



INEOS FPS Limited 2022 Environmental Public Statement



Foreword

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

We have a clear, achievable roadmap to reduce our emissions to net zero by 2045 in line with Scottish, UK Government & INEOS Group commitments to the Paris Agreement.

As an INEOS business, INEOS FPS is aligned with INEOS Group sustainability commitments. To read more about our commitments to sustainability, including our Annual Sustainability reports please see: <https://www.ineos.com/sustainability/>.

This is the annual public statement for INEOS FPS for 2022. The statement provides a summary of the environmental performance of our infrastructure.

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Our Safety, Health, Environment & Quality Policy

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



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

Please find our INEOS Group Policy here: <https://www.ineos.com/sustainability/governance/policies-and-codes/sheq-policy/>

SAFETY, HEALTH, ENVIRONMENT & QUALITY POLICY

OUR COMMITMENTS

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

We will operate our facilities in a safe and responsible manner to prevent pollution and minimise the impact on the environment and the communities in which we operate. Should there ever be a conflict we will always choose safety over operational results.

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

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

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

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

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

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

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



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

OUR EXPECTATIONS

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

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

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

Andrew Gardner

Andrew Gardner CEO



2022 Performance Overview



492

FPS employees



2.3 million

Total hours worked (contractor partners + employees)



0.26

Occupational Safety and Health Administration (OSHA) injury rate



93 Mbbbls

Total million barrels (Mbbbls) transported through our pipeline



3.79kgCO₂e/boe

Scope 1&2 CO₂ intensity

**Safe, Reliable,
Sustainable and
Competitive to 2040+**



4.2%

Waste to landfill meeting Scotland's Zero Waste target



2

Minor internally reportable environmental events



56.4%

Flaring reduction compared to 2018



37%

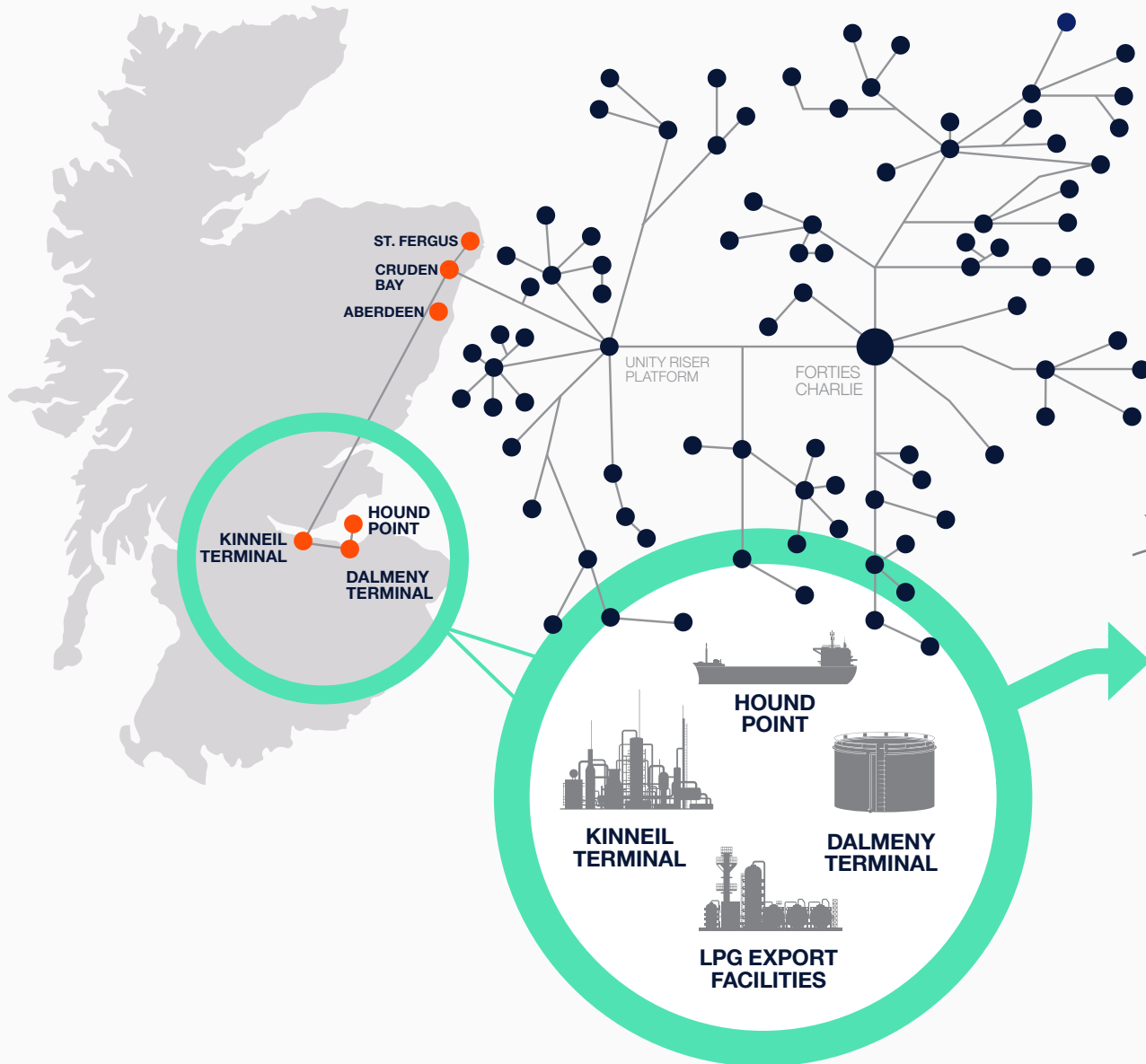
Scope 1 CO₂ emissions reduction compared to 2018



