

INEOS
Inovyn

**Sustainability
Report 2021**

Welcome

2021 proved to be another exciting year for INEOS Inovyn and there is lots for us to celebrate. From our continued improvement in safety; record EBITDA; the launch of REODRIN™; and the commencement of many new projects including Tavaux's salt plant and specialty PVC expansion in Jemeppe to name but a few.

However, it has not always been an easy journey and there certainly was no shortage of challenges. Just as we learn to live with Covid-19, we are now feeling the effects of an unjust war in Europe. Both supply chains and energy security have been adversely affected and this is something that business and consumers are having to deal with. Despite testing times, we continued to pursue our sustainability agenda with unwavering ambition and we are excited to share what we have been doing whilst also showing our plans for the future.

In 2021 we announced our long term commitment to **Net Zero by 2050** whilst committing to a **33% reduction in carbon emissions by 2030**. We certainly do not take these commitments lightly, and that is why they are fully supported by our comprehensive **Net Zero Carbon Roadmaps** across all our sites. These Roadmaps are centred around four key approaches; improving efficiency, switching fuel, electrification and carbon capture.



Geir Tuft
CEO INEOS Inovyn





Much of this work will be capital intensive. INEOS has committed over €6 billion across all of its businesses to reach **Net Zero**. The ongoing energy crisis in Europe reaffirms the need for a concerted effort between businesses and governments to reach this goal. To match the European Commission's and our own ambitious goals, investment into renewable and low carbon energy solutions needs to accelerate. Governmental legislation and investment is vital in driving the transition to a low carbon electricity grid and facilitating the green transition of industry.

Legislation is also vital in protecting European markets from imports produced in regions with less stringent carbon accounting - continued reliance on fossil fuels is not the answer.

INEOS Inovyn's sustainability agenda is guided by our four pillars: **responsible production, carbon neutrality, circularity** and **value to society**. All these principles are woven into our daily business and our forward-looking approach.

INEOS Inovyn has a best-in-class safety record and continues to focus on improving every year. We follow INEOS' Safety Principles and Life-Saving rules to drive down the risk to our workers and contractors. To incentivise the importance of safety within INEOS Inovyn, our bonus structure is linked to our safety performance. We have reduced OSHA Recordable injuries by 89% amongst contractors in the last 5 years and maintained employee Recordables at an Industry leading level.

We continue to invest in **responsible production**, and we are improving the energy and operating efficiency of our assets. In 2021 we completed Jemeppe's combined heat and power plant upgrade with a hydrogen burner; Rafnes' debottlenecking project to reduce steam consumption by 80,000 t/year; and began work on Tavaux's salt plant upgrade to a best-in-class mechanical vapour recompression unit to reduce steam consumption by 360,000 t/year.

All these projects reduce our emissions, whilst also helping to modernise and future proof our production.

To reach **carbon neutrality** INEOS Inovyn has developed sustainability Roadmaps for all our sites. The Roadmaps set out how we aim to utilise electrification, fuel switching including hydrogen, carbon capture and efficiency improvements to achieve our reductions, as well as defining the timeframe. For our fuel switching and electrification approaches, both hydrogen and renewable electricity will be required. INEOS Inovyn plans to invest €2 Billion to further cement our position as the European leader in hydrogen supply from electrolysis. This has already started, with investment into hydrogen compression, purification and storage solutions in the UK, as well as water electrolysis capacity in Norway. It is the beginning of a large transition for industry and must be matched by significant renewable or carbon free electricity capacity expansions.

As already stated, this must be driven by a clear vision from governments to put the correct legislation and funding in place to stimulate large green energy capacity expansions and technology developments in this area.

The European Commission is clear on the vital role that **circularity** will need to play in a Net Zero future. INEOS Inovyn is already supporting this approach by ensuring all the PVC we sell is fully recyclable. We see tremendous value in scaling the amount of PVC that is recycled, with approximately 810KT recycled in 2021 through the newly launched VinylPlus® 2030 Pathways initiative. To compliment this process, INEOS Inovyn is also driving Project Circle with the intention to develop advanced recycling solutions of our own PVC. In the longer term we plan to offer PVC resins containing recycle to our customers. We are also working hard to find recycling solutions for difficult

to recycle, legacy PVC already in the market. As the market leader we will be more vocal on the benefits of our materials and work with authorities to ensure our products tie into and support the future vision of circularity over coming years.

In pursuit of our sustainability goals, it may be easy to lose sight of what INEOS Inovyn does best - that is providing exceptional products that add **value to society**. However, our focus on innovation is stronger than ever. We have launched over 40 new products since 2015 and have a growing sustainable product portfolio with BIOVYN™ and now REODRIN™, a bio-sourced epichlorohydrin. We continue to innovate and are proud to have hosted another INOVYN Awards in 2022 with a record number of project entries.

As well as the **value to society** our products offer, we also like to cooperate with and support the local communities we operate in. During the pandemic these relationships became more vital than ever. We supported over 30 local charities and community organisations with over £240,000 of funding. We donated to organisations ranging from soup kitchens and sports charities all the way to museums and hospices across all of our locations. We are very proud that our colleagues can give back to the projects and communities that they care about most.

I know the future can seem uncertain as I write this introduction. However, through swift action to innovate our product lines, improve manufacturing efficiency, and implement carbon reduction projects I am confident that INEOS Inovyn can reach Net Zero by 2050.

The next years will continue to be challenging, but if we begin the hard work now, I am certain that there is a bright future ahead.



Highlights



Safety Awareness Programme

Extending safety beyond the factory gates



Net Zero Target and Roadmaps

33% reduction by 2030. Net Zero by 2050



Clean Hydrogen

Significant development in clean hydrogen; growing range of sustainable applications



BIOVYN™

INEOS Inovyn expands sustainable PVC biomaterials development across Europe



REODRIN™

New certified bio-attributed epichlorohydrin launched



New EPDs Launched

New Environmental Product Declarations available for all major INEOS Inovyn products



VinylPlus® 2030

The European PVC Value Chain launched a new 10-year Voluntary Commitment



Project Circle

New chemical recycling project has been launched

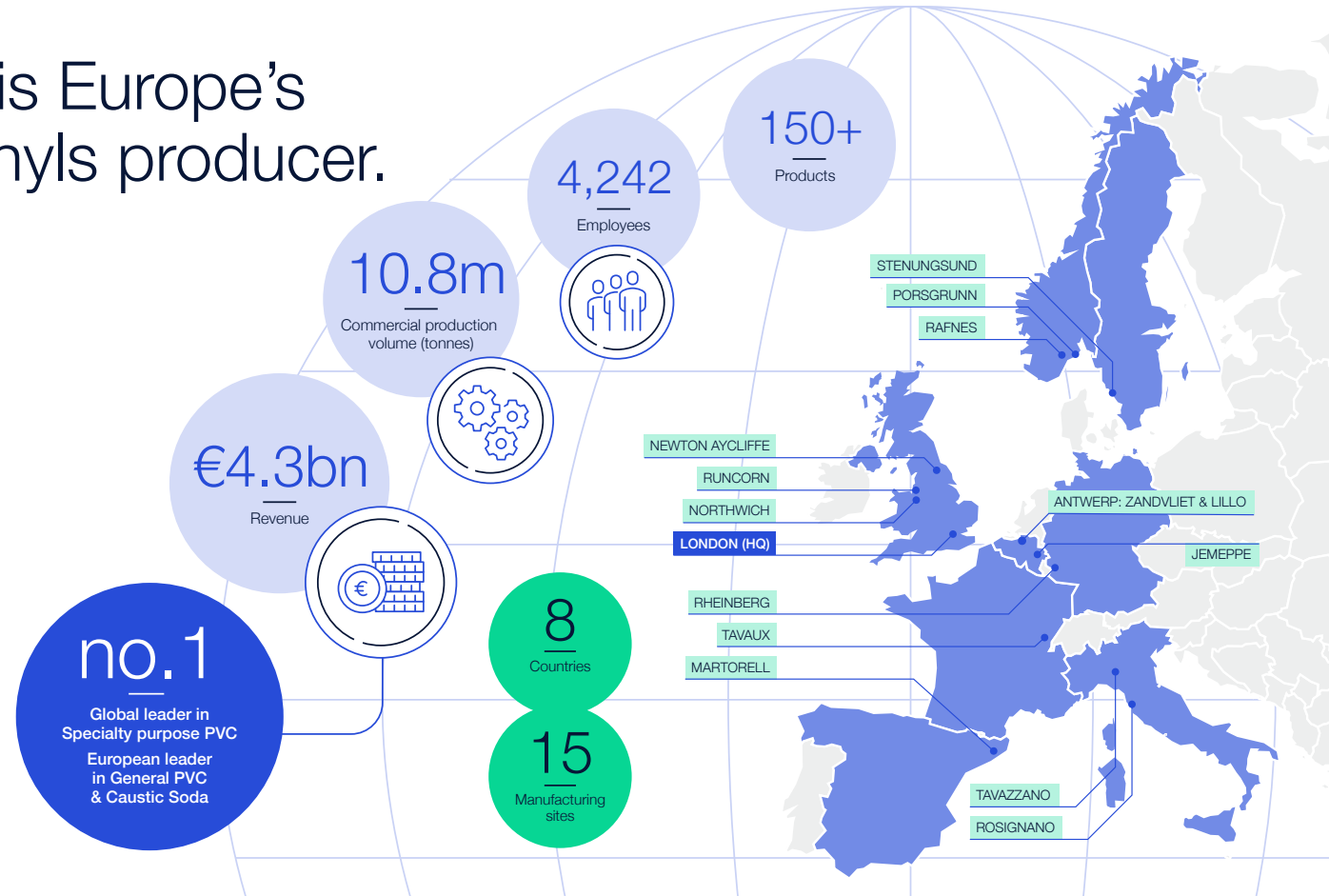


EcoVadis Gold Merit

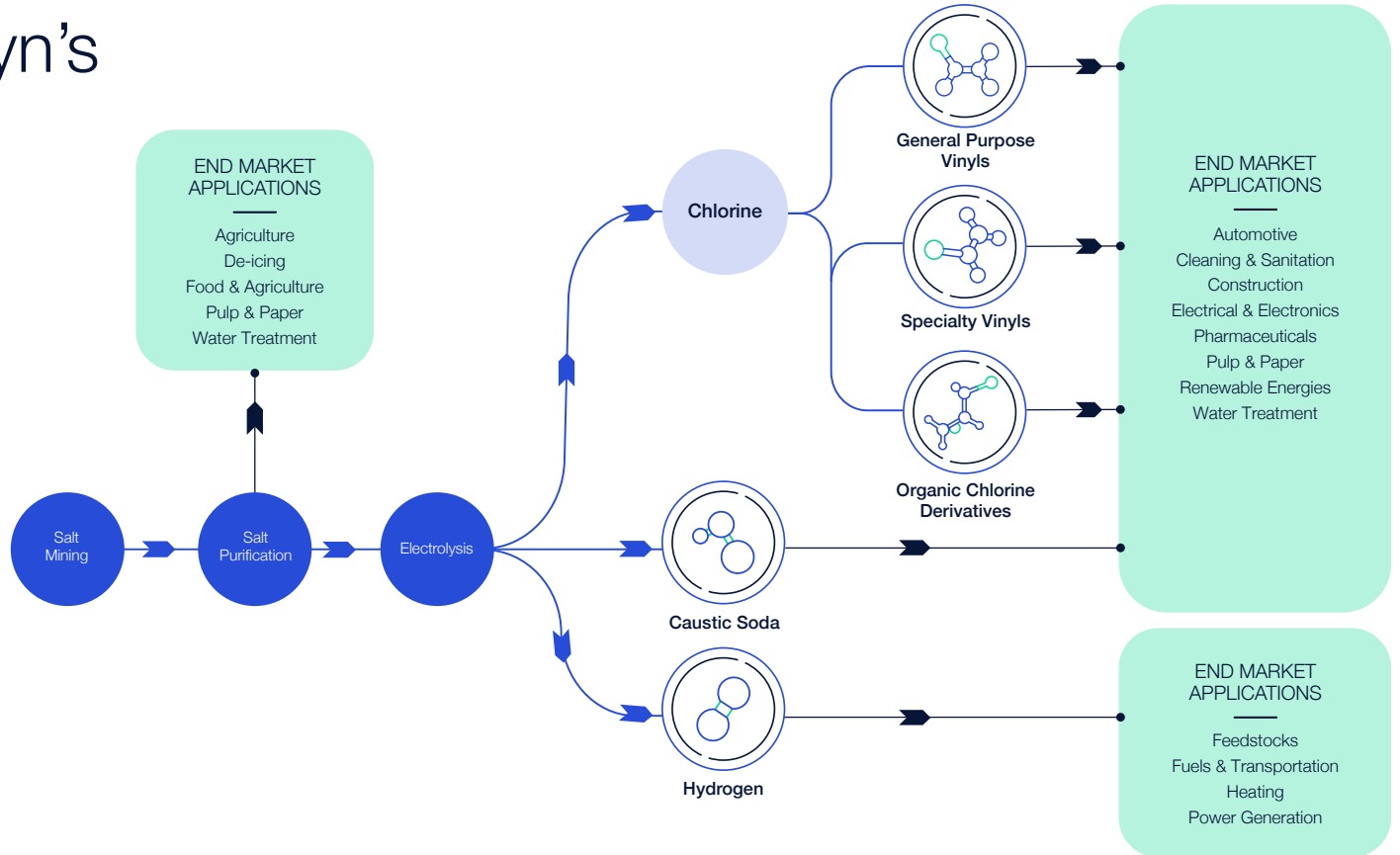
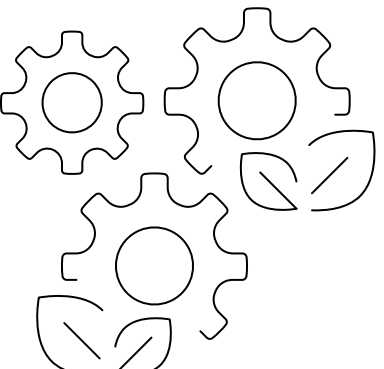
For fourth consecutive year – highest score to date

INEOS Inovyn is Europe's leading chlorvinyls producer.

Essential to modern day life, our products are used in some of the most demanding applications and are fundamental raw materials for industries as diverse as automotive; building and construction; paints and adhesives; food; healthcare and medical; personal care; pulp and paper; renewable energy generation; textiles; and water treatment. Our well-invested, world-scale assets are complemented by an extensive international supply chain, which provides INEOS Inovyn with an excellent competitive position around the world.



INEOS Inovyn's Value Chain



About this report

This report has been prepared in reference to the Global Reporting Initiative (GRI) standards, which create a common language for organisations to report on their sustainability impacts in a consistent and credible way. This enhances global comparability and enables organisations to be transparent and accountable. The report covers progress and achievements during 2021. This report also includes data from previous years to provide context.

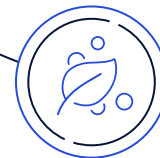
Sustainability Materiality Analysis

We acknowledge that a credible sustainability strategy must be grounded in the needs of all stakeholders. With this focus, and to help identify important areas of concern, we performed a sustainability materiality analysis in 2020 involving a wide range of internal and external stakeholders.

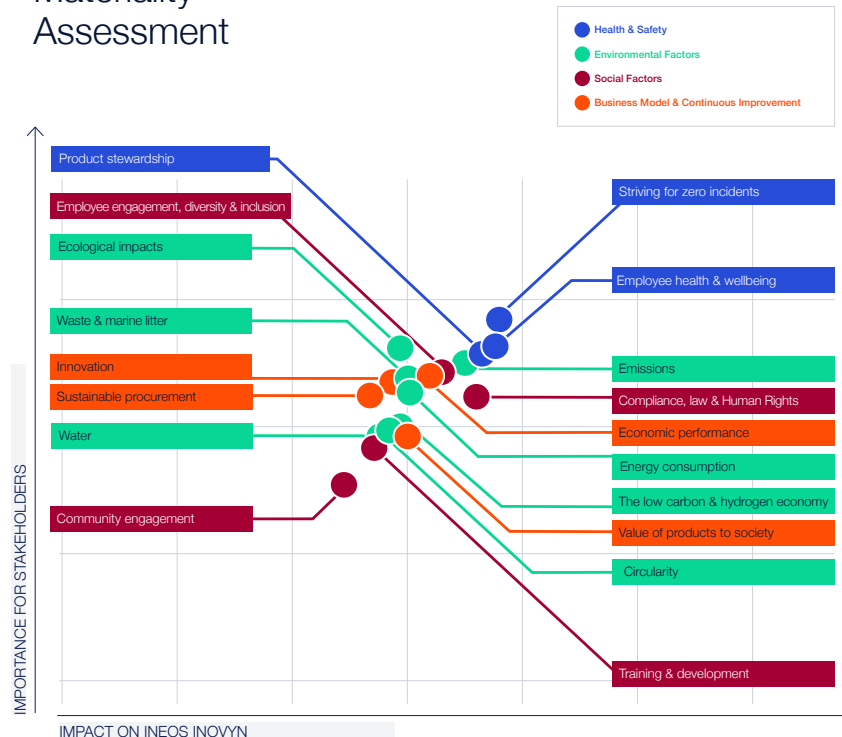
External stakeholders were selected based upon their impact on our business and their interest in sustainability, and included suppliers, customers, regulators, industry associations and community groups. We also engaged with our own employees at every level in the organisation.

A sustainability materiality questionnaire was sent to these stakeholders, asking them to rate sustainability topics by order of importance.

The following graph shows the results of our materiality questionnaire, with the position of our sustainability topics rated in this matrix. We have developed our report to reflect these results, highlighting our work in the areas identified as most important. The results have been reviewed by the INEOS Inovyn Board of Directors and will be updated every three years. For more information on the process, please see pages 44 onwards.



Materiality Assessment



Supporting

the UN's Sustainable Development Goals

The United Nations Sustainable Development Goals (UN SDGs) are a global call for a unified approach to sustainable development and were adopted by all United Nations Member States in 2015. The goals also provide a framework for businesses to pursue opportunities to solve societal challenges through innovation and collaboration.

We believe our approach to sustainability addresses the challenges presented in the goals and through concrete action allows us to pursue opportunities whilst contributing positively to society. For more information on the UN SDGs, please visit the [UN Sustainable Development website](#).

Some of the SDGs that INEOS Inovyn has actively contributed to in our key stories are as follows.



SDG 3 – Good health and well-being: ensure healthy lives and promote well-being for all at all ages.

Ensuring and promoting the health, safety and wellbeing of our entire workforce and the communities in which we operate.

Read more: “Embedding our philosophy and culture of safety”, “Markets served”, “Employee Wellbeing” and “Community Care & Initiatives”.



