15 82 44	There is no specific limitation regarding the topic boundary.
103-2	The management approach and its components	Shaping our future with sustainable styrenics	44	
103-3	Evaluation of the management approach	Our commitment to sustainability Reducing our environmental footprint	10-13 55	

U

Annexe

GRI Standard	Number Disclosure	Chapter	Page	Comments
Low-carbon e	conomy (self-defined topic) & emissions			
103-1	Explanation of the material topic and its boundary	Determining what is material Our material aspects & boundaries Our commitment to sustainability Reducing our environmental footprint	15 82 10-13 44	There is no specific limitation regarding the topic boundary.
103-2	The management approach and its components	Our commitment to sustainability Reducing our environmental footprint	10-13 44-45, 49-50	
103-3	Evaluation of the management approach	Our commitment to sustainability Reducing our environmental footprint	10-13 44-45, 49-50	
Supplier envir	onmental assessment			
103-1	Explanation of the material topic and its boundary	Determining what is material Our material aspects & boundaries Driving sustainability along the value chain	15 82 64	There is no specific limitation regarding the topic boundary.
103-2	The management approach and its components	Driving sustainability along the value chain	64-66	
103-3	Evaluation of the management approach	Driving sustainability along the value chain	64-66	There have been no related adjustments to the management approach.
308-1	New suppliers that were screened using environmental criteria	Driving sustainability along the value chain	64-66	We screen suppliers based on % of total spend

Ú Annexe

Message from our CEO & Board members' view

SOCIAL

GRI Standard Number	Disclosure	Chapter	Page	Comments					
Occupational health &	Occupational health & safety								
103-1	Explanation of the material topic and its boundary	Determining what is material Our material aspects & boundaries Upholding safety as our core value	15 82 39	There is no specific limitation regarding the topic boundary.					
103-2	The management approach and its components	Upholding safety as our core value	39-43						
103-3	Evaluation of the management approach	Upholding safety as our core value	39-43	There have been no related adjustments to the management approach.					
403-2	Hazard identification, risk assessment, and incident investigation	Upholding safety as our core value	39-43						
Child labour									
103-1	Explanation of the material topic and its boundary	Determining what is material Our material aspects & boundaries Ensuring fair business practices	15 82 71	There is no specific limitation regarding the topic boundary.					
103-2	The management approach and its components	Ensuring fair business practices	71-74						
103-3	Evaluation of the management approach	Ensuring fair business practices	71-74	The results of the evaluation of our management approach have not been disclosed due to reasons of confidentiality. There have been no related adjustment to the management approach.					
408-1	Operations and suppliers at significant risk for incidents of child labor	Ensuring fair business practices	71-74	To the best of our knowledge, in 2021, in none of INEOS Styrolution's operations were cases of human rights abuse, child or forced labour, corruption, or incidents of anti-competitive behaviour identified. The total number and percentage of operations assessed for risks related to corruption is not provided for confidential reasons.					

Message from our CEO & Board members' view

Our commitment to sustainability

Shaping the future with sustainable styrenics

Ensuring safe and resource-efficient operations

Valuing our people

(55)

Managing our business responsibly

U

Annexe

R

GRI Standard Number	Disclosure	Chapter	Page	Comments
Forced or compulsory	labour			
103-1	Explanation of the material topic and its boundary	Determining what is material Our material aspects & boundaries Ensuring fair business practices	15 82 71	There is no specific limitation regarding the topic boundary.
103-2	The management approach and its components	Ensuring fair business practices	71-74	
103-3	Evaluation of the management approach	Ensuring fair business practices	71-74	The results of the evaulation of our management approach have not been disclosed due to reasons of confidentiality. There have been no related adjustments to the management approach.
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Ensuring fair business practices	71-74	To the best of our knowledge, in 2021, in none of INEOS Styrolution's operations were cases of human rights abuse, child or forced labour, corruption, or incidents of anti-competitive behaviour identified. The total number and percentage of operations assessed for risks related to corruption is not provided for confidential reasons.
Supplier social assess	nent			
103-1	Explanation of the material topic and its boundary	Determining what is material Our material aspects & boundaries Driving sustainability along the value chain	15 82 64	There is no specific limitation regarding the topic boundary.
103-2	The management approach and its components	Driving sustainability along the value chain	64-66	
103-3	Evaluation of the management approach	Driving sustainability along the value chain	64-66	There have been no related adjustments to the management approach.
414-1	New suppliers that were screened using social criteria	Driving sustainability along the value chain	64-66	We do not provide quantitative information as we only screen strategic suppliers (defined as those that are business-critical and/ or with high spend and a high impact on our business objectives and growth)

	GRI Standard Num	ber Disclosure	Chapter	Page	Comments
	Customer health &	safety			
Message from our CEO & Board members' view	103-1	Explanation of the material topic and its boundary	Determining what is material Our material aspects & boundaries Shaping the future with sustainable styrenics	15 82 23	There is no specific limitation regarding the topic boundary.
Our commitment	103-2	The management approach and its components	Shaping the future with sustainable styrenics	23-24, 37	
	103-3	Evaluation of the management approach	Shaping the future with sustainable styrenics	23	There have been no related adjustments to the management approach.
Shaping the future with sustainable styrenics	416-1	Assessment of the health and safety impacts of product and service categories	Shaping the future with sustainable styrenics	37	We have provided qualitative information on the assessment of the health and safety impacts of product and service categories. We do not report on percentage figures as this is not applicable to us. We essentially sell non-bazardous polymer products
Valuing our people					
Managing our business responsibly					
nexe					
昌 [2] < 91 >					

LIVING SUSTAINABILITY. TOGETHER.

INEOS Styrolution

INEOS STYROLUTION GROUP GMBH

Global Headquarters Mainzer Landstrasse 50 60325 Frankfurt am Main, Germany ineos-styrolution.com