~68.2%

Hydrocarbons discharge reduction compared to 2018

FPS Overview



FPS is an integrated oil and gas transportation and processing system. It is owned and operated by INEOS and utilises more than 500 miles of pipeline to smoothly transport crude oil and gas from nearly 80 offshore fields for processing at the Kinneil Terminal. At Kinneil the oil and gas are separated, with the oil returned as Forties Blend to customers at Hound Point or pumped to the Petroineos refinery at Grangemouth. At the same time the gas goes to our LPG export facilities or is supplied to the INEOS petrochemical plant. The FPS is a critical Central North Sea transport infrastructure system and in 2020 transported over 30% of the UK's total oil production from the UKCS to the mainland.



FPS CUSTOMERS



PETROCHEMICALS



GRANGEMOUTH REFINERY

- GASOLINE
- DIESEL
- JET FUEL
- KEROSENE
- GAS OIL/HEATING OIL
- FUEL OIL
- LPG

- ETHYLENE**
- POLYETHYLENE
- SOLVENTS
- PVC
- ETHYLENE OXIDE

- PROPYLENE**
- POLYPROPYLENE
- NITRILES
- PHENOL
- CUMENE

- CRUDE C4**
- BUTADIENE
- GASOLINE

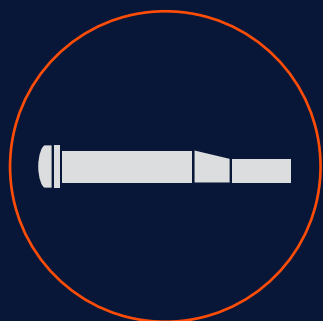
- AROMATICS**
- BENZENE
- GASOLINE

Overview of Sites



Unity

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



Cruden Bay / Landline

The Cruden Bay terminal is a key part of the FPS infrastructure and is the transition point from our subsea to onshore pipeline.

From there, the FPS Landline, again 36 inch diameter, travels 209 kilometres south to the Kinneil Terminal at the Kerse of Kinneil, Grangemouth.



Kinneil

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



LPG

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



Dalmeny

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



Hound Point

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

Environmental Management System



INEOS FPS operates an integrated management system which embeds our Environmental Management System (EMS).

Our EMS enables us to:

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

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

An OSPAR verification statement with one minor comment was reported to the Offshore Petroleum Regulator for Environment and Decommissioning ('OPRED') in October 2022. The next EMS OSPAR verification is scheduled for 2024.