SDG 6 – Clean water and sanitation: ensure availability and sustainable management of water and sanitation for all.

Providing raw materials for PVC pipes, chlorine and caustic soda for purification and water treatment.

Read more: “Markets Served”.



SDG 7 – Affordable and clean energy: ensure access to affordable, reliable, sustainable and modern energy for all.

Developing the hydrogen economy and investing in new hydrogen infrastructure.

Read more: “Hydrogen”.



SDG 9 – Industry, innovation, and infrastructure: build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

Investing in hydrogen electrolyzers, producing PVC for building & construction, and striving to achieve the circularity of the chlorine derivatives value chain with the launch of BIOVYN™, REODRIN™ and the inauguration of Project Circle.

Read more: “BIOVYN™”, “REODRIN™”, “Project Circle” and “Markets served”.



SDG 11 – Sustainable cities and communities: make cities and human settlements inclusive, safe, resilient, and sustainable.

Helping to construct the building blocks of sustainable housing and communities through the development of BIOVYN™, REODRIN™, Project Circle and the production of PVC required in construction.

Read more: “BIOVYN™”, “REODRIN™” and “Markets served”.



SDG 12 – Responsible consumption and production: ensure sustainable consumption and production patterns.

Decarbonising our industry through the introduction of BIOVYN™, REODRIN™ and the expansion of hydrogen utilisation; showcasing our commitment to responsible production; and allowing our consumers to engage in responsible consumption. Our EPDs and sustainability Roadmap showcase our tangible dedication to responsible production.

Read more: “BIOVYN™”, “REODRIN™”, “Hydrogen” and “EPDs”.



SDG 13 – Climate action: take urgent action to combat climate change and its impacts.

Producing some of the world’s lowest carbon intensity fossil-based PVC, coupled with BIOVYN™; REODRIN™; our hydrogen business; the EPDs; our Roadmap; and the commitment to Operation Clean Sweep®. Climate action is something INEOS Inovyn holds close to heart.



SDG 14 – Life below water: conserve and sustainably use the oceans, seas, and marine resources for sustainable development.

Addressing marine litter and pellet loss throughout our operations and value chain.

Read more: “Operation Clean Sweep®”.



SDG 17 – partnerships for the goals: strengthen the means of implementation and revitalise the global partnership for sustainable development.

Participating in industry-wide initiatives including VinylPlus® 2030 and committing to RSB Certifications, we believe that climate action and sustainability should also be approached collectively.

Read more: “VinylPlus® 2030”, “BIOVYN™” and “REODRIN™”.



Our approach to sustainability

As a leader in our industry and one of the largest chlorovinyls producers globally, our products are used by millions of people around the world.

We recognise our responsibility to utilise our position to make a positive impact across our entire value chain.

Our approach aims to address global sustainability challenges and ensure that we remain at the forefront of our industry. To do this, we have identified four key pillars, which represent the core of our strategy to drive sustainability across our operations and with those with whom we do business.

INEOS Inovyn's four pillars of sustainability are:



Responsible production

Striving for zero incidents and taking an industry leading approach on the health of our workers and our impact on the environment.

Carbon neutrality

Accelerating the transition to a Net-Zero carbon economy.



Value to society

- **Products:** Ensuring that our products continue to bring huge value to society
- **People:** Ensuring that our employees are valued and INEOS Inovyn has a positive impact on society and the communities in which we operate.



Circularity

Advancing circular solutions to maximise efficient use of resources and ensure the long-term value of our products.

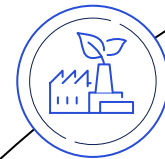
Responsible production

As industry leaders, we recognise we must act responsibly. We also believe this responsibility extends across our entire value chain to include suppliers, direct customers and end users.

Safety, health and the environment are top priorities above all else. We believe it is our duty to protect and support our employees, contractors and those who live and work in the regions where we operate. We are proud to embed a culture of safety and a philosophy for continuous improvement, which is why we strive for zero injuries and zero incidents. Among our objectives in acting responsibly is to work closely with local authorities and regulators, ensuring we comply fully with all applicable laws and regulations. Our sites are accredited to the highest environmental and quality standards. We believe that by working in partnership with our local communities we can increase understanding of our operations; build trust through open

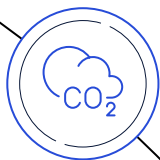
and honest dialogue; address issues and concerns in a timely manner; and continue to make a vital social and economic contribution.

Our commitments also extend to the world around us. We are proud to be a signatory to **Operation Clean Sweep®**, an international initiative to eliminate the loss of plastic pellet, flake and powder to the marine environment. Beyond this, INEOS Inovyn maintains that all suppliers must adhere to its Supplier Code of Conduct, which details our minimum expectations in supplier standards, including health & safety; labour practices & human rights; environmental protection; ethics; and fair business practices.



Carbon neutrality

The events of the last years have really brought climate change to the forefront of global consciousness.



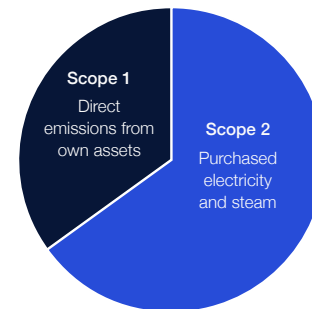
With the visible breakdown of the world's climate and the risk it poses to us all, INEOS Inovyn recognises the scale of this challenge, and is tackling it head on. We have committed to **reduce our carbon emissions by 33% by 2030 compared to 2019 and be Net Zero by 2050**. Being at the forefront of research and development in our industry can help us on our journey to achieve these targets. Innovative and sustainable solutions will allow us to progress to Net Zero while continuing to meet modern society's needs. INEOS Inovyn has produced decarbonisation Roadmaps across all of our sites for our journey to Net Zero by 2050. We are already busy implementing our solutions.

The CO² savings shown on the graph will be achieved through a combination of carbon abating projects and methods. In particular, we aim to achieve significant savings through energy efficiency increases; the electrification of assets; fuel switching (including hydrogen); and carbon capture and storage as well as carbon capture and utilisation. Project HyBay, along with Project, capital Aquarius and a new project, Electra, which involves the electrification of the currently fossil-fuelled crackers at our Rafnes site, will all play important parts in this strategy to decrease both our scope 1 & 2 emissions. For details on the scope 1 & 2 emissions see [GRI 305](#): emissions, p.56.

We continue to tackle this challenge from multiple directions.



Current split of emissions



Circularity

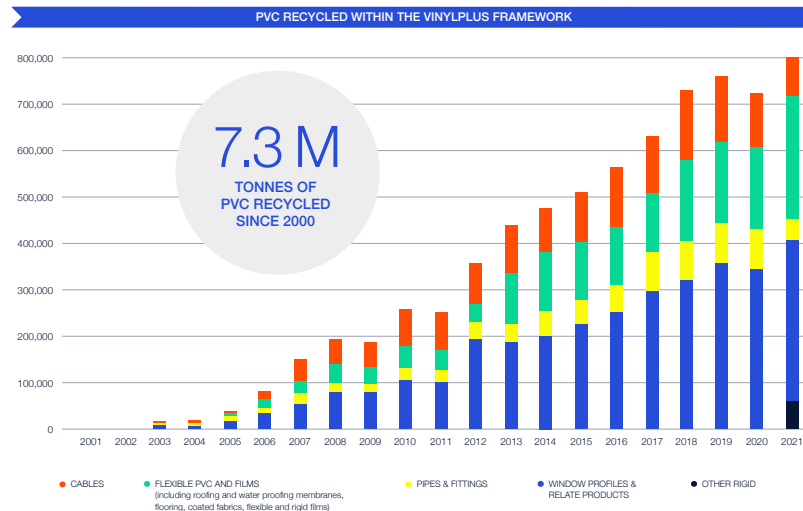
The transition to a fully circular economy is at the forefront of our commitment to sustainability.

We believe that the complex nature of the problem means that the challenge is best approached through a collaboration between industry and other organisations across our value chain.

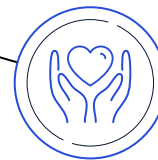
Over the last 20 years we have invested more than €30 million to help deliver our industry's voluntary commitment to recycle over one million tonnes of PVC by 2030 through VinylPlus®. RecoVinyl®, the facilitator of the VinylPlus® programme has, through over 150 recyclers and converters across Europe, managed to recycle 810,775 tonnes of PVC in 2021 which accounts

for nearly 28% of all recycled PVC in Europe. VinylPlus® set targets of 900KT of recycled PVC by 2025 and one million tonnes by 2030.

Whilst mechanical recycling is currently the most effective way to recycle most PVC, we are also pursuing other innovative technologies such as chemical recycling to increase the circularity and thereby address the more hard-to-recycle PVC with the aim of also addressing old PVC products containing legacy additives; see "Project Circle".



Value to society



INEOS Inovyn has formally recognised that our value to society is supported by two key pillars: **products and people.**

Products

The products we make are essential for modern day life, helping keep people healthy, safe, warm, housed and connected. We aim to continue supporting society by providing products that improve global living standards.

People

As a commercial enterprise we also understand we have the moral responsibility to give back and to continue adding value to society whether through investment in our own employees or through the communities in which we operate and via local suppliers.

Many of the products that we are producing play a key role in society, for example:

HEALTHY: We are providing PVC resins for use in life-saving medical device applications.

EMPOWERED: INEOS Inovyn's epichlorohydrin, used in epoxy resins, for use within high efficiency wind turbine blades.

HOUSED: Building and construction is by far the biggest industry sector for PVC applications. Our resins are used for flooring, cabling, pipes, window frames, decking, guttering and many other household and industrial building and construction applications.

SAFE: We provide essential chemicals such as chlorine, caustic soda and epichlorohydrin for the safe treatment and sanitation of water.

CONNECTED: PVC Vinyl cables are a popular choice for many within the electronics industry and through our VinylPlus® initiative most of the cables at end-of-life find new applications.

WARM: The PVC vinyl resins that we supply to our customers are converted to products used in the manufacture of highly efficient window frames that improve energy efficiency and heat retention; and our hydrogen business provides the green fuel for potential future carbon neutral domestic heating.

Innovation plays a key role in how we see INEOS Inovyn contributing to a safer, more sustainable society. INEOS Inovyn has launched over 40 new products to market in the last ten years, and continues working in ground breaking research programmes. These programmes play a key role in advancing progress towards solving societal challenges. These include developing the core structure of lightweight, durable and energy efficient PVC wind turbine blades; very low carbon footprint automotive interiors; and high performing pharmaceutical packaging.

Every three years, we are proud to host the INOVYN Awards – a global competition celebrating the best new innovations the global vinyl industry worldwide and to recognise those at the very forefront of innovation.

The Awards aims to highlight vinyl as an innovative, sustainable, versatile, cost-effective and safe material essential for products that make a significant contribution to modern society. The INOVYN Awards for 2022 will be focussed on four categories that closely reflect INEOS Inovyn's sustainability pillars: responsible care, carbon neutrality, circularity and value for society. A record 130 entries from 24 countries and 3 continents were submitted for this year's Awards. Projects related to carbon neutrality and circularity accounted for over 60% of projects, showing the strong focus on tackling climate change.



Safety awareness programme

Since the formation of INEOS Inovyn in 2015, safety has always been our top priority. We implement a structured management of safety that we are confident has significantly reduced work-related Recordable Injuries.

Since 2017, our approach to safety has broadened to beyond our factory gates to include the very last step of our business: the supply of INEOS Inovyn products to our customers.

Safety Awareness Programme is specifically aimed at working with customers and hauliers to offer a superior service, while promoting the safe handling of our products.

Since the launch of the Safety Awareness Programme, over 700 safety visits to our customers have been completed globally across all our business units (ChlorAlkali, Organic Chlorine Derivatives, Specialty Vinyls and General Purpose Vinyls). In 2019-2020,

we carried out a survey to assess the efficiency of this programme and we are proud to confirm how well it is valued by our customers. Among other feedback, customers qualified the INEOS Inovyn service as “beneficial to enable the teams to continually improve current practices” and that it was provided by “competent, capable, careful, knowledgeable, qualified, experienced and well-trained people”.

As a result of the learning gained from our safety visits to customer premises, INEOS Inovyn has developed four key guidelines for safe unloading operations that are always discussed with our customers.



Through our SHE Policy we aim to be a chemical industry leader in SHE by protecting the health and safety of our employees, the communities in which we operate and the users of our products.



Paul Daniels,
Operations Director

Good driver training

All drivers involved in the transportation and unloading of INEOS Inovyn products should be trained on a regular basis at customer premises.

Clear unloading instructions

Instructions should be prominently displayed close to the connection point and, whenever possible, using pictures.

Assess sampling procedure risk

The product sampling procedure should be properly risk assessed and should never be carried out without adequate fall protection equipment.

Venting after unloading

When possible, air pressure in the tank should be released back into the storage silo at the end of the unloading to avoid spillages, as well as reduce noise.

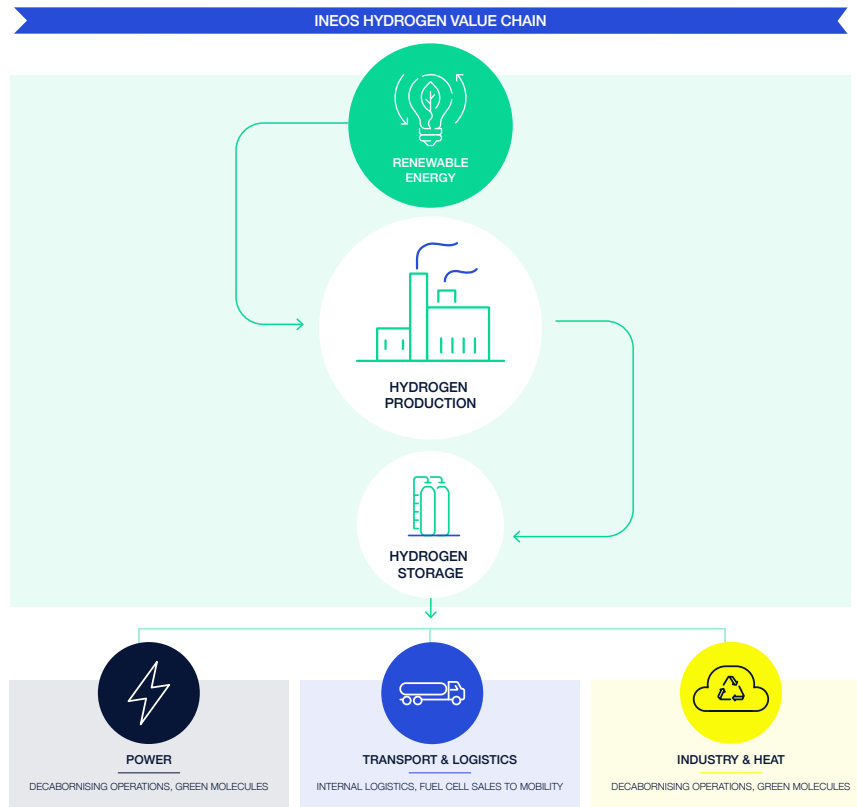


Hydrogen

Globally, greenhouse gas emissions must be substantially cut to meet international Net Zero carbon targets.

Green hydrogen as a fuel is central to achieving these goals. It is a game-changing source of energy that can be used as both a raw material for industry and as a power source for transport and the home. It has the potential to make a significant impact in the fight against climate change.

In line with EU policy, INEOS Inovyn has set the ambitious target of achieving Net Zero carbon emissions by 2050. To achieve this goal, we are investing over €2 billion in our green hydrogen business throughout Europe, bringing the Company's production of hydrogen to 400,000 tonnes a year, which would replace the equivalent of around 2 billion litres of diesel.





Project Aquarius, Norway

“Green hydrogen represents one of our best chances to create a more sustainable and low carbon world and our project at Rafnes, named project Aquarius, is an important part of INEOS Inovyn’s strategy to take a leading role in developing industrial-scale hydrogen manufacturing”.

“Aquarius will be our first major hydrogen project and an important step to achieve our goal of zero emissions by 2050”.



Geir Tuft
CEO INEOS Inovyn



INEOS Inovyn plans to build Norway’s first hydrogen plant, based on water electrolysis, at Rafnes in Vestfold and Telemark. Project Aquarius is one of the first projects to deploy a large-scale electrolyser on a chemical site, reducing its CO₂ emissions by 22KT. The **pre-project will now receive €970,000 in funding from Enova** (Norway’s transition to a low-emission society).

Project HyBay, UK

“Our expanding portfolio of clean hydrogen projects strengthens INEOS Inovyn’s sustainability strategy and supports the drive to Net Zero across the UK and the rest of Europe. INEOS Inovyn is in a unique position to reaffirm its expertise in hydrogen production and electrolysis, and to progress the green energy transition through the use of clean hydrogen.”



Wouter Bleukx,
Business Director
Hydrogen



Existing hydrogen production at INEOS Inovyn’s Runcorn Site has the capacity to power over 1,000 buses or 2,000 trucks with low-carbon fuel.

INEOS Inovyn is set to ramp up the supply of hydrogen to fuel the UK’s transport network by upgrading existing production at our Runcorn Site and supplying compressed fuel-cell quality hydrogen to the mobility and power generation sectors. By doing so, we aim to accelerate and support the uptake of hydrogen projects across the UK, thereby supporting the decarbonisation of these challenging sectors.



Geir Tuft, CEO INEOS Inovyn said:

“Hydrogen-powered transport will play a critical role in the UK’s journey to Net Zero. As the UK’s leading producer of low-carbon hydrogen, we’re perfectly positioned to drive down emissions in the transport and industrial sector.”
Geir adds: “Our expanding portfolio of clean hydrogen projects strengthens INEOS Inovyn’s sustainability strategy and supports the drive to Net Zero across the UK and the rest of Europe. INEOS Inovyn is in a unique position to reaffirm its expertise in hydrogen production and electrolysis, and to progress the green energy transition using clean hydrogen.”

INEOS Inovyn expands sustainable biomaterial development across Europe

Following an increasing demand for sustainable development options across multiple industries, INEOS Inovyn is delighted to expand its BIOVYN™ portfolio by extending its certification from The Roundtable on Sustainable Biomaterials (RSB) to include the PVC production sites of Stenungsund and Porsgrunn in Sweden and Norway.

BIOVYN™ is a range of PVC that is produced with 100% substitution of fossil feedstock with biomass, enabling a greenhouse gas saving of over 90% compared to conventional PVC. After the successful launch and certification of BIOVYN™ as a world first from our Rheinberg site in Germany and a first scope extension to include our Jemeppe site in Belgium during 2021, INEOS Inovyn now further extends its RSB certification to BIOVYN™ production across its Nordics sites, thereby offering an even wider range of sustainably produced suspension and emulsion PVC grades.



