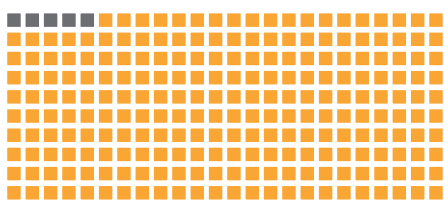

COMMUNITY AND THE INEOS PROMISE



INEOS
Shale

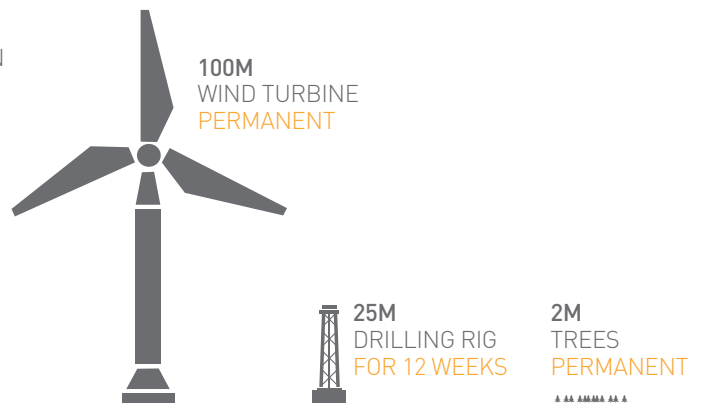
As with any drilling or construction operation there can be a period of disturbance and inconvenience to the local community. INEOS will endeavour to minimise this through careful site selection, community liaison and activity management procedures.



5 / 20

MONTHS **YEARS**
DISRUPTION OF SILENT SUPPLY

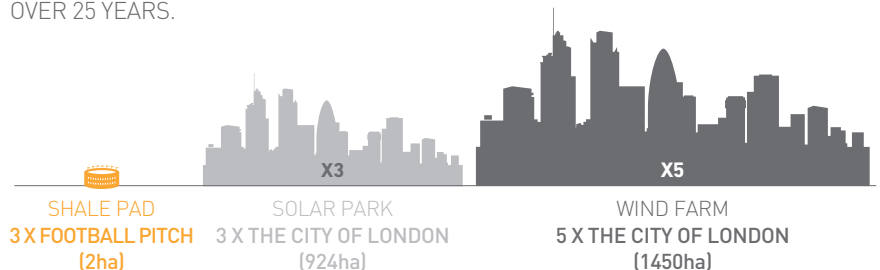
HEIGHT
COMPARISON



**64,000
JOBS**

E&Y AND IOD ESTIMATE THAT MORE THAN 64,000 JOBS COULD BE CREATED BY THE SHALE GAS INDUSTRY

LAND OCCUPIED BY WHOLE FACILITY TO PRODUCE 9.5TWh OVER 25 YEARS.



INEOS is committed to full and open consultation with local communities. When we have formulated exploration plans for any of our licences we will engage with all stakeholders in communities near to proposed sites before submitting planning applications. This will continue through each stage of the process. Regular and in depth community engagement is absolutely vital to delivering our plans and the benefits to all stakeholders.

Local businesses would also benefit from the temporary presence of staff and contractors during periods of high activity. A 2014 report by E&Y entitled 'Getting ready for UK shale gas' commissioned by UK Onshore Oil & Gas suggests that shale gas could provide 64,500 jobs (direct, indirect, induced) at peak. Once construction operations have ceased physical activity levels will be reduced to monitoring and maintenance much like a low power electricity substation found all over the UK.

OUR PROMISE

Shale gas extraction has transformed communities in the USA where landowners own the mineral rights under their property. INEOS has developed an industry leading community benefits package that seeks to replicate this, giving communities a real stake in development. INEOS has promised to share 6% of revenues. Four percent of this would go to homeowners and landowners in the immediate vicinity of a well, and a further 2% to the wider



WYTCH FARM CASE STUDY

Largest onshore oil development in Western Europe situated in Dorset

Uses horizontal wells and fracking (in targeting conventional reservoirs)

Discreet and has minimal impact on nearby community

Poole Harbour remains a highly desirable and expensive place to live

This 18 ha development is nine times larger than a 2ha shale pad

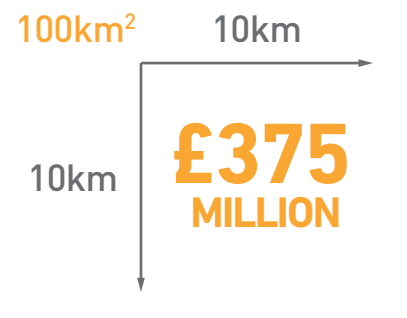
See pictures and quotes from residents <http://www.telegraph.co.uk/news/earth/earthnews/10233955/The-town-where-a-form-of-fracking-is-already-happening.html>

community. Based on our estimates, a typical 10km by 10km development area would generate £375m for the community over its lifespan.

Overall we anticipate that our future shale gas business could contribute over £2.5bn to communities under this scheme, having a material impact on regional economies and the standard of public services.

INEOS IS COMMITTED TO OPEN CONSULTATION

INEOS recognises that shale gas extraction is a controversial issue and communities have understandable questions about the potential risks and rewards. We welcome the opportunity to take part in a national public consultation, and engage comprehensively and openly with communities at every stage to accurately convey the risks and rewards, so they can make an



HOW INEOS WILL SHARE THE REVENUE



informed judgment about extraction. It is the view of mainstream scientific authorities such as the Royal Society and Royal Academy of Engineering that shale gas can be extracted safely with appropriate regulation, and there could be real benefits from doing so, including jobs, tax revenue, local investment and improved energy security. It is vital to have a thorough and evidence-based conversation to ensure this opportunity is considered properly.

FURTHER FACTS:

■ **SEPA:** www.sepa.org.uk/customer_information/energy_industry/unconventional_gas/frequently_asked_questions.aspx

■ **Office of Unconventional Gas:** www.gov.uk/government/groups/office-of-unconventional-gas-and-oil-ougo

■ **DECC website:** www.gov.uk/government/organisations/department-of-energy-climate-change

■ **UKOOG:** www.ukoog.org.uk

■ **Frackland Blog:** www.frackland.blogspot.co.uk

■ **No Hot Air:** www.nohotair.co.uk/index.php/library

■ **ReFINE:** www.refine.org.uk

■ **Frac Focus:** www.fracfocus.org

■ **The Boom:** www.russellgold.net/books/the-boom

■ **US EPA:** www2.epa.gov/hydraulicfracturing

■ **PENN State University:** <http://stateimpact.npr.org/pennsylvania/tag/fracking/>

■ **Range Resources:** www.rangeresources.com

■ **CONSOL Energy:** www.consolenergy.com