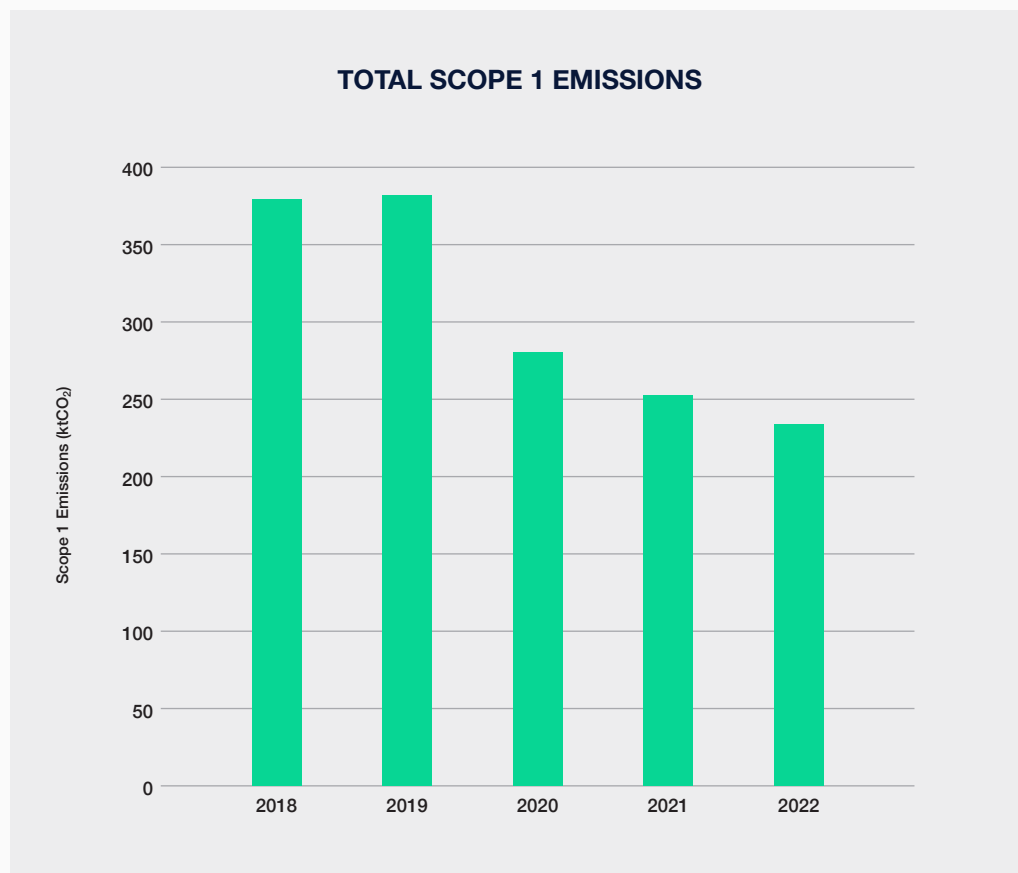
The next section outlines our environmental performance throughout 2022 including:

- Reducing our atmospheric emissions
- Effluent management
- Minimising our waste
- Communities in which we operate

Reducing our Atmospheric Emissions

Atmospheric Emissions

The chart below illustrates the Scope 1 UK Emissions Trading Scheme (ETS) CO₂ emissions from Kinneil, RLPG and Unity. Kinneil & RLPG operate under a UK ETS permit and a Pollution Prevention and Control (PPC) permit.



At Kinneil energy is required to heat incoming unstabilised crude and compress the gas that is drawn off for further processing. To achieve this Kinneil relies upon two trains each of which produce scope 1 CO₂ emissions via combustion of dry fuel gas in turbine driven compressors and fired heaters.

The Scope 1 CO₂ emissions from RLPG come from a result of flaring activities and propane requirements for the on-site heater.

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

Total Scope 1 emissions are 234 ktCO₂

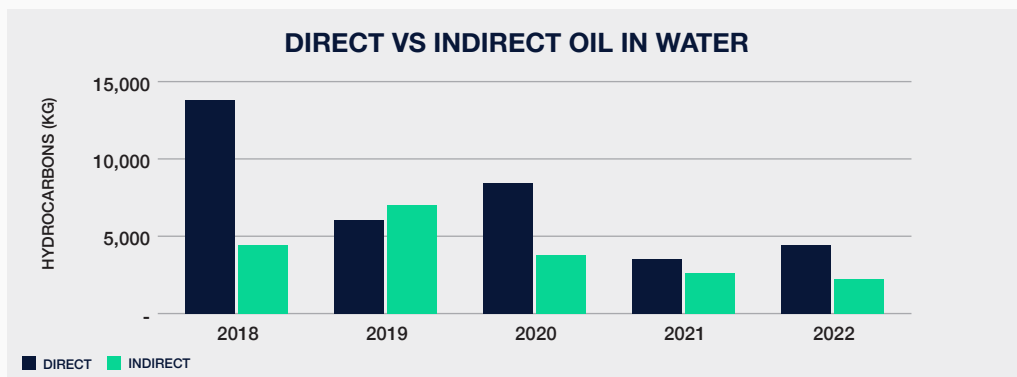
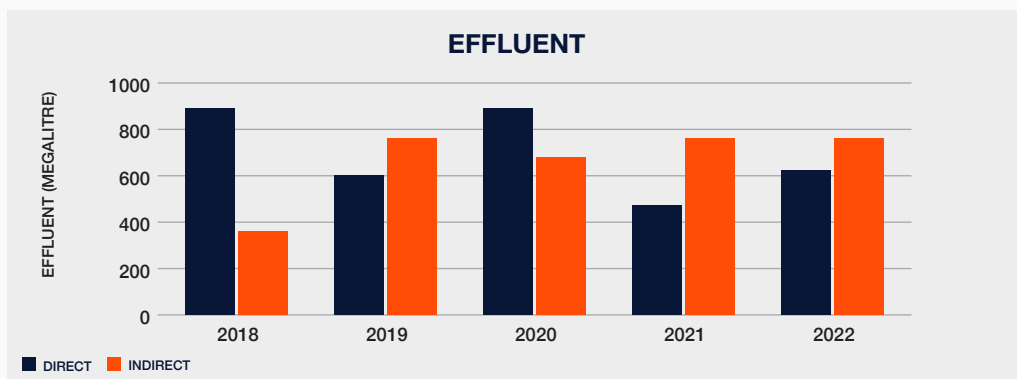
Since acquiring FPS in November 2017, INEOS FPS has reduced Scope 1 CO₂ emissions by 37% (2022). This has been delivered through:

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

Effluent Management

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

There are no regulated discharges of oil or produced water to sea from the Unity Platform that require to be reported to OPRED, in the Environmental and Emissions Monitoring System (EEMS) database.



Where Direct describes output to the environment and Indirect to third parties.

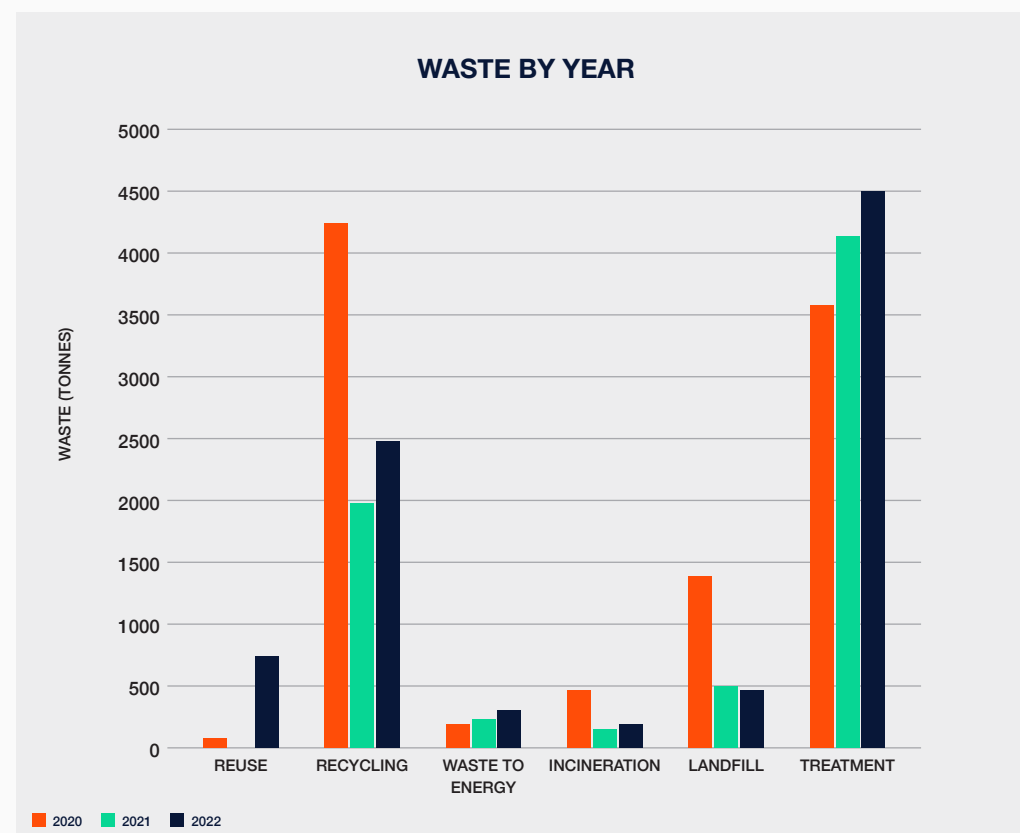


Minimising our Waste



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

The chart below illustrates the waste data for all FPS facilities from 2020 - 2022. In 2022, INEOS FPS diverted general waste from landfill and reached Scotland's Zero Waste target of 5% to landfill by 2025.