BIOVYN™ delivers a carbon footprint reduction of over

90%

 **biovyn**
INOVYN bio-attributed PVC



This development further strengthens INEOS Inovyn's production network across Europe and underpins our long-term growth strategy to improve the circular economy with BIOVYN™, offering customers an even broader range of choice of bio-attributed PVC grades and copolymers.

BIOVYN™ has been a game-changer since entering the market in late 2019, allowing a wide range of industries, such as construction, automotive and fashion to significantly reduce their carbon footprint. Following Tarkett in 2019, further market leaders from various industries have decided to make the step-change towards fossil-free solutions by choosing BIOVYN™. This includes Pipelife, Norway's largest manufacturer and supplier of plastic pipe systems; Swedish clothing brand Farmerrain; and the European vinyl glove manufacturer Jokasafe®.

“There is incredible demand for renewable PVC, that decouples its production from the conventional use of virgin fossil feedstocks. One of the biggest challenges for companies in developing sustainability strategies is understanding which options are at their disposal. We're proud to be able to provide a solution with BIOVYN™.”



Arnaud Valenduc,
Business Director



INEOS Inovyn launches world's first commercially available grade of bio-attributed epichlorohydrin

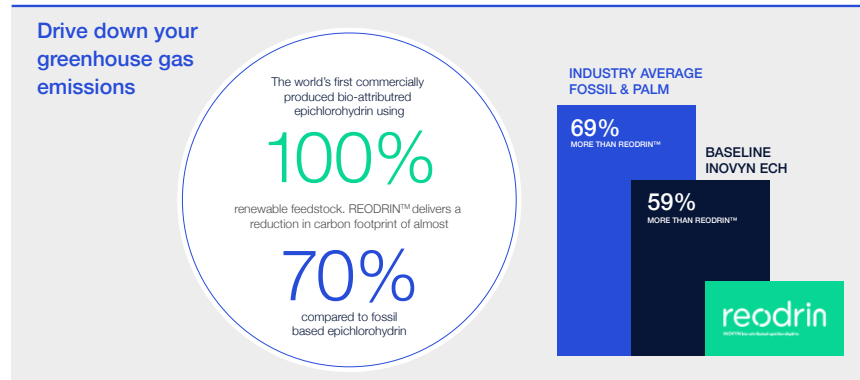
Driven by the increasing global focus on a low carbon economy, there is growing demand for a specialist, renewable epichlorohydrin that decouples its production from the use of conventional carbon-intensive feedstocks. REODRIN™ meets that demand, whilst also furthering INEOS Inovyn's goal of carbon neutrality by the year 2050.

In 2021, INEOS Inovyn launched REODRIN™, its bio-attributed epichlorohydrin made from non-fossil, circular feedstock. Manufactured at Tavaux, France, REODRIN™ is made using a second-generation, renewable feedstock that eliminates the use of energy crops and palm materials from the supply chain, therefore using 99% less land and water than conventional feedstocks. Furthermore, **REODRIN™ is certified as enabling a greenhouse gas saving of almost 70% compared to fossil-based/palm-based epichlorohydrin.**

INEOS Inovyn's choice of a renewable feedstock also demonstrates its commitment to leading the emerging bio-economy, adding to the extremely strong sustainability credentials of REODRIN™.

REODRIN™ is expected to have numerous value-added applications across a range of industry sectors, including highly specialised end-uses such as composites for wind turbines, wastewater treatment and lightweight coatings for electric vehicles.

CO₂ EMISSIONS



Environmental Product Declarations of vinyl and chlor-alkali products

In June 2021, we published our first range of Environmental Product Declarations, confirming INEOS Inovyn's position as Europe's premier low-carbon producer of vinyl and chlor-alkali products.



INEOS Inovyn's newly published EPDs for all the main products produced by INEOS Inovyn including Chlorine, Caustic Soda, Hydrogen, EDC, VCM S-PVC and E-PVC.

INEOS Inovyn's EPDs were prepared using industry best practice methodology by the Institute for Energy & Environmental Research (IFEU) Heidelberg, one of Europe's most respected and independent ecological institutes. They were critically reviewed by DEKRA Assurance Services, Stuttgart. The same methodology has been used by PlasticsEurope and Euro Chlor.

The EPDs evaluate all the main INEOS Inovyn products against an extensive set of parameters including the extraction and refining of raw materials; energy production and supply; and resource inputs and emissions including Greenhouse Gas Emissions.

The publication of our EPDs clearly demonstrates the very strong sustainability credentials of INEOS Inovyn's entire industrial system and total value chain. They also confirm that INEOS Inovyn's chlor-alkali and PVC products are a proven game-changer for industrial customers looking to reduce their own carbon footprint.

Industry is continuously seeking readily available, low carbon raw materials to meet ever increasing demand for sustainable end products. With our EPDs, INEOS Inovyn offers its customers the benefit of being able to report significantly improved eco-profiles based on credible, independently verified data.

Our focus is to become the low carbon partner of choice for the full range of industry sectors including building & construction, automotive, medical & healthcare, food & crop protection, and water treatment.

These EPD declarations are clear evidence of our ongoing commitment to accelerate the transition towards a fully circular economy and solidifies INEOS Inovyn's progress towards a carbon-neutral status for all its products.

Ecovadis

Ecovadis is recognised as one of the leading global independent assessors of environmental and labour practices, ethics and supplier sustainability.

INEOS Inovyn is rated annually by EcoVadis, the world's leading sustainability ratings provider.

- In our most recent assessment, we delivered a 5% improvement in our overall score thanks to continued progress during 2020/2021 towards making INEOS Inovyn fully sustainable.
- Overall, INEOS Inovyn is in the top 2% of all companies assessed within its industry group.

Achieving our highest score to date, and retaining of our Gold Merit status, is a clear indicator to our customers,

suppliers and wider stakeholders of the excellent progress we continue to make in this increasingly important area.

Being only 2% of achieving the platinum award, our current position is something to be greatly proud of and a great motivator for our company over the next year.

“In May 2022, we were reaccruited Gold merit status for the fourth consecutive year from EcoVadis for our performance in 2021, with improvement across all four areas.”



Tony Moorcroft
HR Director



VinylPlus® 2030 -The New Voluntary Commitment from VinylPlus®

We are delighted to have played a major part in the development of the new 10-year Voluntary Commitment of the European vinyl industry, VinylPlus® 2030 – the European PVC Industry's contribution towards sustainability, launched in June 2021 at the VinylPlus® Sustainability Forum.

From participating in the initial workshops in 2020, to assisting in the final drafting of this increasingly ambitious and successful voluntary commitment, INEOS Inovyn has played a key role.

VinylPlus® 2030 represents a major restructuring from its two previous commitments and sets out three major Pathways to accelerate the pace of the PVC industry's sustainability journey:

- **Pathway 1** – Scaling up PVC Value Chain Circularity
- **Pathway 2** – Advancing toward carbon neutrality and minimising our Environmental footprint
- **Pathway 3** – Building global coalitions and partnering for the SDGs

The three Pathways encompass 12 key action areas and 39 targets that outline concrete steps to be taken by the European vinyl PVC industry to continue improving the sustainability performance of PVC.

The Pathways are also a reflection of the significant elements within the European Commission's Green Deal which aims to boost the efficient use of resources by moving to a clean, circular economy and stop climate change whilst promoting greener products.



Filipe Constant,
©VinylPlus 2021

Pathway 1 – Scaling up PVC Value Chain Circularity

This Pathway sets out the European vinyl PVC industry's commitment to continue to push towards the increasing use of PVC recycle into new products and builds on the successes already achieved including 810KT of vinyl PVC recycled across Europe in 2021. As a minimum, the PVC industry commits to the increased use of recycle with recycling targets of 900KT PVC recycled by 2025 and 1MT by 2030. Additional support will also be given to innovative recycling technologies as well as providing resources for new eco-design criteria to ensure that end-of-life criteria are part of any future PVC product designs.

Pathway 2 – Advancing toward carbon neutrality and minimising our Environmental Footprint

This Pathway sets out the ambitious plans of the European PVC industry to ensure sustainable carbon management including publication of carbon reduction progress whilst progressively switching to renewable sources of energy and sustainable sources of feedstock. INEOS Inovyn has already made a good contribution towards this Pathway with the launch of BIOVYN™ and our own Environmental Product Declarations. The Pathway also addresses other environmental elements by minimising the footprint of PVC products. This focuses on the PVC resin itself and on the additives used in PVC.

For the PVC resin, as we are committed to the continuous reduction of organochlorine emissions, and this is demonstrated through our compliance to the ECVI Industry Charter. The Charter was recently updated in 2019 which ECVI resin manufacturers are independently audited against. ECVI members are also signatories to **Operation Clean Sweep** which sets out strict guidelines to prevent plastics leakage to the marine.

For the additives used in PVC, a new methodology has been developed, known as the Additive Sustainability Footprint (ASF). Through a ten-step approach, the ASF tool allows its users to assess and promote the sustainable production and use of PVC additives across entire product life cycles, including the role of additives in the performance of PVC products. The ASF tool is an industry-wide methodology based on the Sustainability Life Cycle Assessment approach developed by [The Natural Step](#).

Pathway 3 – Building global coalitions and partnering for the SDGs

This Pathway was developed in recognition of the key role of the UN SDGs to advance global developments. The Pathway is about transparency, responsibility and partnership.

VinylPlus® believes in joining forces and partnering across different sectors of society with citizens and communities, NGOs, the private sector, academia, institutions as well as other regional and global bodies.

One significant aspect of this Pathway is the development of the **VinylPlus®** Product label that demonstrates how INEOS Inovyn's customers can play their part in a clear demonstration towards best sustainable practices.

The new product label is a clear demonstration towards more sustainable and traceable products, helping to promote sustainable private and public procurement policies. The label is now starting to be recognised as a Green Public Procurement label in various member states. An extension to the label is a new third party audited company certification scheme for partners of **VinylPlus®** supplying PVC compounds, additives and fillers. The scheme aims to certify the upstream sustainability of the **VinylPlus®** labelled products.

INEOS Inovyn's compliance to the ECVI Charter for the responsible manufacture of PVC resins is our means of demonstrating our commitment to this important product label.



Project Circle

In parallel and complimentary to our support to Pathway 1 of the VinylPlus® 2030 Commitment, we are committed to further increase PVC circularity and include recycled material into our product range.



PVC resins which we put on to the market are today fully recyclable, but not all PVC is recycled due to product design and their dispersion within waste streams. However, INEOS Inovyn is committed to work with customers to develop appropriate solutions to enable difficult PVC waste streams to be recycled.

On that basis, we are playing an active role in the development of advanced recycling technologies to treat PVC from various post-consumer waste streams. We have launched Project Circle to support this development from laboratory scale-up to industrial units.

We are confident that with progress on sorting and recycling technologies we will have advanced recycling industrial units on stream before 2030.

INEOS Inovyn is committed to progressively incorporate in its product mix a significant part of recycled material coming from PVC and plastic recycling as our experience in this exciting technology develops.

We are also committed to allocating resources to resolve legacy additives by means of advanced recycling, and are confident it can be done.

Community Care & Initiatives

INEOS, one of the world's largest manufacturing companies, and the University of Oxford have launched a new world-leading institute to combat the growing global issue of antimicrobial resistance (AMR), which currently causes an estimated 1.5 million excess deaths each year.



AMR is predicted to cause over 10 million excess deaths per year and cost an economic toll of \$100 trillion by the mid-century. It is arguably the greatest economic and healthcare challenge facing the post-Covid world.

INEOS has long been passionate about public health, and its trio of owners Sir Jim Ratcliffe, John Reece and Andy Currie are determined to join the fight to mitigate AMR for future generations. After seeing the impact of the Covid-19 pandemic the world was not prepared for, they decided that the time to act was now, and have **provided £100 million seed funding to fund the INEOS Oxford Institute.**

Sir Jim Ratcliffe states that **“Innovative collaboration between industry, academia and government is now crucial to fight against AMR.”**

Most of the global antibiotic consumption by volume is used in agriculture, with drug use in animals contributing significantly to antibiotics' lessening effectiveness in humans. The INEOS Oxford Institute for AMR Research (IOI) is therefore focused on designing novel antimicrobials just for animals, as well as exploring new human drugs, and mapping the scale of the AMR burden around the world today, something which is yet too little understood.



While INEOS has no bearing on the academic agenda of the IOI, it intends to work with the University of Oxford to support the organisation's growth and development on the global stage.

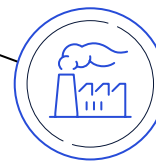
Professor Louise Richardson, Vice Chancellor of the University of Oxford, said: "This is a wonderfully generous gift for which we are very grateful. It is another example of a powerful partnership between public and private institutions to address global problems. Oxford played a crucial role in the early development of antibiotics, so it is only appropriate that we take the lead in developing a solution to antimicrobial resistance."

Humanity can solve the issue of AMR as we have done with many other problems before, by combining scientific, industry and governmental collaboration across the globe. **Our job is to stop the unthinkable from becoming the inevitable.**

Professor Louise Richardson.
Photographs for Press use
| University of Oxford.



Shutting our UK Sulphur Chemicals Business



INEOS Inovyn to close its UK sulphur chemicals plant at Runcorn Site

The Runcorn Site's third-party power supply was unexpectedly interrupted in October 2020, forcing the shutdown of the sulphur chemicals plant. It was subsequently found that several crucial plant components had sustained considerable damage during a carefully controlled restart. As a result, to ensure the safety and integrity of the plant it was taken back offline.

Following this, it became apparent that, despite substantial efforts and investments to address these problems, it would be impossible to restart the plant safely for at least another 18 to 24 months.

Because INEOS Inovyn was unable to generate sulphur chemicals for the UK chemicals industry as a result of this unplanned outage, it had an impact on its capacity to service its clients and market. Sadly, the Company had no choice but to keep the plant offline and bring the sulphur chemicals business to a permanent close.

Due to this unforeseen outage, INEOS Inovyn's ability to supply its customers and market was affected and INEOS Inovyn was no longer in a position to produce sulphur chemicals for the UK chemicals market. Regrettably, the Company was therefore left with no option but to keep the plant offline and effect a permanent closure of the sulphur chemicals business.

INEOS Inovyn's sulphur chemicals business employed around 40 people, all of whom were protected by the company's social safeguards in the event of restructuring.

Together with the employees and their representatives, a closure plan was created to determine the best course of action. We are also pleased to report that none of our workers who were connected with this industry were laid off, and no other operations at the Runcorn Site were impacted.

INEOS Inovyn also informed all their sulphur chemicals customers in the UK at the time and helped assist them in their transition to alternative supplies.



GRI Disclosures

General, Economic Performance, Environment & Social

GRI 100s

GRI 200s

GRI 300s

GRI 400s

GRI Index



GRI 100s

Organisational Profile

GRI 102-1

Organisation name

INEOS Inovyn

GRI 102-2

Primary brands, products and services (Core)

INEOS Inovyn is a wholly owned subsidiary of the global chemicals and consumer products group INEOS. Our portfolio consists of an extensive range of products grouped into five key Business Units: General Purpose Vinyls, Specialty Vinyls, Organic Chlorine Derivatives, Chlor-Alkali and Hydrogen.

Our products are used in some of the most demanding applications and are fundamental raw materials for industry sectors as diverse as automotive; power generation, building and construction; paints & adhesives; food; healthcare & medical; personal care; pulp & paper; textiles; clean energy; and water treatment.

Our products help to address some of the biggest challenges the world is facing right now. They are being used on the front-line in the fight against Covid 19, in the manufacture of renewable energy technologies, for sanitisation of drinking water, prevention of disease spread as well as many more vital applications.

Sodium hypochlorite is effective when used for hospital disinfectants, caustic soda helps make soaps and detergents. Chlorine, methylene chloride, allyl chloride and epichlorohydrin all find key applications in the production of pharmaceuticals, whilst hydrochloric acid, salt and sulphuric acid help to keep water clean and safe.

Our specialty grades of PVC are used in the production of blister packs for medicines and vital hospital equipment – including blood bags, protective gloves, surgical gowns, aprons & boots through to tents for temporary treatment facilities – whilst general purpose PVC helps to make much-needed oxygen masks, ventilator tubes, goggles, face shields and other protective clothing for front-line medical staff.

In almost all our product groups, we are the largest producer in Europe and we are also global leaders in specialty PVC. We consistently rank among the top three global manufacturers, and we are at the forefront of new product and process development across our industry.

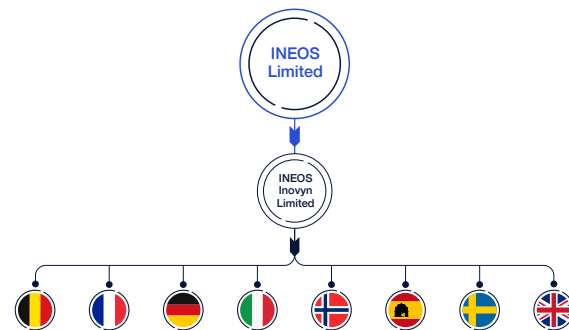
GRI 102-3, 102-4

Headquarters' location
Location of operations

INEOS Inovyn is headquartered in London, UK, with manufacturing operations in **Belgium, France, Germany, Italy, Norway, Spain, Sweden** and the **UK**. We also maintain offices in Runcorn, UK and Evere, Belgium.

Ownership and legal form

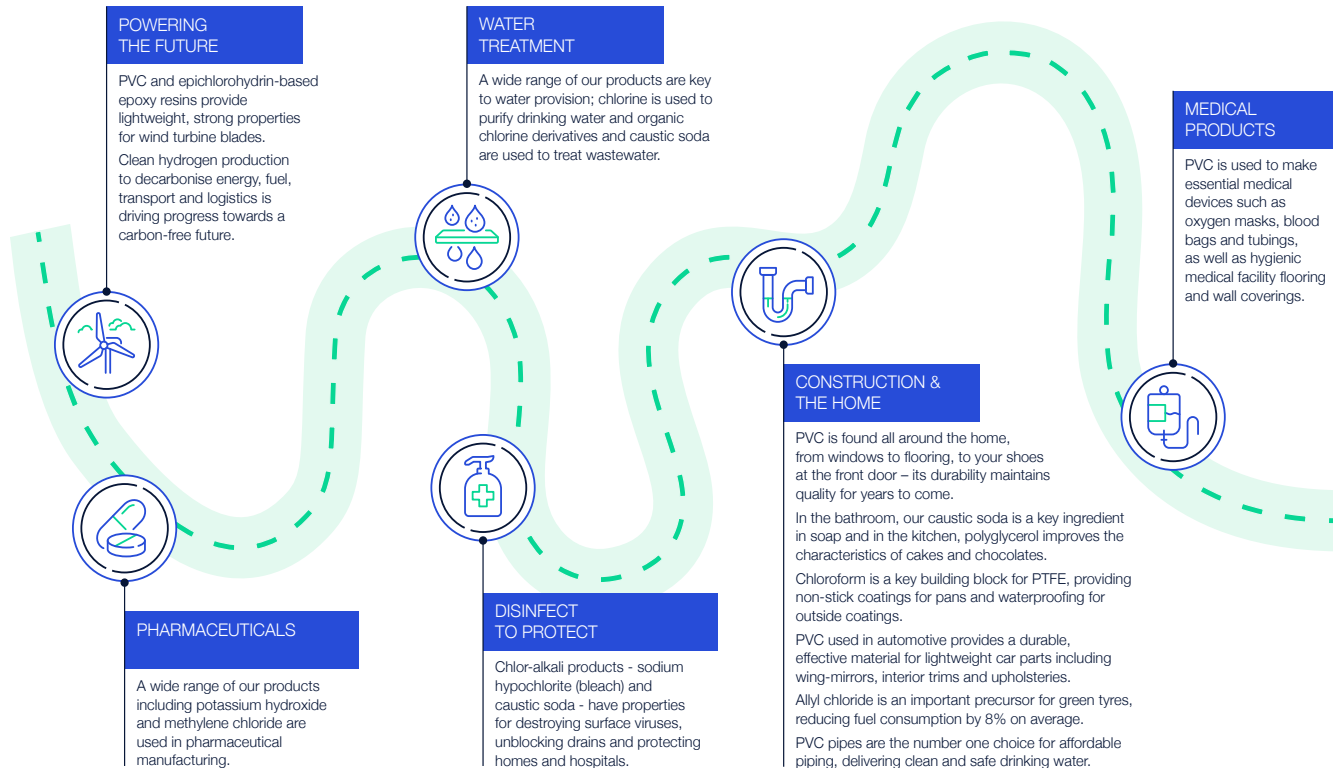
The ultimate parent company of INEOS Inovyn is INEOS. INEOS is led by its founder and Chairman Sir Jim Ratcliffe and co-owners Andy Currie and John Reece. It operates a federal structure based on clear reporting lines and direct accountability. Each business, including INEOS Inovyn, is managed largely autonomously by its own Executive directors.



GRI 102-6

Markets served (Core)

INEOS Inovyn supplies over 2,800 customers in 125 countries. Our portfolio serves several chemical markets such as General Purpose Vinyls, Specialty Vinyls, Organic Chlorine Derivatives, Chlor-Alkali, Hydrogen, Vinyls Technologies and Electrochemical Solutions. INEOS Inovyn's strengths across its extensive chlorvinyls activities creates a world scale business that continues to serve its customers and rapidly respond to changing global markets.



GRI 102-7

Scale of organisation

INEOS Inovyn has over 4,200 employees and operates 15 large-scale manufacturing sites in 8 countries across Europe. Our commercial production volume is around 10 million tonnes per annum with an annual turnover of €4.2 billion as of 2021.

GRI 102-8

Information on employees

As of 31 December 2021, INEOS Inovyn employed in total 4,242 permanent and fixed term employees. Of these, 4,236 were based in Europe, 3 in the United States and 3 in China.

As of 31/12/2021, 97% of all approved positions within INEOS Inovyn were occupied by an employee on either a full time or part-time contract. The remaining 3% of positions were either vacant or occupied by contractors / agency workers.

	PERMANENT		FIXED-TERM	
	MALE	FEMALE	MALE	FEMALE
Austria	1	1	0	0
Belgium	704	121	39	14
China	3	0	0	0
France	713	67	15	7
Germany	406	38	23	0
Italy	175	31	4	1
Netherlands	3	0	0	0
Norway	242	68	21	6
Portugal	2	0	0	0
Spain	272	32	6	4
Sweden	246	72	7	2
UK	703	165	16	9
USA	1	2	0	0
TOTAL	3,471	597	131	43

GRI 102-9

Supply Chain

Within INEOS Inovyn's supply chain we categorise our suppliers into four areas that are internally managed as separate categories:

- Energy
- Feedstocks and Raw Materials
- Logistics
- Technical Services and Goods

During 2021 across the four categories, we purchased from approximately 6400 suppliers with an annual spend of approximately €3 billion. The number of suppliers and spend split by category is as follows:

SUPPLIER CATEGORY				
Energy	NUMBER 93	% NUMBER 1	€ MILLION 1,006	% SPEND 33
Feedstocks & Raw Materials	NUMBER 300	% NUMBER 5	€ MILLION 1,253	% SPEND 42
Logistics	NUMBER 482	% NUMBER 8	€ MILLION 320	% SPEND 11
TS&G	NUMBER 5,516	% NUMBER 86	€ MILLION 434	% SPEND 14



INEOS Inovyn has a primarily European base for suppliers as all our manufacturing sites are based in Europe. The total n° of suppliers split by region is as follows:

TOTAL N° OF SUPPLIERS					
REGION	TOTAL	ENERGY	LOGISTICS	FS&RM	TS&G
EU 27	4803	49	373	242	4139
Norway	464	12	36	9	407
GB	1026	31	60	33	902
ROW	98	1	13	16	68
TOTAL	6391	93	482	300	5516

The percentage n° of suppliers split by region is as follows:

% OF TOTAL N° OF SUPPLIERS					
REGION	TOTAL	ENERGY	LOGISTICS	FS&RM	TS&G
EU 27	75.2%	0.8%	5.8%	3.8%	64.8%
Norway	7.3%	0.2%	0.6%	0.1%	6.4%
GB	16.1%	0.5%	0.9%	0.5%	14.1%
ROW	1.5%	0.0%	0.2%	0.3%	1.1%
TOTAL	100.0%	1.5%	7.5%	4.7%	86.3%

GRI 102-10

Significant changes to the organisation and its supply chain

In January 2021, INEOS Inovyn Limited and its subsidiaries repaid their external financing and became part of a larger bank group, INEOS Quattro, including INEOS Styrolution, Aromatics and Acetyls businesses.

GRI 102-12

External initiatives

We are proud to support and actively participate in a range of industry sustainability initiatives, including:

VinylPlus® 2030 Programme

INEOS Inovyn is one of the founding partners and single largest contributor to VinylPlus®, the Voluntary Commitment of the European PVC industry. In 2021 VinylPlus® launched its third successive 10-year voluntary commitment known as VinylPlus® 2030 Pathways. Details are provided on page 28 of this report. VinylPlus® 2030 comprises of three distinct pathways; addressing PVC circularity, advancing towards carbon neutrality and building global coalitions and partnerships.

INEOS Inovyn is a signatory to Operation Clean Sweep® (OCS), the voluntary industry pledge, which aims to achieve zero plastic pellet and powder loss from manufacturing plants to the to the MARINE environment. By signing the OCS pledge, we recognise



the importance of preventing any leakage. INEOS Inovyn has committed to integrating OCS principles across its entire operations. This includes carrying out regular site audits; internal procedures, containment systems and employee equipment review, developing training plans and implementing them, as well as prevention, containments and clean up procedures. INEOS Inovyn encourages all its partners to participate in the programme.

The Roundtable on Sustainable Biomaterials



The Roundtable on Sustainable Biomaterials (RSB) is the world's most trusted, valued and peer-reviewed standard for the sustainable bio-based and circular economy. INEOS Inovyn and its sister companies INEOS Olefins & Polymers Europe and INEOS Styrolution were the first chemical and polymers producers to achieve RSB certification to their Advanced Products Standard.

INEOS Inovyn is accredited to RSB standards in relation to BIOVYN™, the world's first commercially available bio-attributed PVC. As a full member of RSB, we are part of a worldwide movement of businesses, NGOs, academics, governments and UN organisations that demonstrate their commitment to best practice for sustainable biomaterial, biofuels and biomass production.





EcoVadis

INEOS Inovyn is rated annually by EcoVadis, the world's leading sustainability ratings provider. We are delighted to have achieved Gold Merit status for a third consecutive year in relation to EcoVadis's independent assessment of our environmental and labour practices, ethics and supplier sustainability. In the most recent assessment we achieved a 5% overall improvement putting us in the top 2% of all companies assessed. Full details can be found on page 26.



Responsible Care®

We are a signatory of the chemical industry's Responsible Care® initiative, which goes beyond legislative and regulatory compliance to improve the environmental, health and security performance of our industry. We have implemented the principles of Responsible Care® across our operations, and we encourage all our partners to follow suit.



The Natural Step

The Natural Step International (TNS) is a sustainable development leader that engages organisations to take concrete action towards ecological, social, and economic sustainability. INEOS Inovyn has been associated with TNS for over 20 years. TNS developed a scientific, systemic and strategic approach, coined the 'Framework for Strategic Sustainable Development' and the five key sustainability challenges of VinylPlus® are based on their framework.



GRI 102-13

Membership of associations

INEOS Inovyn makes a significant investment in external associations, both in terms of financial support and employees' time and expertise:

European associations

PlasticsEurope

PlasticsEurope is the leading European plastics trade association representing more than 90% of all polymer production across Europe. INEOS Inovyn is among more than 50 other member companies who support its many activities including the circular economy, health and safety, marine litter, life cycle thinking and innovation. We fully support PlasticsEurope's "Plastics 2030" Voluntary Commitment to achieve a fully circular and resource efficient Europe.



The European Council of Vinyl Manufacturers (ECVM)

The European Council of Vinyl Manufacturers (ECVM) represents the six leading European PVC resin manufacturers, including INEOS Inovyn. Together accounting for around 75% of the PVC resin manufactured in Europe. ECVM is a division of PlasticsEurope and represents the collective voice of the European vinyl producers in Europe whilst also making a significant contribution to the VinylPlus® initiative.



EuroChlor

EuroChlor represents the interests of European chlor-alkali producers and INEOS Inovyn is among 38 other members. The responsibilities of EuroChlor includes the promotion of best practices in safety, health and environmental protection, and encouraging the economic and social benefits of chlor-alkali products and the many industries that rely on them. We support EuroChlor's Mid-Century Strategy, which focuses on achieving the industry's vision of a safe, competitive, climate neutral and circular industry.



EU Salt Association

EU salt represents 28 salt producers across Europe and beyond. The Aim of the organisation is to act as the voice of the salt industry in Europe, to promote the wide variety of uses for salt, to foster a European regulatory and business environment favourable to long term growth and to contribute on public policy & regulatory debates on behalf of its members.



The European Clean Hydrogen Alliance

The European Clean Hydrogen Alliance aims at an ambitious deployment of hydrogen technologies by 2030. It is doing this by engaging all stakeholders in the hydrogen value chain and by mobilising resources to develop an investment agenda to stimulate the roll out of production and use of renewable and low-carbon hydrogen, and to build a concrete pipeline of projects. With the alliance, the EU wants to build its global leadership in this domain, to support the EU's commitment to reach carbon neutrality by 2050.





National Associations

We are also members of numerous national and regional associations focussed mainly on individual product groups such as PVC, chlorinated intermediaries and hydrogen.

2. Strategy

GRI 102-14, 102-15

Statement from senior decision maker Key impacts, risks and opportunities

For our senior decision maker statement, please see the welcome from our CEO, Geir Tuft on page 2.

3. Ethics and Integrity

GRI 102-16

Values, Principles, Standards and Norms

INEOS Inovyn is committed to upholding the highest ethical standards and we comply fully with all relevant local, national and international laws. Our Compliance Manager, through our General Counsel, has a reporting line to our Executive Team, which has ultimate oversight of compliance.

We remain committed and uncompromising on maintaining safety, health and the environment as our first priority. Consistent with the wider INEOS group, our Code of Conduct sets out our expectations on Safety, Health & the Environment; Competition & Sanctions; Governance; Dealing with Governments and Political Activity; Financial Integrity and Company Assets; Human Resources and the use of Digital Systems & Security. It is available in 18 languages and is accessible on the [INEOS website](#).

In accordance with our commitment towards zero incidents, we have robust policies in place to protect employee and contractor health and safety. Wherever we work, we follow all equal pay and relevant working hours directives.

INEOS Group, of which we are a part, publishes its annual Modern Slavery Transparency Statement following the UK Modern Slavery Act 2015. To maintain awareness and ensure a high level of understanding of the risks of modern slavery and human trafficking across our businesses, we have trained relevant employees and our Anti-slavery Policy is available to all staff. We never use child, forced, bonded or involuntary labour and are committed to preventing slavery and human trafficking throughout our supply chain, including subcontractors and suppliers.

The INEOS Supplier Code of Conduct is the foundation of our supply chain management and establishes our basic guidelines and criteria for supplier standards, including labour and human rights practices, health and safety, environmental protection, integrity and ethical business practices. We expect all our suppliers, at a minimum, to conform with the Supplier Code of Conduct, and we regularly audit supplier performance.

GRI 102-17

Mechanisms for advice and concerns about ethics

INEOS Inovyn is committed to an environment where open and honest communication is the expectation, not the exception.

We want our employees to feel comfortable in approaching their line manager or management if they believe a violation of Company policy or behavioural standards has occurred. However, we recognise the need for clear and independent mechanisms through which employees can voice serious concerns without fear of reprisal in any form.

Through the INEOS Speak-Up! Service, employees can access an independent third-party helpline and website available in most languages. This service is supported by the INEOS Speak-Up! policy, which is provided on the INEOS Inovyn Group Intranet and website in multiple languages.

The INEOS Speak-Up! policy protects the confidentiality of information provided through the portal and employees may choose to identify themselves or to report anonymously, with INEOS Inovyn's guarantee that all comments will be heard.



4. Governance

GRI 102-18

Governance Structure

The highest governance body of INEOS Inovyn is the Executive Team, comprising the positions of Chief Executive Officer (CEO), Chief Financial Officer (CFO), Business Director, Operations Director, Procurement Director, Human Resources Director and IT and Legal Director. The Company General Counsel and other senior managers may participate in Executive discussions at their request.

GRI 102-19

Delegating Authority

INEOS Inovyn places a high level of importance on the ability of individual business units, sites and functions to take ownership of their own sustainability strategy within the context of INEOS Inovyn's Sustainability Strategy. As such, Business Managers, Country Managers and Procurement Managers drive decision making under the guidance of the Executive Team.

GRI 102-20

Executive level response for economic, environmental & social topics

Sustainability is at the heart of INEOS Inovyn's strategy, with ultimate responsibility lying with our CEO and the Executive Team. During regular reviews the Executive receives relevant updates from functional areas on environmental, social and governance matters.

All Executive members regularly review and monitor the Company's performance in terms of safety, health and the environment (SHE). We also advocate the responsibility of all employees to uphold our principles.

The Business SHE Manager, who reports directly to the Operations Director, is the primary Executive liaison on safety, health and environmental performance with responsibility for ensuring the accurate reporting of performance against defined KPIs as well as overseeing investigations into significant incidents. Our Sustainability & Compliance Manager, who reports directly to the Business Director is responsible for sustainability initiatives and reporting.

Adherence to relevant compliance, governance and social matters is the responsibility of the General Counsel, and where local laws and customs apply, the Country Manager of the relevant region. For matters relating to HR compliance, this is the responsibility of the HR Director.

Functional Managers who report directly to Executive members are responsible for advancing sustainability performance across all aspects of our commercial activity.

GRI 102-21

Consulting stakeholders on economic, environmental & social issues

Investors and other related parties can communicate with our Executive through INEOS Quattro. Feedback is provided through regular interactions between our Investor Relations Manager and the Executive.

GRI 102-22

Composition of the highest governance body and its committees

INEOS Inovyn is led by a highly experienced Executive team, which brings together a wealth of knowledge leading some of the largest chemical companies in Europe.



INEOS Inovyn Limited has seven Directors. The Executive team operates as the highest governance body and is comprised seven members:

- **Chief Executive Officer (CEO)** – Geir Tuft
- **Chief Financial Officer (CFO)** – David Horrocks
- **Business Director** – Filipe Constant (up to Q1 2022), Arnaud Valenduc (from Q1 2022)
- **Operations Director** – Paul Daniels
- **Procurement Director** – David De Clerck
- **IT/ Legal Director** – Julie Taylorson
- **Human Resources Director** – Tony Moorcroft

The Executive team is 14% female, with four nationalities represented. Executive members have considerable experience of environmental, social and governance issues, having served as Chairs of several trade associations, as well as Executive members or senior management for a range of listed and private companies.

GRI 102-23

Chair of the highest governance body

Our Executive is led by the Chair, independent of the business, who is nominated by INEOS Capital.

The Executive team believes that the separation of the Chairman and CEO roles allows for strong governance and oversight, allowing the Chairman to focus on Executive matters while the CEO focuses on managing the running of our business.

GRI 102-24

Nominating and selecting the highest governance body

The Executive is nominated and selected by INEOS Capital.

GRI 102-26

Role of highest governance body in setting purpose, values, and strategy

Our Executive team sets the purpose, values and strategy of the business. This is reviewed annually by INEOS Capital. We strongly believe in the individual ownership of strategies by the relevant manager and their team. The Executive is responsible for updating INEOS Inovyn's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental, and social topics.

GRI 102-27

Collective knowledge of highest governance body

Our Executive regularly participates in sessions aimed at widening their understanding of economic, environmental, and social topics. Our strategy team provides regular Business Intelligence information to the Executive, which is complemented by regular

functional strategic reviews, in which relevant information concerning individual functional areas is shared.

GRI 102-29, 102-30, 120-31

Identifying and managing economic, environmental and social impacts Effectiveness of risk management processes Review of economic, environmental, and social topics

Functional areas are responsible for identifying impacts, risks and opportunities that relate to economic, environmental and social topics. These are reviewed annually at both a product group and site level through the Strategic Review process.

Regular monitoring of market trends, upcoming regulations and changes in government policy are carried out at a business unit and site level. For more information on our Executive -level risk management of ESG topics, please see [GRI 102-20](#).



GRI 102-32

Highest governance body's role in sustainability reporting

The Executive reviews and approves the annual Sustainability Report, ensuring material topics identified by our stakeholders are covered in the Report.

GRI 102-33

Communicating critical concerns

Please see [GRI 102-17](#) for information on how employees can raise issues relating to ethical breaches.

Individual directors are responsible for managing critical concerns within their remit. Employees are encouraged to highlight critical concerns to their line manager, who can then take the appropriate action necessary in line with INEOS Inovyn policy. The CEO is the key point of contact for INEOS Inovyn if there are any concerns that may need to be elevated to INEOS Group level.

GRI 102-34

Nature and total number of critical concerns

There are no critical concerns as defined by the Executive to report for the reporting period 2021.