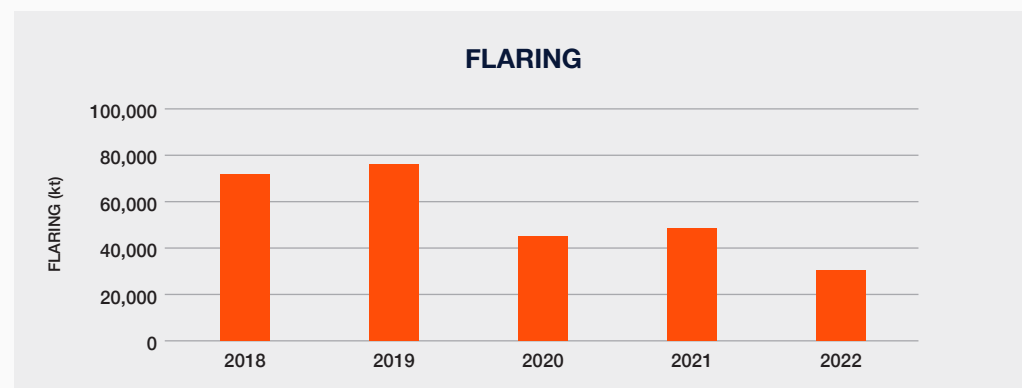
Communities in which we Operate

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

Kinneil operates under a Flaring Consent which is approved by the North Sea Transition Authority on an annual basis. Flaring has reduced at Kinneil by 56% since 2018, this has been delivered through:

- Significant asset investment targeted on areas that improve reliability and emissions performance e.g. compression.
- Continuous improvement of our EMS to reduce emissions to air, land and water and minimise our use of resources.
- A planned reduction in throughput from offshore customers resulting in emissions reduction.

Additionally, INEOS FPS are currently in the process of constructing new enclosed ground flares, as well as installing a low noise flare tip on the Train 1 Elevated Flare, further reducing the community impact of flaring.



Environmental Compliance

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

PETROLEUM OPERATIONS NOTICE NO.1 (PON 1) UNITY

DISCHARGE TYPE (TO SEA)	TOTAL NUMBER	TOTAL VOLUME (LITRES)
OIL	1	0.01
CHEMICAL	0	0

During 2022, there was one unplanned release to sea of 10 ml of crude oil from the Unity Platform, which was reported to the regulator as a PON1.



ENVIRONMENT - EXTERNALLY REPORTABLE 2022

	OPPC (OIL POLLUTION PREVENTION AND CONTROL)	PON10 (CONSENT TO LOCATE)	UK ETS (EMISSIONS TRADING SCHEME)	PPC (POLLUTION PREVENTION CONTROL)	OTHER
UNITY	0	2	N/A	N/A	0
KINNEIL/RLPG	N/A	N/A	1	10	0
DALMENY/HOUND POINT	N/A	N/A	N/A	1	0
CRUDEN BAY	N/A	N/A	N/A	0	0
PLPG	N/A	N/A	N/A	0	0
LANDLINE	N/A	N/A	N/A	N/A	1

During 2022, there were fifteen externally reportable non-compliances against the FPS environmental permits. The non-compliances were technical or minor permitted emissions limit value breaches and did not result in a negative impact on the environment.

Key Sustainability Achievements and Objectives

The INEOS Group Sustainability Strategy is to develop and safely manufacture the products needed to address the challenges of climate change, public health, resource scarcity, urbanisation, waste, and pollution in a way which drives us all towards a net zero emissions economy by 2050 and 2045 in Scotland. Our approach to sustainability focuses on seven key areas:



As part of continuously improving in line with the INEOS Group Sustainability Strategy and the FPS Annual Safety, Health, Environment and Quality plan, some of the key activities we have delivered in 2022 and our key improvement projects in 2023 are highlighted below:



2022	2023
<ul style="list-style-type: none"> • Achieved Scotland's Zero Waste target of less than 5% of waste sent to landfill. • Supported our local community with the STEM Summer School with Forth Valley College, classroom visits and providing funding to local projects. • Implemented climate and energy forums to bring diverse range of FPS leaders to drive emissions reduction. 	<ul style="list-style-type: none"> • Continue to increase waste segregation and recycling across all the sites. • Continue to support our local community with the STEM Summer School, classroom visits and providing funding to local projects. • Steam reduction project resulting in an approximate saving of 5,000 tCO₂/yr. • Minor asset electricity switched to 100% renewable. • Continued investment to minimise impact of flaring.

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FPS

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