GRI 102-35, 102-36

Remuneration Policies, Process for determining remuneration

The Executive has a Remuneration Committee and the members of such include the Chairman and the Chief Executive Officer, plus certain members representing INEOS Capital. Each committee seeks the advice of additional members with specific expertise as necessary. The Remuneration Committee meets at least once a year with the primary function to determine remuneration and other terms of employment for the directors and senior employees of the Company. In setting the remuneration policy, the committee considers several factors, including the salaries and benefits available to senior management in comparable companies and the need to ensure senior management commitment to the continued success of the Company by means of incentive schemes.

5. Stakeholder engagement

GRI 102-40

List of stakeholder groups

The relationships we have with our stakeholders are fundamental to our success.

We regularly engage with our stakeholders through a variety of channels. Our position within industry associations allows us to engage with stakeholders on key national and international issues.

In 2020, we consulted with our stakeholders on a range of sustainability topics, through our Sustainability Materiality Questionnaire. Our objective was to engage and understand our stakeholders' views. We consulted the following groups:

- Customers
- Suppliers
- National & regional governments
- Non-governmental organisations (NGOs)
- Investors
- Trade associations
- Experts within the field of sustainability





We also engaged a wide range of employees from various job roles, across all regions in which we operate.









GRI 102-41

Collective bargaining agreements

Where collective bargaining arrangements are in place, our focus is to engage in open and constructive dialogue with employee representatives. In doing so, our aim is to ensure that all joint decisions follow a transparent process and that employees who are represented through such arrangements fully understand the context.

GRI 102-42 & 102-43

Identifying and selecting stakeholders & approach to stakeholder engagement

STAKEHOLDER GROUP	METHOD OF IDENTIFICATION	ENGAGEMENT APPROACH
 Employees	All employees are regularly consulted on a wide range of matters. Specific employees were chosen on a regional approach, across a range of seniority levels, by local HR Managers for the purpose of this Report.	Our employees have regular conversations with their managers, both informally and the majority formally through the annual review process. Employees receive communications on a wider range of subject matters including Company strategy and performance, organisation changes, industry developments and specific issues, e.g. COVID-19. The Executive and senior management communicate with employees through regular monthly calls and site visits and employees are encouraged through periodical employee engagement surveys to provide feedback on a range of topics relevant to themselves and INEOS Inovyn. Employees are also able to report anonymous concerns through the INEOS Speak Up! Platform.
 Customers	Business Managers for each of our business units define our overall engagement strategy with customers. This methodology is then integrated into our stakeholder engagement process on sustainability.	We engage regularly with customers on a wide range of strategic initiatives, including sustainability. Our sales Managers, Commercial Managers and Technical Services Teams work closely with customers to maintain dialogue. We conduct regular customer surveys to help us to improve our product and service offering. We frequently carry out site visits to our customers for safety, health and compliance audits, and our customers are integral to the safe running of our plants too.
 Suppliers	We regularly engage with suppliers on a wide range of topics, with a particular focus on safety, health and the environment. This is managed by Procurement Managers, in conjunction with the Procurement Excellence team. Contractors are subject to the same stringent rules on process safety and training as our employees and all our reporting on safety, health and the environment include our hauliers and contractors where applicable.	We regularly involve suppliers on a wide range of strategic initiatives, including sustainability. We regularly carry out on-site audits of our suppliers for safety, health and compliance purposes, ensuring they meet the same requirements we expect of ourselves.
 National or regional governments	The communities in which we operate are integral to the success of our business and in many areas, we are one of the major regional employers. As such, Country and Regional Operations Managers for each of the countries and regions we operate in are responsible for regular interaction between local, regional and national governments.	We interact with local, regional and national governments and commissions on a variety of issues and respond to public consultations regarding new or updated regulation and legislation when applicable. We consult local, regional, national and international governments and commissions when making changes relevant to their jurisdiction, including, but not limited to, modifications to our site, our organisation and mergers and acquisitions.
 Local communities	We regularly meet and work with members of the community to maintain dialogue. In some cases, we participate via Community Advisory Panels and engage widely with local schools, colleges and universities to widen participation in STEM (science, technology, engineering, and mathematics) subjects. As part of the wider INEOS Group, through *THE INEOS go run for Fun, The Daily Mile and other charitable initiatives, we regularly engage thousands of children in healthy living programmes.	
 Non-governmental organisations	We regularly engage with NGOs on a range of topics, either directly through our senior management or indirectly through trade associations.	
 Investor or financial institutions	Investor relations for INEOS Inovyn are managed by INEOS Quattro who frequently speak to our investors and related parties on a range of economic, environmental and social issues.	
 Trade associations	We actively participate in 58 industry trade associations at European and national level. Business Unit Managers and Country Managers are responsible for identifying and engaging with relevant trade associations.	

GRI 102-44

Key topics and concerns raised

The below table shows the key topics by materiality score by various stakeholder groups. The materiality assessment is the same as the previous year's, as this is carried out on a triennial basis.

	 Employees	 Customers	 Suppliers	 National or regional governments	 Non-governmental organisations
TOPIC					
CIRCULARITY					x
COMPLIANCE WITH LAWS & HUMAN RIGHTS	x	x	x		
ECOLOGICAL IMPACTS				x	
ECONOMIC PERFORMANCE	x				
EMPLOYEE HEALTH & WELLBEING		x	x	x	
PRODUCT STEWARDSHIP					x
STRIVING FOR ZERO INCIDENTS	x	x	x	x	
THE LOW CARBON & HYDROGEN ECONOMY					x

6. Reporting practice

GRI 102-46

Defining report content and topic boundaries

We strongly believe in environmental, social and economic factors being key drivers for our business. We aim to be a chemical industry leader in safety, health and environmental protection, ensuring our products meet and exceed both customers' and wider society's increasing expectations. This Report has been created in line with the Global Reporting Initiative's (GRI) Standards and aims to detail our approach to sustainability, our policies and standards, and our solutions for a sustainable future. The data collected provides an overview of INEOS Inovyn and its sustainability efforts, covering the activities of all INEOS Inovyn legal entities worldwide.

GRI 102-47

List of material topics

The materiality assessment identified sustainability topics of significance to our stakeholders, business and value chain. Our first materiality assessment was conducted in 2021, in which we evaluated topics affecting our industry in conjunction with input from leaders across the Company and considered our impacts on the economy, society and the environment.

We received 216 submissions from employees and 359 submissions from external stakeholders. INEOS Inovyn's core sustainability team identified 16 topics that are relevant to our industry and are most important to our stakeholders. The topics have been split into four categories, as shown below.

The results of this assessment can be found on page 8.

Health & Safety

- Striving for zero incidents
- Employee health & wellbeing
- Product stewardship

Environmental Factors

- Circularity
- Ecological impacts
- Emissions
- Energy consumption
- The low carbon & hydrogen economy
- Waste & marine litter
- Water

Social Factors

- Community engagement
- Compliance with laws & Human Rights
- Employee engagement, diversity & inclusion
- Training & development

Business Model & Continuous Improvement

- Economic performance
- Value of products to society
- Innovation
- Sustainable procurement

GRI 102-50, GRI 102-51, GRI 102-52

Reporting period, Date of most recent report, Reporting cycle

The financial information presented in this Report is consistent with the Company's audited consolidated financial statement and management report over the year running March 2021 – March 2022. This Report has been published on Tuesday 2022.

We aim to report on our sustainability performance on an annual basis.





GRI 102-53

Contact point for questions regarding the report

For more information on our approach to sustainability and further actions, please contact: sustainability@inovyn.com

For press enquiries, please see our list of INEOS Inovyn Press Contacts published on our website.

GRI 102-54

Claims of reporting in accordance with GRI standards.

This Report publishes materials that include a GRI-referenced claim.

GRI 102-55

GRI content index

For our GRI content index, please see page 75.

GRI 102-56

External assurance

All internal stakeholders accountable for the Company's sustainability programme and performance, including INEOS Inovyn's Executive, have validated the content of this Report.





GRI 200s

Economic Performance

GRI 201-1

Direct economic value generated and distributed

	2021 €m	2020 €m	2019 €m
Revenue	4,225.6	2,878.2	3,105.4
Operating profit	628.8	408.1	386.0
Profit for the year	453.9	288.7	301.9
EBITDA before exceptional items	974.4	601.1	606.1
Cash flow from operating activities	852.2	517.6	429.0
Capital expenditure on property, plant and equipment	175.6	199.7	240.8

SALES BY REGION (BY VALUE)



EBITDA before exceptional items by segment

We divide operations into four businesses:

- General Purpose Vinyls: consisting of a portfolio of suspension PVC products and PVC resins, and output that we both consume and sell from our interest in the Feyzin cracker.
- Specialty Vinyls: consisting of emulsion PVC and specialty grade suspension PVC products.
- Organic Chlorine Derivatives: consisting of various chlorine derivatives including chlorinated paraffins, chloromethanes, allyl chloride and epichlorohydrin.
- Chlor-Alkali, consisting of caustic soda and caustic potash, chlorine and chlorine by-products, brine and water, salt and hydrochloric acid.

Our financial reporting is limited to three business segments: General Purpose Vinyls, Specialty Vinyls, and Other Chemicals. The Other Chemicals segment includes the Organic Chlorine Derivatives business, plus all products in the Chlor-Alkali business excluding caustic soda and caustic potash. For segmental reporting of EBITDA before exceptional items, the results of the caustic soda and caustic potash products (which are co-produced with chlorine in the electrolysis manufacturing process) included within the Chlor-Alkali operating business are allocated out to the three segments based on the quantities of chlorine contained in each of their products.

The EBITDA before exceptional items attributable to each business segment is as follows:

EBITDA before exceptional items	2021 €m	2020 €m	2019 €m
General Purpose Vinyls	721.7	278.7	240.1
Specialty Vinyls	204.8	156.8	156.6
Other Chemicals	47.9	165.6	209.4
	974.4	601.1	606.1

EBITDA before exceptional items is not a measure of financial performance under IFRS. EBITDA-based measures are non-GAAP measures. We believe that the presentation of EBITDA-based measures enhances an understanding of the financial performance. However, EBITDA-based measures should not be considered in isolation or viewed as a substitute for operating profit, profit, cash flows from operating activities, or other measures of performance as defined by IFRS. These EBITDA-based measures, as used herein, are not necessarily comparable to other similarly titled captions of other companies due to potential inconsistencies in the method of calculation. We calculate EBITDA before exceptional as operating profit before depreciation, amortisation, impairment and net exceptional charges.

Reconciliation of EBITDA before exceptional items to operating profit:

	2021 €m	2020 €m	2019 €m
EBITDA before exceptional items	974.4	601.1	606.1
Depreciation and amortisation	(206.3)	(183.8)	(168.5)
Exceptional items within operating profit	(139.3)	(9.2)	(51.6)
Operating profit	628.8	408.1	386.0



GRI 201-2

Financial implications and other risks and opportunities due to climate change

Both climate change itself and associated legislation and regulation have the potential to financially impact our business. We already comply with a range of regional, national and international legislation and regulation.

The EU's proposed Climate Law, the UK Climate Change Act and other associated carbon neutrality legislation could result in increased costs of purchased energy and compliance in impacted locations.

As a European operator, we are also subject to the EU Emissions Trading Scheme (ETS) as well as several other GHG reporting and permitting systems.

We continue to monitor changes to legislation and our sustainability strategy underpins our efforts to achieve carbon neutrality.

Although not possible to accurately forecast, it is reasonable to expect the demands on our business to increase in line with tighter and more widespread industry legislation and regulation. In a broader context, the effects of climate change present a future potential risk to our operations. For example, unseasonal and extreme weather, or changes to water courses and sea levels, could cause disruption to our supply chain.

GRI 201-3

Defined benefit plan obligations and other retirement plans

INEOS Inovyn operates a number of Defined Contribution plans and funded and unfunded Defined Benefit pension schemes in Europe, devised in accordance with local conditions and practices. The Defined Benefit plans are funded by payments to separately administered funds or insurance companies. We also operate several unfunded Defined Benefit pension schemes in the UK, Belgium, France, Germany, Italy, Norway, Spain and Austria.

We offer several post-retirement healthcare plans, which provide employees with other post-employment benefits in respect of health care. These plans are unfunded.

As of 31st December 2021, the projected benefit obligation for our pension plans exceeded the fair value of plan assets by €121.1 million. Subject to future actuarial gains and losses, as well as future asset earnings, we will be required to fund this discounted obligation in future years. We contributed €58.4 million, €50.4 million and €55.2 million to our Defined Benefit plans in 2021, 2020 and 2019 respectively. We estimate that it will contribute €46.1 million to Defined Benefit plans in 2022.

We paid contributions of €16.8 million, €17.4 million and €16.2 million in 2021, 2020 and 2019, respectively, to Defined Contribution plans. For more information on our pension and other post-retirement benefits see INEOS Inovyn Limited's financial statements, note 20.

204: Procurement Practices

GRI 204-1

Proportion of Spending on local Suppliers

INEOS Inovyn has 14 manufacturing sites in 8 Countries

Belgium - Lillo, Jemeppe and Zandvliet

France - Tavaux

Germany - Rheinberg

Italy - Rosignano, Tavazzano

Norway - Porsgrunn, Rafnes

Spain - Martorell

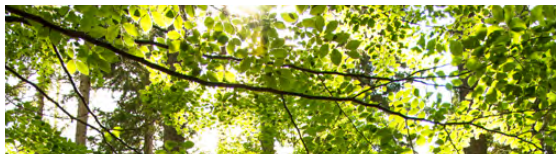
Sweden - Stenungsund

UK - Newton Aycliffe, Northwich, Runcorn



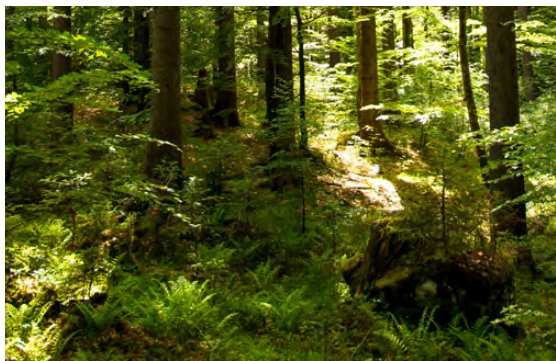
For the purposes of this report a 'significant location of operation' means one of our operational manufacturing sites.

For the purposes of this report a 'local supplier' is defined as a supplier legally registered within the same country as a manufacturing site.



Country	No of suppliers used overall in country	No of local suppliers used	Local suppliers as a % of suppliers used in country	Local spend as a % of overall procurement spend	Local spend as a % of overall country spend
Belgium	1479	1009	68%	11%	87%
France	1112	926	83%	11%	87%
Germany	738	680	92%	5%	97%
Italy	617	568	92%	5%	97%
Norway	545	440	81%	4%	86%
Spain	504	455	90%	2%	93%
Sweden	593	533	90%	2%	71%
UK excluding IEL	1023	907	89%	9%	73%

Overall, in all our significant locations of operations over 65% of suppliers are local based on the number of suppliers. Overall, in all our significant locations of operations over 70% of spend is with local suppliers (this excludes IEL as this is shown as a UK based company).



205: Anti-corruption

Management approach

As a global supplier, we are subject to a variety of anti-bribery and anti-corruption laws and regulations, including the UK Bribery Act 2010, the US Foreign & Corrupt Practices Act (FPCA), the Organization for Economic Cooperation and Development Convention on Combating Bribery of Foreign Officials in International Business Transactions, and the United Nations Convention Against Corruption.

In addition, many of the countries in which we operate have specific laws against the bribery of domestic and/or foreign government officials and agents, which we fully comply with. Integrity and ethical business practices are seen as the responsibility of all our employees, agents and business partners.

The INEOS Inovyn Anti-Bribery and Anti-Corruption policy comprises the following principles:

- Not to engage in bribery or unethical inducements or payments.
- To abide by laws and regulations relevant to countering bribery and corruption in our day-to-day business practices in all countries in which we operate.
- To subject relevant procedures to on-going risk assessment, monitoring and updating as appropriate to ensure they remain effective and valid in different circumstances.

- To support employees to take decisions that are in line with this policy and to encourage them to seek clarification and guidance in case of doubt.
- To investigate any reports of suspected violations of law, policies and internal control procedures and subject any non-compliance to appropriate sanctions.

GRI 205-1

Operations assessed for risks related to corruption

We respect all applicable local, national and international laws and policies and use the Dow Jones Risk & Compliance tool to assess risks related to corruption in the jurisdictions in which we operate. All subsidiaries of INEOS Inovyn are audited internally to ensure compliance with anti-bribery and anti-corruption laws.

GRI 205-2

Communications and training on anti-corruption

Anti-bribery and anti-corruption training is provided to all relevant employees (2021: 180 employees), principally those involved in identifying, selecting and managing INEOS Inovyn customers, suppliers and agents. All relevant employees are identified by their manager for training. Anti-bribery and anti-corruption form a key part of our Supplier Code of Conduct, with contractors and suppliers expected to comply with the same ethical integrity as INEOS Inovyn employees.

GRI 205-3

Confirmed incidents of corruption and actions taken

As of 2021, there have been no confirmed incidents of bribery or corruption involving INEOS Inovyn employees or occasions where employees have been disciplined or dismissed on such grounds.

Further, INEOS Inovyn has not been subject to any claims or investigations of corruption, nor has it terminated any contracts as a result of corruption.

206: Anti-competitive behaviour

GRI 206-1

Anti-competitive behaviour

We have detailed policies in place to ensure full compliance with prevailing competition law in all regions where we operate. Regular competition law training is provided to all employees engaged in commercial activities. In 2021, we had no legal actions pending or completed regarding anti-competitive behaviour, violations of anti-trust, or monopoly legislation in which INEOS Inovyn was identified as a participant.





GRI 300s

Environment

301: Materials**Management Approach**

INEOS Inovyn is one of the largest PVC and chlor-alkali producers in the world. Our products are used in some of the most demanding applications and are fundamental materials for industry sectors as diverse as automotive, building & construction; food; healthcare & medical; personal care; textiles and water treatment.

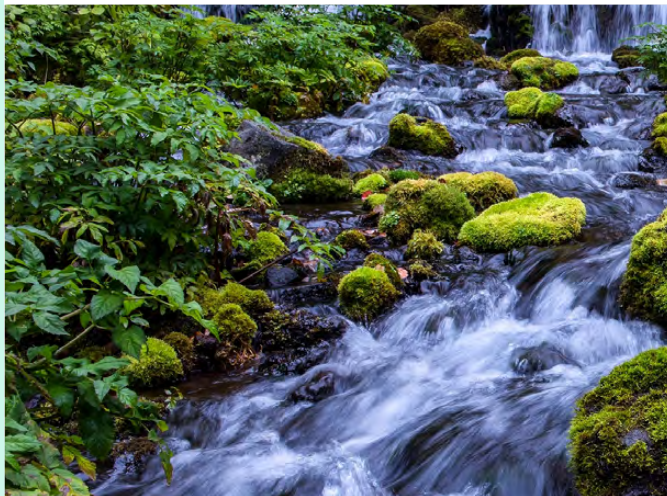
Salt and natural gas/naphtha, derived from the oil and gas industry are the two key raw materials that we extract from the earth's crust. The primary inputs to our production processes are salt, water, electricity, and hydrocarbons of varying chain lengths. Other raw materials and process aids are used, depending on the production process.

More recently we have launched our bio-attributed epichlorohydrin utilising renewable glycerol certified by RSB. For more information see our story on REODRIN™ on page 24.

We take full responsibility and stewardship of our materials and processes, working hard to prevent pellet loss and pollution. We continuously work hard to optimise our resource efficiency along all stages of the product life cycle.

Recycled and Renewable-based materials

In 2019, INEOS Inovyn introduced the world's first bio-attributed PVC, BIOVYN™, which has been entirely developed from renewable feedstocks. In this case it is from second generation biomass from the timber industry in Scandinavia. Through a bio-reactor process, tall oil derived from wood residues is converted to bio-naphtha which in turn is cracked to produce bio-ethylene. This in turn is converted to PVC resin through a mass-balance process known as bio-attribution and has been certified to meet RSB Advanced Products Standard.

**Preventing pellet loss at INEOS Inovyn**

We, as part of the larger INEOS family, have been signatories of Operation Clean Sweep® (OCS) since 2017. This global voluntary initiative at its core aims to achieve zero pellet loss to the environment. We are proud that all PlasticsEurope member companies have now become OCS signatories and we encourage all of our competitors, partners, suppliers, and customers to sign up to OCS. By signing up to OCS in Europe, we commit to the following six actions:

1. Improve worksite set-up to prevent and address spills.
2. Create and publish internal procedures to achieve zero industrial plastic material loss.
3. Provide employee training and accountability for spill prevention, containment, clean-up, and disposal.
4. Audit performance regularly.
5. Comply with all applicable state and local regulations governing industrial plastics containment.
6. Encourage partners (contractors, transporters, distributors, etc) to pursue the same goals.





302: Energy

Management approach

All of our large energy consuming sites are certified to the region of operations' applicable energy management standard. These certifications cover ISO-50001, Energie Beheers Overeenkomst (EBO) in Flanders (Belgium), the Accord de Branche in France and Wallonia (Belgium) and the UK Energy Savings Opportunities Scheme (ESOS).

Energy consumption of energy sources is continuously monitored through an internal KPI and energy improvement programmes are implemented through our Manufacturing Excellence (MEx) programmes. At INEOS Inovyn, we are continuously looking to optimise our energy efficiency, reduce our consumption and increase efficiency of raw materials, energy and water.

The Notable energy saving projects include:

ENERGY EFFICIENCY

We continuously explore and invest in a range of energy efficiency projects across our manufacturing sites that ultimately reduce our carbon footprint. Please see below for several energy-saving projects:

Jemeppe CHP hydrogen burner

A new hydrogen burner was installed onto the combined heat and power plant in Jemeppe in order to burn hydrogen instead of natural gas. This project is expected to reduce the sites GHG emissions by 2 ktCO₂-e/y.



North Star Grenland

The North Star project was commissioned in 2020 and consisted of major debottlenecking activities across both the ECU and VCM assets. This project has reduced steam consumption by 80 kt annually.

New Salt Plant at Tavaux

Replacing the salt evaporation plant at our Tavaux site. This project will reduce steam consumption by 360 kt annually, reducing CO2 emissions by 58 kt annually. This is equivalent to reducing 16% of the Tavaux footprint. Additionally, this project will reduce overall water consumption by 6%.

Additional hydrogen compression capacity in Rheinberg

Our Rheinberg site previously ran with a bottleneck on hydrogen compression meaning that during periods of high load, excess hydrogen was vented. We installed additional compression capacity, which increased sourcing clean fuel at the site. By increasing our ability to combust 1kt of additional hydrogen per year, CO2 emissions to atmosphere have been reduced by 7.5kt annually.

Zero Gap

By upgrading our electrolyzers to the latest technology, we expect to reduce GHG footprint by approx. 16 ktCO2-e/y.

Big Data and Analytics

We are running several pilot projects aimed at utilising Big Data Analytic and Digital technologies to optimise our processes and increase energy efficiency.

GRI 302-1

Energy consumption within the organisation

	UNITS	YEAR	
		2020	2021
Total Energy Use	Gigajoules	48.1M*	50.0M**
Energy Use Intensity	Gigajoules per metric tonne of product	4.8	4.6
Scope 1 (Energy)	Gigajoules	18.8M	21.6M
Scope 2 (Energy)	Gigajoules	29.3M	32.4M
Total Exported Energy	Gigajoules	Not reported	3.9M

* Includes exported energy in 2020 data
** Excludes exported energy in 2021 data

GRI 302-2

Energy consumption outside the organisation

GRI 302-3

Energy intensity

GRI 302-4

Reduction of energy consumption

Please see above





303: Water

Management approach

INEOS Inovyn is a major consumer of water as it is used both in the chlor-alkali process as well as the polymerisation medium for the production of PVC resins. We strive to use water as efficiently as possible and recognise it as a valuable resource. Water as a resource requires a localised approach due to regional and local conditions. All our sites take full ownership of their water usage. We manage our water use with total accordance to local laws and regulation, allowable limits for discharge destinations and water quality, and our site operations teams ensure compliance with local laws.

Water from our sites can be drawn from multiple sources: seawater, fresh surface water, groundwater, potable water and brackish water. Our sites continuously look for ways to reduce the amount of freshwater withdrawn and opportunities to reuse and recirculate water in cooling systems. When feasible, we will always treat and reuse wastewater on-site. If not feasible, water will be sent to a water treatment facility on-site or nearby. Water in our industry can be segregated into two uses: process water and cooling water. Process water is used in our production process and makes contact with our products. We always look for opportunities to reuse process water and reduce discharge of process water. Closed-loop water systems are a common feature of our sites configuration to support water recycling and optimisation. Cooling water does not make contact with our product, and therefore, can be discharged into the environment.

We continuously monitor and report our water consumption internally, identifying any opportunities to reduce it. Our sites independently set KPIs on water usage to enable them to set targets and reduce water consumption over time. In our first report our water reporting was under-estimated due to developing methodologies for collection of data. This remains an ongoing process as we strive to ensure that all water source reporting are captured within our reports.

GRI 303-1

Interactions with water as a shared resource

GRI 303-2

Management of water discharge-related impacts



GRI 303-3

Water withdrawal by source



WATER

	UNITS	YEAR	
		2020	2021
Total Water Consumption	m ³	19.6M*	24.0M
Total Water Withdrawal	m ³	268.9M*	415.2M
Total Water Discharge	m ³	256.8M*	390.6M
Water Consumption Intensity	m ³ /mt product	2.0	2.22

* Under estimated

GRI 303-4

Water discharge

GRI 303-5

Water consumption



305: Emissions

Management approach

INEOS Inovyn recognises the significant challenges that climate change poses to current and future generations, and we recognise that as a business, we have a role to play in tackling those issues. In line with efforts to reduce emissions under the Paris Agreement, we are committed to carbon neutrality by 2050 and endeavour to significantly reduce our emissions through targeted investments over the coming decades. Contributions to this we envisage will be enabled by innovative technologies, efficiency and optimisation improvements on our plants and increased use of renewable energy.

Our strong footprint in Europe allows us to benefit from globally competitive mixes of renewable energy, such as in Sweden and Norway, allowing us to reduce the emissions from our energy consumption. Whilst investments in our operations have significantly reduced our emissions over the past five years, we continue to look for innovative opportunities to reduce emissions.

We regularly monitor our performance related to energy, emissions, water and waste. Throughout this report, we follow methodologies as laid out by the Greenhouse gas protocol.

GRI 305-1

Direct GHG emissions (Scope 1)

GRI 305-2

Energy indirect GHG emissions (Scope 2)

GRI 305-4

GHG emissions intensity

GRI 305-5

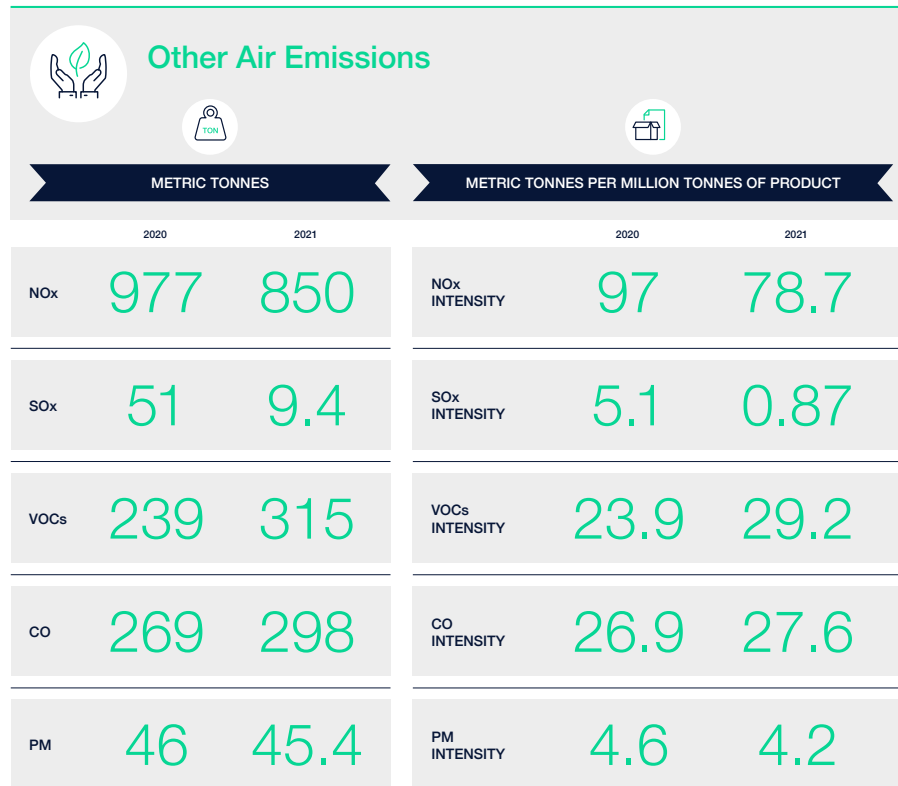
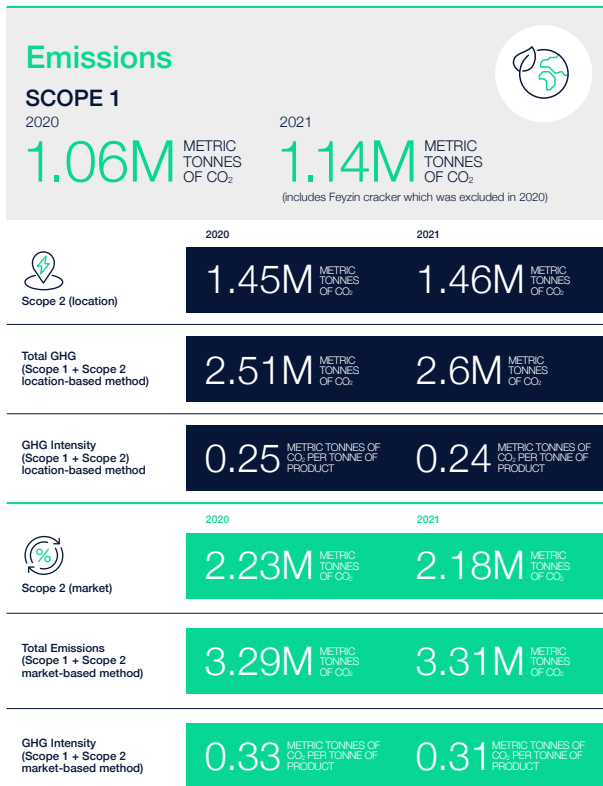
Reduction of GHG emissions

GRI 305-6

Emissions of ozone depleting substances

GRI 305-7

Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions



Waste



TOTAL

2020

159.8

THOUSAND
METRIC TONNES

2021

178

THOUSAND
METRIC TONNES

2020

2021

HAZARDOUS
WASTE
(THOUSAND
METRIC TONNES)

47.9

64.9

NON-HAZARDOUS
WASTE
(THOUSAND
METRIC TONNES)

112

113

WASTE RECYCLED/
RECOVERED
(THOUSAND
METRIC TONNES)

NOT REPORTED

81.6

HAZARDOUS WASTE
RECOVERED/ RECYCLED
(THOUSAND
METRIC TONNES)

NOT REPORTED

59.4

NON-HAZARDOUS
WASTE RECOVERED/
RECYCLED (THOUSAND
METRIC TONNES)

NOT REPORTED

22.2

WASTE INTENSITY
(METRIC TONNES/
TONNE PRODUCT)

0.016

0.018

306: Waste

Management approach

As an industry, we have always taken every opportunity to reduce our waste and find ways to reuse it in our operations. Our Energy from Waste plant (ERF) is emblematic of that. Since 2017, INEOS Inovyn's ERF plant has been diverting waste from landfill and processing it to generate low-carbon energy in the form of electricity and steam.

INEOS Inovyn has a robust waste management system in place to monitor and manage our waste. All waste disposal by our sites is managed in accordance with national and local laws and regulations. We continuously explore opportunities to derive value from our waste by reusing waste internally or finding third parties that could use it as a feedstock. All of INEOS Inovyn's sites are responsible for setting targets and KPIs related to waste and reducing our waste output. In 2021 we have also reported on the recovery and recycling of the waste generated, either through internal or external processes. In the case of hazardous waste approximately 92% of all waste generated is recovered and/or recycled through internal and/or external processes.

GRI 306-1

Waste generation and significant waste-related impacts

GRI 306-2

Management of significant waste-related impacts

GRI 306-3

Waste generated

GRI 306-4

Waste generated from disposal

GRI 306-5

Waste directed to disposal

307: Environmental Compliance

Management approach

We carry out our operations with complete respect towards our local environment. We aim to carefully manage environmental impacts such as energy, greenhouse gas emissions, water use and waste. We work closely with local municipalities and regulatory authorities who grant us licenses to operate. We seek to gain the trust of local communities by operating responsibly and safely and engaging with communities.

We continuously monitor and evaluate environmental risks and we are committed to acting responsibly and complying with all regulations related to the environment. All our sites regularly carry out environmental risk assessments to manage any environmental impacts. We also aim to operate as efficiently as possible, using resources efficiently, minimising waste and reducing our energy consumption.

INEOS Inovyn is signatory to the Responsible Care Charter®, which is the chemical industry's environmental, health, safety and security performance initiative. At its core, the commitment and its principles is a pledge to always improve environmental, health, safety and security performance for all our facilities, our processes and products. By being a signatory to Responsible Care®, we are committing to open and transparent reporting and to undergo facility audits to certify our performance and continuous improvement.

Management certification 14001

GRI 307-1

Non-compliance with environmental laws and regulations

We work very hard to minimise our impact on the environment; however, incidents can happen, and when they do, we see it as our complete responsibility to meet our obligations to our local community and environment. We diligently investigate each incident to understand what we could do to avoid any future incidents. We ensure that learnings are shared throughout the organisation to prevent any further incidents.

Number of environmental incidents

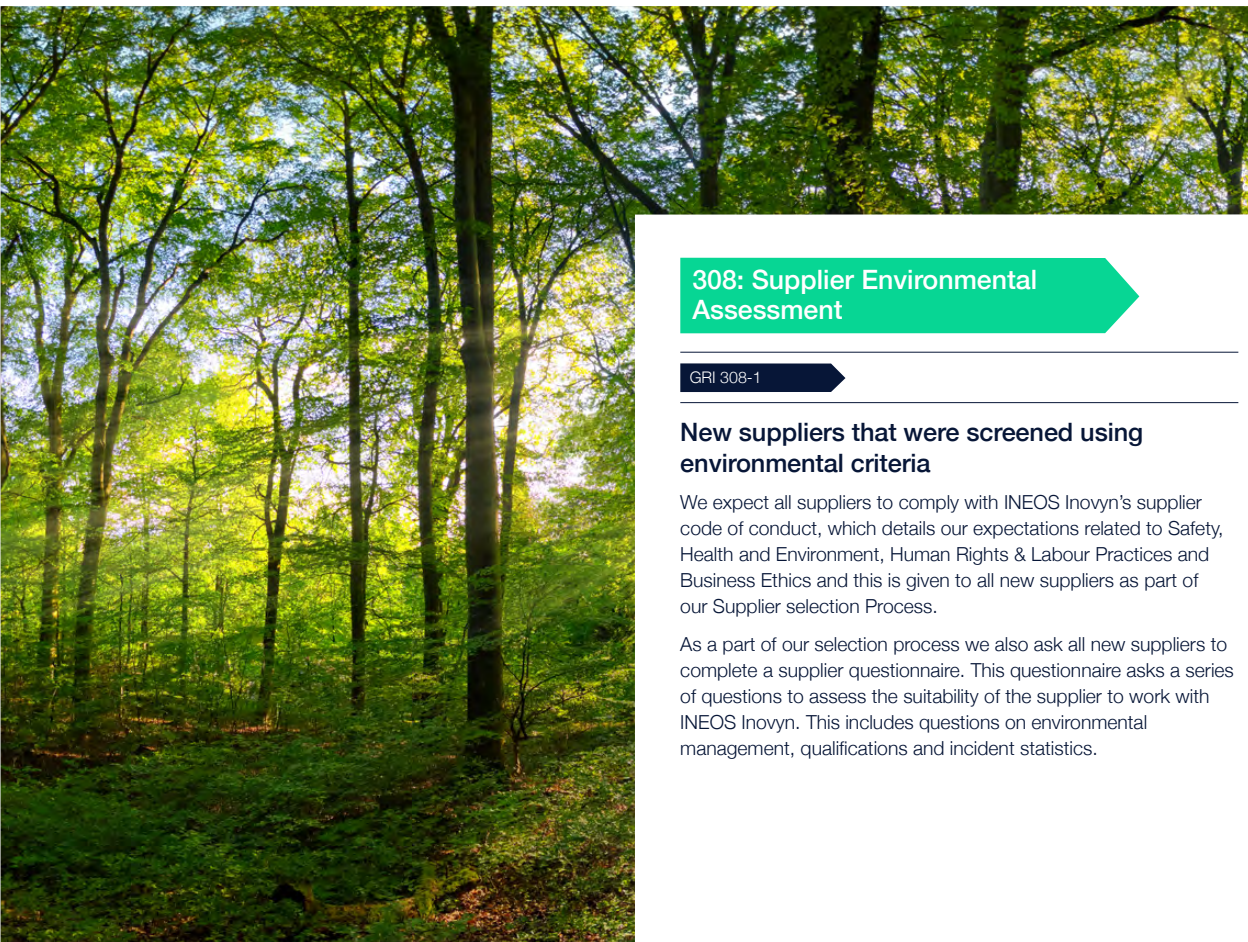
Based on the KPI "Incident cat C or D" having a significant effect on the environment offsite, requiring report to the Authority, breach of consent limits of the permit, incident formally investigated by the Authority.

Env. Incident	2016	2017	2018	2019	2020	2021
CAT D	0	0	0	0	0	0
CAT C	2	1	0	0	1	0

Fines and penalties paid

	2016	2017	2018	2019	2020	2021
Notice by the Environmental Authorities	N/A	1	0	0	0	0





308: Supplier Environmental Assessment

GRI 308-1

New suppliers that were screened using environmental criteria

We expect all suppliers to comply with INEOS Inovyn's supplier code of conduct, which details our expectations related to Safety, Health and Environment, Human Rights & Labour Practices and Business Ethics and this is given to all new suppliers as part of our Supplier selection Process.

As a part of our selection process we also ask all new suppliers to complete a supplier questionnaire. This questionnaire asks a series of questions to assess the suitability of the supplier to work with INEOS Inovyn. This includes questions on environmental management, qualifications and incident statistics.

In addition, INEOS Inovyn also has environmental clauses (SHE Clause 11) in our standard terms and condition that can only be deviated from with director approval. INEOS Inovyn has the right to terminate the contract if environmental rules are not followed. This demonstrates INEOS Inovyn's commitment to environmental criteria with all suppliers.

During 2021 we also launched a specific supplier CSR questionnaire which looks further into our supplier's environmental management systems. In 2021, this was rolled out to all key suppliers and is now being used with all suppliers from 2022.



GRI 400s

Social

Management Approach

INEOS Inovyn's success as a business is due to its global, talented and passionate workforce. We value the diversity and individuality of our people and are committed to creating an environment where all employees are treated fairly and with respect.

401: Employment

GRI 401-1

New employee hires and employee turnover

INEOS Inovyn

AVERAGE HEADCOUNT

4,242



NEW HIRES

256

6% HIRE RATE

TURNOVER

264

6% TURNOVER RATE

BY AGE



512

AVERAGE HEADCOUNT

NEW HIRES (139) 27%

TURNOVER (75) 15%



1,834

AVERAGE HEADCOUNT

NEW HIRES (95) 5%

TURNOVER (54) 3%



1,851

AVERAGE HEADCOUNT

NEW HIRES (22) 1%

TURNOVER (135) 7%

BY GENDER

640

FEMALE

MALE

3,602



NEW HIRES 57 9%



TURNOVER 55 9%



NEW HIRES 199 6%



TURNOVER 209 6%



GRI 401-1 (continued)

UK		NEW HIRES 7%	TURNOVER 3%
893	AVERAGE HEADCOUNT		
Belgium		NEW HIRES 7%	TURNOVER 1%
878	AVERAGE HEADCOUNT		
France		NEW HIRES 3%	TURNOVER 1%
802	AVERAGE HEADCOUNT		
Germany		NEW HIRES 6%	TURNOVER 1%
467	AVERAGE HEADCOUNT		
Italy		NEW HIRES 8%	TURNOVER 4%
211	AVERAGE HEADCOUNT		
Norway		NEW HIRES 5%	TURNOVER 1%
337	AVERAGE HEADCOUNT		
Spain		NEW HIRES 3%	TURNOVER 1%
314	AVERAGE HEADCOUNT		
Sweden*		NEW HIRES 17%	TURNOVER 2%
327	AVERAGE HEADCOUNT		
Other**		NEW HIRES 0%	TURNOVER 0%
13	AVERAGE HEADCOUNT		

*Data for Sweden includes temporary summer workers.

**Other includes countries with fewer than 10 employees: Austria, China, Netherlands, Portugal, USA.

GRI 401-2

Benefits provided to full-time employees that are not provided to temporary or part-time employees

We want to attract and retain the brightest and most qualified employees, which is why we offer competitive compensation and benefits, including comprehensive training. Our full-time employees receive a wide variety of benefits based on location, applicable national and local laws, and labour or works councils.

In addition to their basic annual remuneration, all employees participate in an annual discretionary Business Bonus Scheme, which rewards collective performance against a range of safety and business Key Performance Indicators (KPIs). Safety and asset reliability KPIs are set at site level to encourage local ownership of performance. Financial KPIs are set at company level. All employees are offered the opportunity to join a private Company pension scheme, which is defined on a country basis according to prevailing national employment legislation.

All employees have the opportunity to participate in a number of preferential discount schemes connected with some of INEOS' brands. All employees have access to INEOS Energy Station, which is a dedicated health and well-being hub.

GRI 401-3

Parental leave

All employees are entitled to paid parental leave in line with prevailing regional and national legislation. This is in addition to paid maternity leave for new mothers. In addition to paid leave, INEOS Inovyn endeavours to support all new parents with parental leave as allowed by applicable national laws and flexible working for a set duration when they return to work. Beyond that, INEOS Inovyn looks to accommodate childcare needs wherever possible, particularly for primary caregivers.

402: Labour/Management Relations

GRI 402-1

Minimum notice periods regarding operational changes

INEOS Inovyn endeavours to be open and transparent with employees and their representatives on significant changes to the Company or its operations that may impact employees. We aim to give as much notice as possible of such changes, however in certain circumstances the timing of such notification may be governed by market of commercial confidentiality. For matters that have transnational impact, there is an agreed notification process that is defined in the legal agreement between the Company and the European Works Council (EWC), which comprises elected employee representatives from all regions.



Matters to be the subject of information in the EWC will be those issues that (i) fall within the definition of transnational issues and (ii) relate in particular to the following topics:

- the structure and organisation of INEOS Inovyn;
- changes to the economic and financial situation of INEOS Inovyn; and
- changes to the probable development of the business, production and sales.

Matters that are the subject of information and consultation are those issues that (i) fall within the definition of transnational issues and (ii) relate in particular to the following topics:

- situation and probable trends in employment;
- ongoing and planned investments;
- substantial changes concerning work organisation;
- the introduction of new working methods or production processes;
- transfers of production and transfers of technology;
- acquisitions and mergers;
- cutbacks or closures; and
- collective or mass redundancies.

The EWC is encouraged to express points of view to INEOS Inovyn Senior Leadership on the Information provided and are entitled to obtain a reasoned response to such points of view at the time or shortly thereafter. Whilst there is no obligation to run consultations, it is envisaged that INEOS Inovyn's senior leadership will engage in dialogue on such matters. The EWC does not engage in dialogue on any issues that relate to a single country and are purely local/national issues which fall under the decision-making power of the sole national/local management.

During the COVID 19 pandemic, and with the significant restrictions on travel and personal contact, special arrangements were put in place to ensure the continuation of the EWC during 2021. Virtual meetings were held via Teams, with online 'live' translations available to maximise collaboration and effectiveness.

403: Occupational Health & Safety

GRI 403-1

Occupational Health & Safety Management System

INEOS Inovyn believes and practices the principle that an outstanding and sustainable safety performance is key to a successful business. We adhere to safe parameters in our operations and take our responsibility very seriously. As a part of the INEOS Group, we follow two sets of ten key safety principles.

These 20 principles form the foundation of our safety management system on all our sites and define what is expected of all our employees, contractors and all INEOS businesses.

The nature of chemicals used in our large-scale operations require us to deliver excellence in safety management at all times which is monitored through our extensive auditing processes. Regular training activities, auditing led by trained members within our site management and internal audit teams as well as the exchange of best practices across all sites keep safety at the forefront of operations.

During audits, findings related to serious deviations are resolved by immediate corrective actions. Findings related to minor deviations are integrated into the site's annual Safety, Health & the Environment (SHE) improvement plan. These audit processes take place according to a rolling three-year schedule.

The 20 principles are backed up by our Life Saving Rules – a golden set of rules for all employees and contractors – which are mandatory. This is coupled with our "near miss" reporting system for all employees, designed to capture issues or circumstances that may lead to unsafe conditions if left uncorrected.

All our site managers review the site performance to deliver an annual letter of assurance to the chairman of the company confirming compliance with all safety rules, potential fines for non-compliance and regulator intervention.



In line with all businesses of the INEOS Group, we adhere to the INEOS Group Guidance Notes rules for Permits to Work, Inspection of Equipment, and Management of Change (MoC). Learnings from any incidents are communicated across the company through a system of alerts.

Each site reports health and safety performance monthly to the Executive Committee, where our Chief Executive has ultimate accountability for performance. Further oversight is provided at an INEOS Group Level, whereby the shareholders of INEOS are updated on SHE performance at business and functional board meetings as well as through our letter of assurance process which requires each business to provide an annual report.

GRI 403-2

Hazard Identification, risk assessment and incident investigation

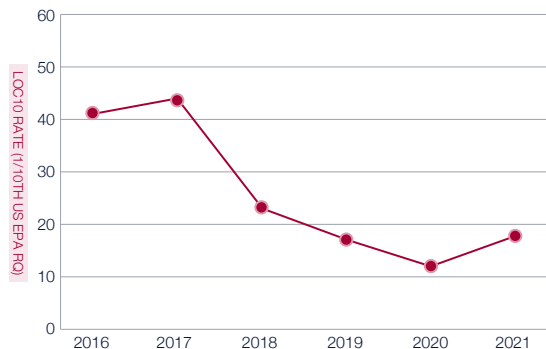
Our SHE programme specifies how we operate our manufacturing processes in a safe manner to avoid losses of containment of hazardous chemicals to the environment. In addition, we continuously develop our processes to reduce the fugitive losses to atmosphere.

Specially trained engineering teams review the design of new and existing plants to ensure that all operational modes on start-up, normal production and plant shut down can be carried out in a safe manner. All plant operating parameters, alarm settings and automatic shutdown systems are set and

reviewed on a regular basis to ensure safe plant operation. Learnings from process safety incidents across the whole of INEOS are shared to avoid incidents on other sites.

All sites are covered by Seveso II Regulations and each site must prepare a safety case for regulator review on a regular basis.

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.



The primary focus of our process safety programme is to prevent or mitigate the unplanned or uncontrolled release of hazardous chemicals. We aim to prevent the occurrence of any incidents and to protect our neighbours and the environment. We have clear standards for identifying and managing process safety risks within

our Operational Excellence framework. Regular turnarounds during which we shut down plants and carry out essential maintenance, upgrades and safety checks are a key part of our safety programme. In 2019 we introduced the concept of a KPI to monitor process safety performance. The KPI is unique as it monitors the number of process safety incidents on a regular basis, setting a target improvement year on year. As actions are completed, the KPI score is improved even further. The areas targeted are extensive, with examples including losses of containment, process safety audits, operational audits and property risk insurance recommendations.

A set of INEOS Group Guidance Notes have been developed to ensure that all INEOS Group businesses have high standards for the identification and mitigation of process safety risks. It is a requirement that all sites have a documented MoC system that defines all SHE, operational, technical, quality and financial aspects prior to, during and after the implementation of a change in an existing plant. The MoC establishes predefined steps to review and identify risk and hazards for a given change.

Employees report hazards and potentially hazardous situations through their line manager in the first instance who will deal with it in line with INEOS Inovyn SHE policy.





GRI 403-3

Occupational health services

We are committed to providing a safe workplace and comply with all applicable health and safety laws and recognized standards. Information on occupational health services is provided across all our sites with employees at our large sites having access to health services via on-site clinics.

Medical surveillance is designed to detect potential workplace hazards before irreversible health effects can occur. We provide a comprehensive medical monitoring service to assess employees exposed, or potentially exposed, to occupational hazards. We focus on prevention by proactively detecting hazards before they affect our people.

Regular health screenings assess individuals and confirm the effectiveness of exposure prevention strategies. Clinicians with expertise in occupational health, industrial exposures and respiratory protection screen workers with physical examinations and various screening tests performed at set intervals. Employees also have access to knowledgeable health professionals so they can raise questions.

Occupational health services are available to employees at a site level. As a company, we take our responsibility seriously for maintaining good and up-to-date working conditions and ensuring the well-being and security of employees. We engage with employees and encouraging

safety thinking, ensuring information is exchanged with the organisation management team (safety point of contact) and ensuring that OHS initiatives are facilitated.

GRI 403-4

Worker Participation, Consultation and Communication on Occupational Health & Safety

SHE committees at site level help drive our zero-incident culture. They ensure engagement and provide a representative forum to communicate, encourage and increase employee involvement in identifying and resolving SHE concerns with employees. Committees typically meet on a monthly or bimonthly basis and rotate members every two years. Members participate in identification of hazards, assessment of risks, investigation of incidents, implementation of corrective measures and audits.

GRI 403-5

Worker Training on Occupational Health & Safety

SHE training for all employees is mandatory at every site. Employees and contractors undergo comprehensive training, ensuring they know what to do in the event of an incident and are aware of the protocols in place to protect themselves and those

around them. The extent of training varies by role and task, with best practice and key learnings shared for all training.

GRI 403-6

Promotion of Worker Health

We view employee health and well-being as essential to our business. The Company has a statutory obligation to ensure a safe workplace in which any potential risks and hazards to health are appropriately managed. This includes for example putting in place processes and procedures to prevent exposure to hazardous substances; and providing suitable training and detailed work instructions for those employees involved in high hazard activities.

Beyond this, the Company has a strong belief that work life should be a positive experience for employees, for example by:

- providing high quality roles in which employees are motivated, challenged and have clear accountability;
- recognising and rewarding performance and encouraging personal development;
- fostering a team-oriented environment where there is an open, trusting and caring culture;
- and, encouraging all employees to maintain a good work/life balance.



GRI 403-8

Workers covered by an occupational health & safety management system

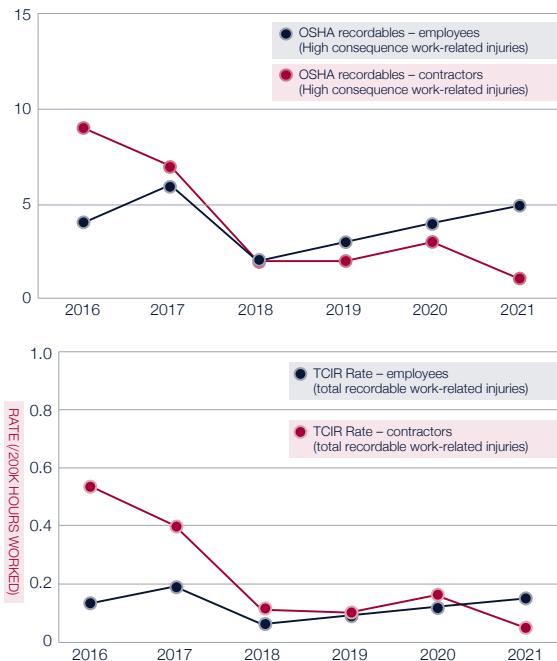
All employees and contractors at INEOS Inovyn or joint-venture sites are required to comply with all SHE requirements. Sites undergo internal audits to verify compliance with applicable SHE monitoring systems and procedures. Lessons learned and best practices are shared across the business. Onsite contractors, including logistics companies that handle and transport our products, are expected to comply with our SHE policies and support the drive for zero incidents.

We adhere to quality management systems certified by the International Organization for Standardization, ISO. As of 2021, 86% of our manufacturing sites across Europe are certified with ISO 14001 for Environment. 93% of all our sites are also certified with ISO 9001 for Quality. 71% of our sites within Belgium, France, Germany and Italy are certified with ISO 45001 for Safety and Health, as well as our sites in Sweden, Germany and France achieving ISO 50001 for Energy.

In addition to ISO certifications, INEOS Inovyn also draws on the Occupational Health and Safety Assessment Series (OHSAS). Our sites in Italy, Spain and two sites in Belgium have achieved OHSAS 18001 certification on Occupational Health and Safety Management.

GRI 403-9

Work-related Injuries



FACTOR	UNIT	2016	2017	2018	2019	2020	2021
OSHA Recordables – employees (High consequence work-related injuries)	Number	4	6	2	3	4	5
OSHA Recordables – contractors (High consequence work-related injuries)	Number	9	7	2	2	3	1

FACTOR	UNIT	2016	2017	2018	2019	2020	2021
TCIR Rate – employees (total recordable work-related injuries)	Rate (/200k hours worked)	0.13	0.19	0.06	0.09	0.12	0.15
TCIR Rate – contractors (total recordable work-related injuries)	Rate (/200k hours worked)	0.54	0.40	0.11	0.10	0.16	0.05

FACTOR	UNIT	2016	2017	2018	2019	2020	2021
Total hours worked – employees	Million Hours	6.19	6.42	6.23	6.45	6.62	6.64
Total hours worked – contractors	Million Hours	3.30	3.46	3.68	3.90	3.79	3.80

INEOS Inovyn has not recorded any employee or contractor fatalities since its inception in 2015.



404: Training and Education

GRI 404-1

Average hours of training per year per employee	Training (hours)		
	COUNTRY	INTERNAL	EXTERNAL
Belgium	27	2	29
France	42	9	51
Germany	16	12	28
Italy	19	12	31
Spain	32	20	52
Sweden	20	10	30
Norway	40	6	46
UK	50	10	60

GRI 404-2

Programmes for upgrading employee skills and transition assistance programmes

INEOS Inovyn has a number of programmes aimed at developing the skills of existing and potential future managers. Our Management Development Programme for nominated

employees consists of eight core modules designed around core management competences. Each module is run over one or two days and is attended by a cross-functional mix of managers at all levels which helps to foster improved management networking and collaboration.

We also run a targeted two-day Project Management workshop for senior managers designed specifically to support the implementation and delivery of INEOS Inovyn Strategic Objectives and improvement programmes. Selected Senior Managers can be nominated by their Executive Member to attend a one-year MBA course run by the London Business School.

Professional development

We are committed to lifelong learning and professional development. Where employees wish to enhance their professional skills in relation to their chosen career path and can demonstrate a proficient level of performance, the Company will consider providing financial support and part time study leave for the attainment of additional professional qualifications.

Transition assistance programme

INEOS Inovyn operates to a framework 'Social Measures in Case of Restructuring' that has been agreed with the European Works Council. Through this framework, we attempt to limit the social impact of restructuring and forced redundancies, proposing, where possible, measures such as support to internal or external reclassification, training facilitating access to new employment and measures facilitating geographical mobility. Our priority is to search for an internal solution for all employees impacted by restructuring, which may include repositioning within INEOS Inovyn or wider INEOS. In the event an internal solution cannot be

found, INEOS Inovyn will provide outplacement support provided by a specialised outplacement firm. In 2021, the closure of INEOS Inovyn's UK sulphur chemicals business was announced. All 41 employees impacted have been/will be successfully assigned to suitable alternative roles within the Company, thereby avoiding any redundancies.

GRI 404-3

Percentage of employees receiving regular performance and career development reviews

INEOS Inovyn has introduced a set of corporate values, which apply to all employees and underpin how we expect employees to work, both internally with colleagues and externally with key stakeholders:

- we are committed to safety, health and the environment as our top priority.
- we are motivated by achievement and the delivery of ambitious targets.
- we work together as a team, respect other points of view and challenge each other to achieve more.
- we are totally committed to the success of the business and take full accountability for delivering it.
- we welcome change and the challenges and opportunities it presents.
- we act with integrity in everything we do and are open and honest with each other.



Performance appraisal

All employees receive regular feedback on their performance from their supervisor or line manager. In addition, 1,516 employees (36%) took part in a formal performance appraisal process in 2021.

The process is designed to increase satisfaction and motivation, through the performance of individuals, using a structured approach that focusses effort on agreed objectives, identified potential for development and provided a mechanism for assessing and rewarding positive discretionary behaviours linked to corporate values.



405: Diversity and Equal Opportunity

GRI 405-1

Diversity of governance bodies and employees

EMPLOYEE CATEGORY	GENDER	
	MALE	FEMALE
Executive	86%	14%
Senior	88%	12%
Cadre	81%	19%
Non-cadre	88%	12%
All employees	85%	15%

EMPLOYEE CATEGORY	AGE RANGE		
	UNDER 30	30-50	50 AND OVER
Executive	0%	14%	86%
Senior	0%	28%	72%
Cadre*	7%	41%	52%
Non-cadre+	16%	45%	39%
All employees	13%	41%	46%

*Cadre – professional graded staff (non-senior)

+Non-cadre – professional staff (non-senior)

406: Non-Discrimination

GRI 406-1

Incidents of discrimination and corrective actions taken

INEOS Inovyn is an equal opportunities employer that does not discriminate on the grounds on gender, age, ethnicity, sexual orientation or ability. All employees are judged equally and assessed based on their skills, experience and performance in role.

For safety and health reasons, certain roles require a minimum level of physical fitness (for example emergency services personnel). Likewise, due to the nature of certain production processes, those working on certain chemical plants may be required to be screened for certain medical conditions (for example, the use of a pacemaker). Where such restrictions are in place this is made known as part of a formal risk assessment and as part of a written job description.

We comply fully with all applicable anti-discrimination legislation. In addition, we make all reasonable adjustments to the workplace to accommodate employees with specific health or disability requirements. Where an employee develops a new health condition or disability that affects their ability to perform their existing role, the Company is committed to finding them a suitable alternative role. Formal grievance processes are in place under which employees are able to raise any concerns about potential discrimination. There were no grievances raised in relation to potential discrimination in 2021.



407: Freedom of Association and Collective Bargaining

GRI 407-1

Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

We depend on good relations with our workforce.

Membership of trade unions varies in accordance with the business areas and local practice in the countries in which we operate. A number of our companies have entered into collective bargaining agreements with trade unions either directly or as members of employer organisations. These agreements typically govern, among other things, terms and conditions of employment and dispute resolution procedures. Terms and conditions of union agreements reflect the prevailing practices in each country. We estimate that as of December 31, 2021, over half our employees were members of a recognised union.

Moreover, all EU-based employees benefit from a European Works Council agreement that is designed to provide a formal mechanism for management and employee representatives to communicate on significant or potentially significant issues across our European operations. Historically, INEOS Inovyn has enjoyed good labour relations, and we are committed to maintaining these relationships.

We take a constructive approach to union relationships where there are unionised sites, and all of our businesses have been able to secure the cooperation of both unionised and the non-unionised employees with regard to significant changes and the process of continuous improvement of their businesses.

408: Child Labour

GRI 408-1

Operations and suppliers at significant risk for incidents of child labour

INEOS Inovyn prohibits child labour. We will not engage in, and will not tolerate any of our customers, suppliers, distributors or others with whom we do business with, to engage in child or forced labour, slavery or human trafficking of any kind. The majority of the INEOS Inovyn's activity is carried out in the EU, which we consider to be low risk in relation to child labour. Nevertheless, we recognise our responsibility and we have alerted relevant staff to the risks of child labour, however small, in their businesses and across the wider supply chain. We set mandatory requirements in our Supplier Code of Conduct linked to child labour and minimum age requirements as a necessary condition that suppliers have to adhere to.

409: Forced or Compulsory Labour

GRI 409-1

Operations and suppliers at significant risk for incidents of forced or compulsory labour

INEOS Inovyn does not engage, and will not tolerate any of its customers, suppliers, distributors, or others with whom it does business with, to engage in forced or compulsory labour. All work completed by our staff and contractors is entirely voluntary. We will never require any employee or contractor to surrender government-issued identification, passports, work permits or travel documents as a condition of employment. Our contracts and HR policies clearly and transparently outline the conditions of employment in the language understood by our employees. Externally, our contracts and terms of conditions clearly lay out our position on anti-slavery, forced or compulsory labour work and child labour. The INEOS modern Slavery Transparency statement, which we adhere to, can be viewed here: [INEOS Anti-Slavery Act](#).



412: Human Rights Assessment

GRI 412-1

Operations that have been subject to human rights reviews or impact assessments

INEOS Inovyn is committed to preserving Human Rights as a key principle and ensuring that the conduct of all employees and our operations is consistent with all standards of international Human Rights. Where Human Rights-related risks can be found, we diligently carry out assessments to mitigate any possible impacts. While the chemicals and plastics industry is not typically susceptible to Human Rights risks, we are vigilant to prevent any infringement of Human Rights. We will not tolerate working with any customers, suppliers or contractors who turn a blind eye to Human Rights. We set mandatory requirements in our Supplier Code of Conduct as well as the INEOS Code of Conduct, as a minimum.



413: Local Communities

GRI 413-1

Operations with local community engagement, impact assessments, and development programmes

We recognise our responsibility to be a good, honest neighbour in communities where we operate; to protect our environment, our employees and our surrounding communities. We always evaluate risks and we have detailed emergency procedures and plans in place. All INEOS Inovyn sites have emergency response teams that are trained to respond to medical incidents, fires or release of hazardous materials.

The nature of the scale of our operations means we often are a local employer, providing jobs and creating economic value in areas where we operate. We support local economies by hiring locally, supporting local suppliers and purchasing goods and services locally.

INEOS Inovyn also takes an active role in local charities, volunteering time and resources to support charities we believe in. **In 2021, we were proud to donate to essential charities local to our European sites, including The Solan Connor Fawcett Family Cancer Trust, based in Newton Aycliffe, U.K., Fundació Residència Sant Joan de Déu de Martorell in Martorell, Spain, Fellesverket Henrys Hus in Porsgrunn, Norway and Tjejjouren Västby by Stenungsund, Sweden.**

We regularly engage with our local communities through several channels: local community consultations, work councils and regular stakeholder engagements. We maintain open and honest communications with our communities, informing them of social impact assessments, environmental impact assessments, or any changes that could impact our local community and environment.

GRI 413-2

Operations with significant actual and potential negative impacts on local communities

There are a number of INEOS Inovyn manufacturing facilities that make, store or handle hazardous chemicals. These sites are subject to an additional level of internal and external regulation to ensure that potential risks and hazards are mitigated and that there is a high degree of safety.

These sites also have in place formal internal and external incident and emergency response plans, to ensure the safety of people working at the facility and those who live and work nearby. Due to the need to maintain a good level of security, precise details of substances made, stored or handled at each site are not publicly disclosed.

414: Supplier Social Assessment

GRI 414-1

New suppliers that were screened using social criteria

We expect all suppliers to comply with INEOS Inovyn's Supplier Code of Conduct which details our expectations related to Safety, Health and Environment, Human Rights & Labour Practices and Business Ethics. This is supplied to all new suppliers as part of our supplier selection Process.

We also ensure that INEOS Inovyn standard terms and conditions of purchase contain clauses related to social criteria, specifically:

- Anti-Slavery (Clause 15)
- Anti Bribery (Clause 14)
- Sanctions (Clause 13)

These documents ensure that 100% of new suppliers are screened on social criteria.

During 2021 we also launched a specific supplier CSR questionnaire which looks further into our supplier's social sustainability processes. During 2021 this was rolled out to all key suppliers and is now being used with all suppliers from 2022.

415: Public Policy

GRI 415-1

Political Contributions

INEOS Inovyn does not participate in any political contributions. We have strict policies regarding political contributions as stated in the INEOS Code of Conduct and our internal delegation rules. Under those rules, no gifts, entertainment or favours may be offered to any politician, political party, government employee, government official, candidate for public office or member or employee or any of their direct family members of any regulatory body or other instrumentality of government. Before any political involvement, exclusive of the above, the CEO must provide approval.

We are not involved politically, and we have not, to date, contributed to any political campaigns in any of the countries we operate in. We are; however, part of several European trade associations and we lobby for and against issues related to our industry as part of trade associations. Our lobbying activity on behalf of the interests of INEOS Inovyn is highly regulated by law and all employees involved in lobbying must comply with all laws regulating corporate participation in public affairs and are provided with adequate training in anti-competition and anti-corruption.

416: Customer Health and Safety

GRI 416-1

Assessment of the health & safety impacts of product & service categories





417: Marketing and Labelling

GRI 417-1

Requirements for product and service information and labelling

All INEOS Inovyn products and services are assessed for health and safety impacts. Business units conduct annual reviews of their products and services, as well as their risks to human health and the environment. Product risks are identified and managed through continuous improvement and the relevant action taken at a site or business level where necessary.

Product safety performance and customer feedback is tracked through our customer technical services function. End-use applications, raw materials and process aids used in our production processes are regularly reviewed in light of regulatory or market changes. Based on these assessments we may replace raw materials with safer alternatives. End-use applications that are not in line with our sustainability strategy, internal ethics review or regulation may be prohibited and actions taken to ensure products are not sold to those markets.

We have clear standards and processes in place to comply with all applicable regulations, monitoring changes continuously. Relevant regulations include the European Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals (REACH); the UK Registration, Evaluation, Authorisation & restriction of Chemicals

(UK REACH); the Toxic Substances Control Act in the U.S. (TSCA); the Act on the Registration and Evaluation of Chemicals in Korea (Korea REACH), and many others.

We provide a range of information to ensure the safe handling of chemicals to our customers, including safety data sheets (SDS), and when requested, regulatory clearances for our products and their end uses.

We are fully committed to the long-term sustainability of our business. We are familiar with and closely scrutinise our products' properties, establish guidelines for safe handling and processing and will continuously review and update our criteria and guidelines for the development of new products.



GRI 417-2

Incidents of non-compliance concerning the health & safety Impacts of products & services

In 2021 we were not served any notices of violation by the relevant authorities in respect of health and safety laws and met all mandatory and voluntary dossier update obligations.

418: Customer Privacy

GRI 418-1

Cybersecurity

INEOS Inovyn has implemented comprehensive policies and procedures to protect against continually evolving sophisticated global cybersecurity threats. Our cybersecurity programme covers key areas of management, technical and physical controls, legal compliance, and business continuity.

Within INEOS and INEOS Inovyn there are dedicated cybersecurity teams. The INEOS Inovyn Cybersecurity Manager reports to the Head of IT, who in turn reports directly into the INEOS Inovyn Executive. At the INEOS Group level, Company standards and mandates are developed. Compliance with these is measured via quarterly KPIs. Response to significant incidents is escalated through group-wide incident reporting.

Our cybersecurity protections include:

- Annual programme of cybersecurity training for all computer users on relevant policies and standards, best practices at work (office and remote), and how to identify and respond to key threats.
- Protective software installed and configured on Company systems and mobile devices, updated and patched on a regular basis, to provide protection against malicious threats.

- 24/7 monitoring and alerting of suspicious activities on our systems through external 3rd party Security Information and Event Management (SIEM) and Security Operations Centre (SOC).
- Established Cyber Incident Response Plans (CIRPs) for dealing with phishing, ransomware and other cybersecurity incidents.
- Regular technical risk assessments of our network, applications and manufacturing facilities using a combination of trusted suppliers and a dedicated internal team.
- Penetration, threat hunting, and vulnerability assessments conducted regularly.
- Business continuity and disaster recovery plans that are well documented and tested on a periodic basis.

Data Privacy

INEOS Inovyn collects and holds personal data on current and past employees, contractors, suppliers, job applicants, visitors, and members of the public so as to be able to fulfil employment and business contracts, for security reasons, and to manage its business obligations and interests.

The Board and management of INEOS Inovyn are committed to comply with all relevant national and EU laws in respect to personal data, and to protecting the rights and freedoms of individuals whose information they collect in accordance with, but not limited to the EU General Data Protection Regulation (GDPR) or the UK-GDPR, as applicable.

INEOS Inovyn maintains and continually improves its management systems to ensure that it meets its obligations under Personal Data

protection laws and regulations. INEOS Inovyn have policies, processes, and procedures in place to manage personal data activities; provide staff with awareness training; ensure data security measures are in place; and ensure INEOS Inovyn has an appropriate legal basis for processing personal data.

For more information regarding how INEOS Inovyn process personal data, see the [INEOS Inovyn Privacy Policy](#).





GRI Index

Organisational	35	102-19 Delegating authority	41
102-1 Name of the organisation	35	102-20 Executive level response for economic, environmental & social topics	41
102-2 Primary brands, products and services	35	102-21 Consulting stakeholders on economic, environmental & social issues	41
102-3 Headquarters' location (Core)	35	102-22 Composition of the highest governance body and its committees	41
102-4 Location of operations (Core)	35	102-23 Chair of the highest governance body	42
102-6 Markets served (Core)	36	102-24 Nominating and selecting the highest governance body	42
102-7 Scale of organisation	37	102-26 Role of highest governance body in setting purpose, values, and strategy	42
102-8 Information on employees	37	102-27 Collective knowledge of highest governance body	42
102-9 Supply chain	37	102-29 Identifying and managing economic, environmental and social impacts	42
102-10 Significant changes to the organisation and its supply chain	38	102-30 Effectiveness of risk management processes	42
102-12 External initiatives	38	120-31 Review of economic, environmental, and social topics	42
102-13 Membership of associations	39	102-32 Highest governance body's role in sustainability reporting	43
Strategy	40	102-33 Communicating critical concerns	43
102-14 Statement from senior decision maker	40	102-34 Nature and total number of critical concerns	43
102-15 Key impacts, risks and opportunities	40		
Ethics and integrity	40		
102-16 Values, principles, standards and norms	40		
102-17 Mechanisms for advice and concerns about ethics	40		
Governance	41		
102-18 Governance structure	41		



GRI Index

102-35 Remuneration policies	43
102-36 Process for determining remuneration	43
Stakeholder engagement	43
102-40 List of stakeholder groups	43
102-41 Collective bargaining agreements	44
102-42 Identifying and selecting stakeholders	44
102-43 Approach to stakeholder engagement	44
102-44 Key topics and concerns raised	45
Reporting practice	46
102-46 Defining report content and topic boundaries	46
102-47 List of material topics	46
102-50 Reporting period	46
102-51 Date of most recent report	46
102-52 Reporting cycle	46
102-53 Contact point for questions regarding the report	47
102-54 Claims of reporting in accordance with GRI standards	47
102-55 GRI content index	47
102-56 External assurance	47
Economic	48
201-1 EBITDA before exceptional items by segment	48
201-2 Financial implications and other risks and opportunities due to climate change	49
201-3 Defined benefit plan obligations and other retirement plans	49
Procurement Practices	49
204-1 Proportion of Spending on local Suppliers	49
Anti-corruption	50
205-1 Operations assessed for risks related to corruption	51
205-2 Communications and training on anti-corruption	51
205-3 Confirmed incidents of corruption and actions taken	51
Anti-competitive behaviour	51
206-1 Anti-competitive behaviour	51
ENVIRONMENT	52
Materials	52
Energy	53
302-1 Energy consumption within the organisation	54
302-2 Energy consumption outside the organisation	54
302-3 Energy intensity	54
302-4 Reduction of energy consumption	54
Water	55
303-1 Interactions with water as a shared resource	55
303-2 Management of water discharge-related impacts	55
303-3 Water withdrawal by source	55



GRI Index

303-4 Water discharge	55
303-5 Water consumption	55
Emissions	56
305-1 Direct GHG emissions (Scope 1)	56
305-2 Energy indirect GHG emissions (Scope 2)	56
305-4 GHG emissions intensity	56
305-5 Reduction of GHG emissions	56
305-6 Emissions of ozone depleting substances	56
305-7 Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions	56
Waste	58
306-1 Waste generation and significant waste-related impacts	58
306-2 Management of significant waste-related impacts	58
306-3 Waste generated	58
306-4 Waste generated from disposal	58
306-5 Waste directed to disposal	58
Environmental Compliance	59
307-1 Non-compliance with environmental laws and regulations	59
Supplier Environmental Assessment	60
308-1 New suppliers that were screened using environmental criteria	60

Social	61
Employment	61
401-1 New employee hires and employee turnover	61
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	62
401-3 Parental leave	62
Labour/Management Relations	62
402-1 Minimum notice periods regarding operational changes	62
Occupational Health & Safety	63
403-1 Occupational health and safety management system	63
403-2 Hazard identification, risk assessment and incident investigation	64
403-3 Occupational health services	65
403-4 Worker participation, consultation and communication on occupational health & safety	65
403-5 Worker training on occupational health & safety	65
403-6 Promotion of worker health	65
403-8 Workers covered by an occupational health & safety management system	66
403-9 Work-related Injuries	66



GRI Index

Training and Education 67

404-1 Average hours of training per year per employee 67

404-2 Programmes for upgrading employee skills and transition assistance programmes 67

404-3 Percentage of employees receiving regular performance and career development reviews 67

Diversity and Equal Opportunity 68

405-1 Diversity of governance bodies and employees 68

Non-Discrimination 68

406-1 Incidents of discrimination and corrective actions taken 68

Freedom of Association and Collective Bargaining 69

407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk 69

Child Labour 69

408-1 Operations and suppliers at significant risk for incidents of child labour 69

Forced or Compulsory Labour 69

409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour 69

Human Rights Assessment 70

412-1 Operations that have been subject to human rights reviews or impact assessments 70

Local Communities 70

413-1 Operations with local community engagement, impact assessments, and development programmes 70

413-2 Operations with significant actual and potential negative impacts on local communities 70

Supplier Social Assessment 71

414 – 1 New suppliers that were screened using social criteria 71

Public Policy 71

415-1 Political Contributions 71

Customer Health and Safety 71

416-1 Assessment of the health & safety impacts of product & service categories 71

Marketing and Labelling 72

417-1 Requirements for product and service information and labelling 72

417-2 Incidents of non-compliance concerning the health & safety Impacts of products & services 72

Customer Privacy 73

418-1 Cybersecurity 73